



OHIO AUDITOR OF STATE
KEITH FABER



MASON CITY SCHOOL DISTRICT
WARREN COUNTY
FOR THE YEAR ENDED JUNE 30, 2023

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Attachment: Annual Comprehensive Financial Report

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**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2023**

FEDERAL GRANTOR Pass Through Grantor Program / Cluster Title	Grant Year	Assistance Listing	Disbursements	Non-Cash Disbursements
<u>U.S. DEPARTMENT OF AGRICULTURE</u>				
<i>Passed Through Ohio Department of Education:</i>				
<u>Child Nutrition Cluster:</u>				
Non-Cash Assistance (Food Distribution):				
National School Lunch Program	2022	10.555		\$287,400
Cash Assistance:				
National School Lunch Program	2023	10.555	956,437	
National School Lunch Program	2022	10.555	692,172	
Covid-19 National School Lunch Program	2023	10.555	248,706	
Total National School Lunch Program			<u>1,897,315</u>	<u>287,400</u>
National School Breakfast Program	2023	10.553	97,819	
National School Breakfast Program	2022	10.553	115,328	
Total National School Breakfast Program			<u>213,147</u>	<u>0</u>
Total Child Nutrition Cluster			<u>2,110,462</u>	<u>287,400</u>
COVID-19 Pandemic EBT Administrative Costs	2023	10.649	3,135	
Total U.S. Department of Agriculture			<u>2,113,597</u>	<u>287,400</u>
<u>U.S. DEPARTMENT OF THE TREASURY</u>				
<i>Passed through Ohio Facilities Commission</i>				
COVID-19 Coronavirus State Fiscal Recovery Funds	2023	21.027	72,975	
Total U.S. Department of the Treasury			<u>72,975</u>	<u>0</u>
<u>U.S. DEPARTMENT OF EDUCATION</u>				
<i>Passed Through Ohio Department of Education:</i>				
<u>Special Education Cluster:</u>				
Special Education-Grants to States	2023	84.027	2,042,406	
Covid-19 Special Education-Grants to States (ARP)	2022	84.027	331,285	
Special Education-Grants to States	2022	84.027	282,430	
Total Special Education-Grants to States			<u>2,656,121</u>	<u>0</u>
Special Education-Preschool Grants	2023	84.173	26,793	
Special Education-Preschool Grants	2022	84.173	4,569	
Total Special Education-Preschool Grants			<u>31,362</u>	<u>0</u>
Total Special Education Cluster			<u>2,687,483</u>	<u>0</u>
Title I Grants to Local Educational Agencies	2023	84.010	207,731	
Title I Grants to Local Educational Agencies	2022	84.010	33,728	
Total Title I Grants to Local Educational Agencies			<u>241,459</u>	<u>0</u>
Title III - LEP	2023	84.365	158,382	
Title III - LEP	2022	84.365	33,339	
Total Title III			<u>191,721</u>	<u>0</u>
Improving Teacher Quality State Grants	2023	84.367	123,178	
Improving Teacher Quality State Grants	2022	84.367	9,052	
Total Improving Teacher Quality State Grants			<u>132,230</u>	<u>0</u>
Title IV-A - Student Support & Academic Enrichment	2023	84.424	7,500	
Elementary and Secondary School Emergency (ESSER) Fund	2021	84.425D	3,004,870	
Elementary and Secondary School Emergency (ESSER) Fund	2020	84.425D	428	
ARP Elementary and Secondary School Emergency (ESSER) Fund	2022	84.425U	2,119,122	
ARP Elementary and Secondary School Emergency -Homeless Children and Youth	2022	84.425W	3,667	
Total Elementary and Secondary School Emergency (ESSER)			<u>5,128,087</u>	<u>0</u>
Total U.S. Department of Education			<u>8,388,480</u>	<u>0</u>
Total Federal Assistance			<u>\$10,575,052</u>	<u>\$287,400</u>

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

**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
2 CFR 200.510(b)(6)
FOR THE YEAR ENDED JUNE 30, 2023**

NOTE A – BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of Mason City School District (the District's) under programs of the federal government for the year ended June 30, 2023. The information on this Schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

NOTE B – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the cash basis of accounting. Such expenditures are recognized following the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures may or may not be allowable or may be limited as to reimbursement.

NOTE C – INDIRECT COST RATE

The District has elected not to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE D - CHILD NUTRITION CLUSTER

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

NOTE E – FOOD DONATION PROGRAM

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

OHIO AUDITOR OF STATE KEITH FABER



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Columbus, Ohio 43215
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INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY GOVERNMENT AUDITING STANDARDS

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

To the Board of Education:

We have audited, in accordance with 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 (*Government Auditing Standards*), the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mason City School District, Warren County, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2023, wherein we noted the financial impact of COVID-19 and the continuing emergency measures, which may impact subsequent periods of the District.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of 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 District's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District'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 financial statements. 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*.

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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Keith Faber
Auditor of State
Columbus, Ohio
December 20, 2023



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

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

To the Board of Education:

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Mason City School District's, Warren County, (District) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Mason City School District's major federal programs for the year ended June 30, 2023. Mason City School District's major federal programs are identified in the *Summary of Auditor's Results* section of the accompanying schedule of findings.

In our opinion, Mason City School District complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the *Auditor's Responsibilities for the Audit of Compliance* section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

The District's Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 *Auditor's Responsibilities for the Audit of Compliance* section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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 this testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

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

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mason City School District, Warren County, (the District) as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 20, 2023, wherein we noted the financial impact of COVID-19 and the continuing emergency measures, which may impact subsequent periods of the District. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is the responsibility of management and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, 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.



Keith Faber
Auditor of State
Columbus, Ohio
December 20, 2023

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**MASON CITY SCHOOL DISTRICT
WARREN COUNTY**

**SCHEDULE OF FINDINGS
2 CFR § 200.515
JUNE 30, 2023**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unmodified
(d)(1)(ii)	Were there any material weaknesses in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?	No
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material weaknesses in internal control reported for major federal programs?	No
(d)(1)(iv)	Were there any significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Program's Compliance Opinion	Unmodified
(d)(1)(vi)	Are there any reportable findings under 2 CFR § 200.516(a)?	No
(d)(1)(vii)	Major Program (list):	Elementary and Secondary School Emergency (ESSER) Fund Special Education Cluster
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 750,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee under 2 CFR § 200.520?	No

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

None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

MASON CITY SCHOOLS

MASON, OHIO

“Welcoming, valuing and engaging each learner”



**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023**

MASON CITY SCHOOL DISTRICT
MASON, OHIO

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2023

PREPARED BY:
OFFICE OF THE TREASURER



**Introductory
Section**

Mason City School District
Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2023

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December 20, 2023

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

State law requires that school districts publish a complete set of financial statements presented in conformance with generally accepted accounting principles (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America and standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States by the Auditor of State or a firm of licensed certified public accountants. Pursuant to that requirement, we hereby issue the annual comprehensive financial report of Mason City School District for the fiscal year ended June 30, 2023.

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

The Mason City School District's financial statements have been audited by the Auditor of State. The goal of the independent audit was to provide assurance that the financial statements of the Mason City School District for the fiscal year ended June 30, 2023, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Mason City School District's financial statements for the fiscal year ended June 30, 2023, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the Mason City School District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit engagements require the independent

auditor to report not only on the fair presentation of the financial statements, but also on the audited school district’s internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Mason City School District’s separately issued Single Audit Report.

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

Profile of the School District. The School District is located in Warren and Butler Counties in southwest Ohio. The School District contains 25 square miles, with 99 percent of its territory located in Warren County and the remaining 1 percent in Butler County. Political subdivisions included in the School District are the City of Mason, portions of Deerfield, Union and Turtle Creek Townships in Warren County, and a portion of West Chester Township in Butler County. The School District is approximately 25 minutes northeast of downtown Cincinnati and 35 minutes southeast of downtown Dayton.

The Board of Education of the Mason City School District is a five member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the School District’s tax dollars, and approves the annual appropriation resolution.

The current Board members, their terms and years on the Board as of June 30, 2023, are:

<u>Board Member</u>	<u>Current Term</u>	<u>Total Years</u>
Mr. Ian Orr	Jan. 2022-Dec. 2025	1½
Mrs. Desiree Batsche	Jan. 2020-Dec. 2023	3½
Mr. Charles Galvin	Jan. 2018-Dec. 2025	5½
Mr. Kevin Wise	Jan. 2020-Dec. 2023	20½
Mrs. Connie Yingling	Jan. 2018-Dec. 2025	23¾

The Superintendent is the chief executive officer of the School District and is responsible directly to the Board for all operations of the School District. Mr. Jonathan Cooper was appointed Superintendent effective July 1, 2018, and his current contract expires July 31, 2026.

The Treasurer and CFO is the chief financial officer of the School District and is directly responsible to the Board for all financial operations, investments, custody of all School District funds and assets, and serves as Secretary to the Board. The Board appointed Mr. Shaun Bevan as Treasurer effective October 9, 2017. Mr. Bevan brought 17 years of educational and financial

leadership to the School District, having previously served as the Treasurer for other area school districts in the Cincinnati region. His current contract expires July 31, 2028.

The School District provides a full range of traditional and non-traditional educational programs, services and facilities. These include elementary and secondary curriculum offerings at the general and college preparatory levels; a broad range of co-curricular and extra-curricular activities; special education programs and facilities and community recreation facilities.

In addition to these general activities, the School District acts as the fiscal agent for State funds distributed to non-public chartered schools located within the School District boundaries. The School District serves St. Susanna, Children's Academy of Mason, The Montessori Academy of Cincinnati, Royalmont Academy and Liberty Bible Academy in this category. While these organizations are similar in operations and services provided, they are distinct and separate entities. Due to the School District's administrative involvement with these programs, these State subsidies are therefore presented as special revenue funds within this report.

The School District served 10,380 in grade PK-12 students during the 2023 fiscal year in five buildings. The high school (9-12) was constructed in 2002 with an addition in 2009. The middle school (7-8) was constructed in 1959, with additions in 1967, 1980, 1987 and 1997, and a complete renovation in 2019. The Mason Elementary school building wing (3-4) was constructed in 1994. The Mason Intermediate school building wing (5-6) was constructed in 1998 with a small classroom addition to be completed in 2024. An addition was constructed in 2007 connecting the two building wings. Mason Early Childhood Center (PreK-2) was constructed in 2007 with additions in 2018 and 2023.

The School District employed approximately 1,083 employees as of June 30, 2023. The School District's current enrollment is 10,380. It is expected that the School District's enrollment may see relatively small annual increases or decreases. However, the overall projection is that enrollment will decrease over time, plateauing at approximately 10,000 students within the next 6 to 7 years.

The School District's teachers, instructional coaches, and counselors are represented by the Mason Education Association (MEA). The Board of Education and MEA reached an agreement on a three year contract effective July 1, 2021, which provides base salary increases of 2 percent, 2 percent, and 2.25 percent, respectively for each of the three years the contract covers.

The School District's custodial, grounds, maintenance and HVAC technicians are represented by the Ohio Association of Public School Employees (OAPSE) Local 070. The Board of Education and OAPSE reached agreement on a two year contract effective July 1, 2021, which provides base salary increases of 2 percent, 2 percent, and 2.25 percent, respectively for each of the three years the contract covers.

The School District's other non-certified staff, administrators, directors and supervisors are currently not represented by a union. These classifications typically receive the same benefits extended to the MEA and OAPSE Local 070. Their salary and wages were increased 2 percent for the 2022-23 school year.

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

Local Economy. The City of Mason's population was last reported as 35,520 in the 2022 U.S. Census and has been growing steadily through targeted planning and development. Mason is the largest city in Warren County. The City continues to be a top choice for quality companies that are relocating or expanding. In choosing Mason, companies often cite the interstate access, rising property values, the established core of high-tech and bio-tech businesses, and an outstanding level of both city and educational services. The tax base is comprised mostly of residential property, which realized around a 13.6 percent increase in real estate values for the calendar year 2021 reappraisal from the County Auditor's office.

Mason also has a strong commercial tax base. Over 700 businesses operate within the city's 18 square miles and over 90 corporations have headquarters or manufacturing operations in Mason's 24 commerce parks. Three of the 10 largest employers in Warren County are located in Mason. Mason's business community includes Procter & Gamble Healthcare Research Center (Mason's largest employer), Luxottica Retail, Cintas Corporation, Intelligrated Systems, Mitsubishi Electric, and Lindner Center of Hope.

The Mason City School District community continues to see strong investment in the biohealth sector. Over the past 10 years, 60 percent of new economic development projects, 80 percent of new jobs created and 80 percent of new investment has been in the biohealth sector including Assurex Health. Mason City Schools has benefited from strong partnerships with leaders in the biotech industry through advanced experiential learning opportunities for our students. During the past few school years, Assurex, ABC Pediatric, CMO Axis, the City of Mason, LEAP, and UC-West Chester hospital have all partnered with the Mason High School experiential learning program.

Mason's housing includes an abundance of large, high-value single family homes that sit on lots between 0.25 and 1.0 acre that were built within the last 20-25 years. The average household includes 2.7 family members and approximately 26 percent of households are reported to have children under 18. Nearly 25 percent of Mason's working residents work in the City of Mason. 2022 Census Data show Mason median home values at \$320,800, which would be 136% of the US median. Median household income is reported at \$110,833, 160 percent of the US median.

Financial policies and planning. Effectively planning for and projecting student enrollment has been a priority for the Board and Administration for the last 15 years. Current demographic projections indicate the School District will see its population stabilize at approximately 10,000 over the next several years. The School District closed the Mason Heights Elementary School in the summer of 2012, closed Western Row Elementary in 2019, and consolidated those students into the Mason Early Childhood Center (MECC). The School District recently completed a project with the Ohio Facilities Construction Commission (OFCC) to expand the MECC and the Mason Middle School in 2019. These projects have provided sufficient capacity for the School District to

cover its projected enrollment over the next ten years, and it does not anticipate the need for any additional significant capital bond issues in the next ten years.

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

Ohio's school funding model continues to pose challenges to our long-term financial stability. We will continue to advocate for the resources our School District needs to be successful. The long-term plan strikes a balance between staff and other cost management strategies, utilization of cash reserves, and additional local taxes.

Awards and Acknowledgements. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Mason City School District for its annual comprehensive financial report for the fiscal year ended June 30, 2022. In order to be awarded a Certificate of Achievement a governmental unit must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this report would not have been possible without the efficient and dedicated services of Cynthia Stubenvoll, Assistant Treasurer, along with the entire staff of the Treasurer's Office and the Local Government Services (LGS) division of the Ohio Auditor of State's Office. Credit must also be given to the Board of Education for their unfailing support for maintaining the highest standards of professionalism in the management of the Mason City School District's finances.

Respectfully submitted,



Shaun L. Bevan
Treasurer and CFO

**Mason City School District
Principal Officials
As of June 30, 2023**

Elected Officials

President, Board of EducationConnie Yingling
Vice President, Board of Education.....Desiree Batsche
Board Member Charles Galvin
Board Member Ian Orr
Board MemberKevin Wise

Administrative Officials

SuperintendentJonathan Cooper
Deputy Superintendent..... Amy Brennan
Learning Experience Supervisor PK-6 Krissy Hufnagel
Learning Experience Supervisor 7-12Shanna Bumiller
Chief Operations Officer..... Todd Petrey
Chief Talent Officer..... Tonya McCall
Innovative Systems Administrator.....Christine McCormick
Public Information Officer..... Tracey Carson
Treasurer Shaun Bevan
Assistant Treasurer.....Cynthia Stubenvoll
Benefits Supervisor..... Justin Blevins
Payroll Supervisor..... Terri Ross
Building and Grounds Supervisor..... George Highfill
Child Nutrition Supervisor..... Rachel Tilford
Data Center Administrator.....Sheri Ballman
ESL SupervisorMilena Varbanova
Gifted Administrator Nicole Dietrich (HCEC)
Special Services Director..... Jody Bergman
Special Services Supervisor.....Gina Fox
Special Services Supervisor Thea Staley (HCEC)
Special Services Supervisor Jenny Woods (HCEC)
Mental Wellness Supervisor Nicole Pfirman
Mental Wellness Coordinator Laura Martin
Mental Wellness Designer Breanna Lynch
Mental Wellness DesignerDawn McCorkle
Resource Coordinator Jackie Hunter
Transportation Director & Security Administrator.....Mark Murzynowski



ORGANIZATION CHART

Board of Education Members

Connie Yingling, Board President
Desiree Batsche, Board Vice-President
Charles Galvin
Ian Orr
Kevin Wise

Superintendent/CEO, Jonathan Cooper

Chief Financial Officer, Shaun Bevan
Cynthia Stubenvoll, Assistant Treasurer
Terri Ross, Payroll Supervisor
Justin Blevins, Benefits Supervisor

Deputy Superintendent, Amy Brennan
Learning Experience Supervisor P-6, Krissy Hufnagel
Learning Experience Supervisor 7-12, Shanna Bumiller

Innovative Systems Officer, Christine McCormick

Chief Talent Officer, Tonya McCall

Chief Operations Officer, Todd Petrey

Public Information Officer, Tracey Carson

Principals

Melissa Bly, Mason Early Childhood Center - Grades Pre-K-2
Javaris Powell, Mason Elementary - Grades 3-4
Eric Messer, Mason Intermediate - Grades 5-6
Lauren Gentene, Mason Middle School - Grades 7-8
Bobby Dodd, Mason High School - Grades 9-12



ORGANIZATION CHART (Continued)

Data Center Administrator, Sheri Ballman

Special Services Director, Jody Bergman

Special Services Supervisor (MHS), Gina Fox

Special Services Supervisor (MI/MMS), Jenny Woods (HCEC)

Special Services Supervisor (MECC/ME), Thea Staley (HCEC)

Mental Wellness Supervisor, Nicole Pfirman

Mental Wellness Coordinator, Laura Martin

Mental Wellness Designer, Breanna Lynch

Mental Wellness Designer, Dawn McCorkle

K-6 Resource Coordinator, Jackie Hunter

ESL Administrator, Milena Varbanova

Gifted Administrator, Nicole Dietrich, (HCEC)

Buildings & Grounds Supervisor, George Highfill

Child Nutrition Supervisor, Rachel Tilford

Transportation Director & Security Administrator, Mark Murzynowski



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Mason City School District
Ohio**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2022

Christopher P. Morrill

Executive Director/CEO

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**Financial
Section**

OHIO AUDITOR OF STATE KEITH FABER



88 East Broad Street
Columbus, Ohio 43215
ContactUs@ohioauditor.gov
(800) 282-0370

INDEPENDENT AUDITOR'S REPORT

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

To the Board of Education:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Mason City School District, Warren County, Ohio (District), as of and for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Mason City School District, Warren County, Ohio as of June 30, 2023, and the respective changes in financial position thereof and the budgetary comparison for the General Fund for the year then ended in accordance with the accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are required to be independent of the District, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 22 to the financial statements, the financial impact of COVID-19 and the continuing emergency measures may impact subsequent periods of the District. We did not modify our opinion regarding this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- obtain an understanding of internal control relevant to the audit 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 District's internal control. Accordingly, no such opinion is expressed.
- evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis*, and schedules of net pension and other post-employment benefit liabilities and pension and other post-employment benefit contributions be presented to supplement the basic financial statements. Such information is the responsibility of management and, 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.

Supplementary information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual nonmajor fund financial statements and schedules are presented for purposes of additional analysis and are 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 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 is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 20, 2023, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



Keith Faber
Auditor of State
Columbus, Ohio
December 20, 2023

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Mason City School District
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2023
Unaudited

The discussion and analysis of the Mason City School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2023. The intent of this discussion and analysis is to look at the School District's financial performance as a whole; readers should also review the transmittal letter, financial statements, and notes to the basic financial statements to enhance their understanding of the School District's financial performance.

Financial Highlights

- In total, net position increased \$19,492,987 from the prior fiscal year. The School District's most significant changes from the prior fiscal year are due to an increase in the net pension liability. The net pension liability increase was due to an increase in both the net pension liabilities for both SERS and STRS, thus causing the net pension liability to increase for the School District as well.
- Total assets saw an increase due to the School District starting projects that were ongoing at the end of fiscal year 2023, which lead to \$4,383,752 in construction in progress.
- Property taxes receivable increased which is the result of the P&G property that, in prior years, was part of a Tax Increment Financing (TIF) agreement. The agreement expired, the property became fully taxable, thus the increase in revenues.

Using this Annual Comprehensive Financial Report

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

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

Reporting the School District as a Whole

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2023?" The Statement of Net Position and the Statement of Activities, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all assets, deferred outflows of resources, liabilities and deferred inflows of resources using the accrual basis of accounting, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

Mason City School District
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2023
Unaudited

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Statement of Net Position and the Statement of Activities, the School District has only one kind of activity:

Governmental Activities – All of the School District's programs and services are reported here including instruction, support services, operation of non-instructional services, and extracurricular activities.

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 10. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's major funds, which are the General Fund and the Permanent Improvement Fund.

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

The School District as a Whole

Recall that the Statement of Net Position provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District's net position for fiscal year 2023 and fiscal year 2022:

Mason City School District
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2023
Unaudited

Table 1
Net Position

	2023	2022	Change
<u>Assets:</u>			
Current and Other Assets	\$196,524,975	\$175,376,879	\$21,148,096
Net OPEB Asset	12,667,945	10,159,363	2,508,582
Capital Assets, Net	184,609,074	179,399,875	5,209,199
<i>Total Assets</i>	<u>393,801,994</u>	<u>364,936,117</u>	<u>28,865,877</u>
<u>Deferred Outflows of Resources:</u>			
Deferred Charge on Refunding	0	433,244	(433,244)
Pension	33,874,762	34,539,806	(665,044)
OPEB	2,956,451	3,632,813	(676,362)
<i>Total Deferred Outflows of Resources</i>	<u>36,831,213</u>	<u>38,605,863</u>	<u>(1,774,650)</u>
<u>Liabilities:</u>			
Current Other Liabilities	17,648,402	15,941,057	1,707,345
Long-Term Liabilities:			
Due Within One Year	3,286,686	4,684,387	(1,397,701)
Due In More Than One Year:			
Net Pension Liability	136,705,195	80,870,692	55,834,503
Net OPEB Liability	7,405,134	9,995,837	(2,590,703)
Other Amounts	31,303,169	32,837,501	(1,534,332)
<i>Total Liabilities</i>	<u>196,348,586</u>	<u>144,329,474</u>	<u>52,019,112</u>
<u>Deferred Inflows of Resources:</u>			
Deferred Charge on Refunding	367,139	550,708	(183,569)
Property Taxes	82,735,080	75,261,389	7,473,691
Payments in Lieu of Taxes	1,488,810	1,475,522	13,288
Pension	12,790,396	65,545,194	(52,754,798)
OPEB	19,223,839	17,875,386	1,348,453
Leases	3,351,166	3,669,103	(317,937)
<i>Total Deferred Inflows of Resources</i>	<u>119,956,430</u>	<u>164,377,302</u>	<u>(44,420,872)</u>
<u>Net Position:</u>			
Net Investment in Capital Assets	160,641,434	155,204,228	5,437,206
Restricted	38,082,122	38,283,851	(201,729)
Unrestricted (Deficit)	(84,395,365)	(98,652,875)	14,257,510
<i>Total Net Position</i>	<u>\$114,328,191</u>	<u>\$94,835,204</u>	<u>\$19,492,987</u>

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2023. GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the “employment exchange” – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as

Mason City School District
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2023
Unaudited

a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

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

Total assets increased \$28,865,877 from the prior fiscal year. Current Assets increased \$21,148,096 due to property tax revenue in the General Fund increasing from the P&G property that, in prior years, was part of a Tax Increment Financing (TIF) agreement which is now fully taxable. Intergovernmental receivable increased \$2,292,241 due to expenditures for reimbursable grants in nonmajor governmental funds that haven't been received by the School District at fiscal year-end. Property tax revenue in the Bond Retirement Fund decreased \$4,610,514 due to a large decrease in the bond millage from 7.5 mills in collection year 2021 to 1.5 mills in collection year 2022. The Net OPEB Asset increased \$2,508,582 due to STRS changes in actuarial assumptions from the prior fiscal year. Capital assets, net increased due to the School District starting projects that were ongoing at the end of fiscal year 2023, which lead to an increase in construction in progress.

Total Liabilities of the School District increased \$52,019,112 due to an increase in the net pension liability. The net pension liability increase was due to an increase in both the net pension liabilities for both SERS and STRS, thus causing the net pension liability to increase for the School District as well.

The School District's deferred inflows of resources decreased \$44,420,872, primarily due to the change in the net difference between projected and annual earnings on pension plan investments compared to the prior fiscal year.

Total Net Position increased \$19,492,987 from the prior fiscal year. Net Invested in Capital Assets increased \$5,437,206 due to starting projects that were ongoing at the end of fiscal year 2023, which lead to \$4,383,752 in construction in progress. In addition to construction in progress, other asset additions exceeded current year depreciation and deletions leading to an increase in net investment in capital assets. Unrestricted Net Position had an increase of \$14,257,510 and this increase was mainly due to an increase in charges for services and interest.

Mason City School District
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2023
Unaudited

Table 2
Change in Net Position

	2023	2022	Increase/ (Decrease)
<u>Revenues</u>			
Program Revenues:			
Charges for Services and Sales	\$10,740,154	\$8,309,445	\$2,430,709
Operating Grants, Interest, and Contributions	14,498,705	15,055,962	(557,257)
Total Program Revenues	25,238,859	23,365,407	1,873,452
General Revenues:			
Property Taxes	96,446,443	96,988,479	(542,036)
Grants and Entitlements not Restricted to Specific Programs	42,237,959	41,026,024	1,211,935
Investment Earnings/Interest	1,863,878	(720,566)	2,584,444
Gifts and Donations not Restricted to Specific Programs	0	160	(160)
Payments in Lieu of Taxes	2,533,007	2,830,288	(297,281)
Gain on Sale of Capital Assets	0	166,545	(166,545)
Miscellaneous	409,631	1,103,779	(694,148)
Total General Revenues	143,490,918	141,394,709	2,096,209
Total Revenues	168,729,777	164,760,116	3,969,661
<u>Program Expenses:</u>			
Instruction:			
Regular	62,311,380	59,444,319	2,867,061
Special	26,211,466	22,643,250	3,568,216
Student Intervention Services	240,452	75,580	164,872
Support Services:			
Pupils	10,470,298	8,537,737	1,932,561
Instructional Staff	3,351,372	3,817,609	(466,237)
Board of Education	180,915	138,784	42,131
Administration	6,567,809	5,715,858	851,951
Fiscal	2,284,087	2,033,196	250,891
Business	450,374	393,136	57,238
Operation and Maintenance of Plant	15,347,280	14,322,233	1,025,047
Pupil Transportation	8,428,913	7,465,640	963,273
Central	1,842,576	2,613,870	(771,294)
Operation of Non-Instructional Services	5,925,184	5,723,319	201,865
Extracurricular Activities	4,884,450	3,785,192	1,099,258
Interest	740,234	1,071,623	(331,389)
Total Expenses	149,236,790	137,781,346	11,455,444
Change in Net Position	19,492,987	26,978,770	(7,485,783)
Net Position at Beginning of Year	94,835,204	67,856,434	26,978,770
Net Position at End of Year	\$114,328,191	\$94,835,204	\$19,492,987

The Statement of Activities shows the cost of program services and the charges for services and sales and operating grants, interest, and contributions.

Mason City School District
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2023
Unaudited

Program revenues, which are primarily represented by charges for services and sales from tuition and fees, extracurricular activities, rent, leases, and charges for services as well as operating grants, interest, and contributions, and capital grants, interest, and contributions, were \$25,238,859 for fiscal year 2023. Charges for services increased \$2,430,709 due to receiving 100 percent of all student meal reimbursement in fiscal year 2022 for COVID-19. The extra COVID-19 funding went away for fiscal year 2023. Investment earnings/interest increased \$2,584,444 due to an increase in interest rates for investments and higher amounts of cash reserves available to invest.

Total expenses showed an increase of \$11,455,444 from the prior fiscal year. This increase is mainly the result of an increase in pension expense associated with the significant increase the net pension liability compared to the prior fiscal year along with a significant decrease in deferred inflows associated with the net difference between projected and actual earnings on pension plan investments, especially the decrease associated with STRS.

The Statement of Activities shows the cost of program services and the charges for services and sales and grants and contributions, including interest, offsetting those services. That is, it identifies the cost of these services supported by tax revenue and unrestricted grants and entitlements. The dependence upon tax revenues and intergovernmental foundation monies is apparent. The community and the State of Ohio, as a whole, provide the vast majority of resources for Mason City School District students.

The School District's Funds

Information about the School District's major funds starts on page 15. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$166,564,428 and expenditures of \$156,907,086.

The General Fund balance increased \$16,931,764. This was primarily due to an increase in property tax revenues, as well as a slight decrease in expenditures and other financing uses. The increase in property tax revenues is the result an increase in assessed values.

The Permanent Improvement Fund balance decreased \$3,201,175, due to current year expenditures exceeding current year revenues. Expenditures increased \$5,612,614 from the prior fiscal year. This was mainly due to an increase in capital outlay which is due to the School District starting projects that were ongoing at the end of fiscal year 2023, which lead to an increase in construction in progress.

General Fund - Budget Highlights

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

During the course of fiscal year 2023, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures.

Mason City School District
Management's Discussion and Analysis
for the Fiscal Year Ended June 30, 2023
Unaudited

A review of the budgetary comparison statement for the General Fund reflects that actual revenues were \$9,754,224 higher than final budgeted revenues, due to more property tax revenue received. Property tax revenue received was higher than prior fiscal year due to the P&G property that, in prior years, was part of a Tax Increment Financing (TIF) agreement. The agreement expired, the property became fully taxable, thus the increase in revenues.

Actual expenditures were below final budgeted amounts by \$327,387 due to the School District closely monitoring expenditures throughout the fiscal year.

The total increase in expenditures from the original to the final budget was \$2,609,495. The budget increased during the fiscal year as new and better information became available about potential expenditure needs related to educational services for students.

The School District's ending unobligated cash balance was \$9,478,174 above the final budgeted amount. This was primarily due to the School District receiving an increase in property tax revenue and closely monitoring expenditures.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2023, the School District had \$184,609,074 invested in capital assets (net of accumulated depreciation). This is a \$5,209,199 increase from the prior fiscal year due to starting projects that were ongoing at the end of fiscal year 2023, which lead to \$4,383,752 in construction in progress. For further information regarding the School District's capital assets, refer to Note 10 in the Notes to the Basic Financial Statements.

Debt

At June 30, 2023, the School District had \$17,612,754 in outstanding long-term general obligation bonds, which includes serial bonds as well as bond premiums. The School District's long-term liabilities also includes \$3,335,000 in outstanding financed purchase and \$821,643 in outstanding leases.

At June 30, 2023, the School District's overall legal debt margin was \$218,814,317, with an unvoted debt margin of \$2,623,159.

For further information regarding the School District's debt obligations, refer to Note 15 in the Notes to the Basic Financial Statements.

Contacting the School District's Financial Management

This financial report is designed to provide our citizen's, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have questions about this report or need additional information, contact Shaun Bevan, Treasurer at Mason City Schools, 211 North East Street, Mason, Ohio 45040.

Mason City School District
Statement of Net Position
June 30, 2023

	Governmental Activities
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$90,757,147
Inventory Held for Resale	30,991
Property Taxes Receivable	96,964,425
Leases Receivable	3,351,166
Intergovernmental Receivable	5,016,149
Accrued Interest Receivable	303,118
Accounts Receivable	101,979
Net OPEB Asset	12,667,945
Capital Assets:	
Nondepreciable Capital Assets	7,965,910
Depreciable Capital Assets, Net	176,643,164
<i>Total Assets</i>	393,801,994
<u>Deferred Outflows of Resources:</u>	
Pension	33,874,762
OPEB	2,956,451
<i>Total Deferred Outflows of Resources</i>	36,831,213
<u>Liabilities:</u>	
Accounts Payable	761,556
Contracts Payable	1,848,888
Accrued Wages and Benefits Payable	10,515,414
Intergovernmental Payable	2,136,132
Accrued Interest Payable	139,725
Matured Compensated Absences Payable	355,234
Accrued Vacation Leave Payable	707,172
Payroll Withholdings	20,276
Retainage Payable	123,294
Claims Payable	1,040,711
Long-Term Liabilities:	
Due Within One Year	3,286,686
Due in More Than One Year:	
Net Pension Liability	136,705,195
Net OPEB Liability	7,405,134
Other Amounts	31,303,169
<i>Total Liabilities</i>	196,348,586
<u>Deferred Inflows of Resources:</u>	
Deferred Charge on Refunding	367,139
Property Taxes	82,735,080
Payments in Lieu of Taxes	1,488,810
Pension	12,790,396
OPEB	19,223,839
Leases	3,351,166
<i>Total Deferred Inflows of Resources</i>	\$119,956,430

(continued)

Mason City School District
Statement of Net Position
June 30, 2023
(Continued)

	Governmental Activities
<u>Net Position:</u>	
Net Investment in Capital Assets	\$160,641,434
Restricted for:	
Debt Service	6,907,236
Capital Improvements	18,895,831
Classroom Facilities	2,973,670
Building Projects	7,671
District and Student Managed Activities	1,211,902
Community Services	1,898,625
Food Service Operations	2,877,420
State and Federal Grants	307,893
Scholarships	86,112
OPEB Plans	2,915,762
Unrestricted (Deficit)	(84,395,365)
<i>Total Net Position</i>	<i>\$114,328,191</i>

See accompanying notes to the basic financial statements

Mason City School District
Statement of Activities
for the Fiscal Year Ended June 30, 2023

	Program Revenues			Net (Expense) Revenue and Changes in Net Position
Expenses	Charges for Services and Sales	Operating Grants, Interest, and Contributions	Governmental Activities	
<u>Governmental Activities:</u>				
Instruction:				
Regular	\$62,311,380	\$1,386,983	\$868,224	(\$60,056,173)
Special	26,211,466	1,426,536	4,978,706	(19,806,224)
Student Intervention Services	240,452	0	0	(240,452)
Support Services:				
Pupils	10,470,298	0	3,634,202	(6,836,096)
Instructional Staff	3,351,372	0	139,402	(3,211,970)
Board of Education	180,915	0	0	(180,915)
Administration	6,567,809	68,910	0	(6,498,899)
Fiscal	2,284,087	0	0	(2,284,087)
Business	450,374	47,580	0	(402,794)
Operation and Maintenance of Plant	15,347,280	872,630	1,803,160	(12,671,490)
Pupil Transportation	8,428,913	0	588,887	(7,840,026)
Central	1,842,576	0	9,756	(1,832,820)
Operation of Non-Instructional Services	5,925,184	4,201,483	2,302,382	578,681
Extracurricular Activities	4,884,450	2,736,032	173,986	(1,974,432)
Interest	740,234	0	0	(740,234)
<i>Total Governmental Activities</i>	<u>\$149,236,790</u>	<u>\$10,740,154</u>	<u>\$14,498,705</u>	<u>(123,997,931)</u>

General Revenues:

Property Taxes Levied for:	
General Purposes	92,673,923
Debt Service	2,695,250
Capital Outlay	1,077,270
Grants and Entitlements not Restricted to	
Specific Programs	42,237,959
Investment Earnings/Interest	1,863,878
Payments in Lieu of Taxes	2,533,007
Miscellaneous	409,631
<i>Total General Revenues</i>	<u>143,490,918</u>
Change in Net Position	19,492,987
<i>Net Position at Beginning of Year</i>	<u>94,835,204</u>
<i>Net Position at End of Year</i>	<u>\$114,328,191</u>

See accompanying notes to the basic financial statements

Mason City School District
Balance Sheet
Governmental Funds
June 30, 2023

	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$55,328,430	\$18,935,741	\$16,407,383	\$90,671,554
Inventory Held for Resale	0	0	30,991	30,991
Receivables:				
Property Taxes	93,540,176	995,671	2,428,578	96,964,425
Leases	0	0	3,351,166	3,351,166
Intergovernmental	150,493	1,609,372	3,256,284	5,016,149
Accrued Interest	303,118	0	0	303,118
Accounts	61,693	1,225	39,061	101,979
Interfund	2,612,432	201,481	0	2,813,913
Restricted Assets:				
Cash and Cash Equivalents	85,593	0	0	85,593
Total Assets	<u>\$152,081,935</u>	<u>\$21,743,490</u>	<u>\$25,513,463</u>	<u>\$199,338,888</u>
<u>Liabilities:</u>				
Accounts Payable	\$276,711	\$382,862	\$101,983	\$761,556
Contracts Payable	0	1,848,888	0	1,848,888
Accrued Wages and Benefits Payable	10,014,330	0	501,084	10,515,414
Intergovernmental Payable	2,033,660	0	102,472	2,136,132
Matured Compensated Absences Payable	343,480	0	11,754	355,234
Payroll Withholdings	20,276	0	0	20,276
Retainage Payable	0	123,294	0	123,294
Claims Payable	1,040,711	0	0	1,040,711
Interfund Payable	0	0	2,813,913	2,813,913
Total Liabilities	<u>13,729,168</u>	<u>2,355,044</u>	<u>3,531,206</u>	<u>19,615,418</u>
<u>Deferred Inflows of Resources:</u>				
Property Taxes	79,867,890	834,909	2,032,281	82,735,080
Payments in Lieu of Taxes	0	1,488,810	0	1,488,810
Unavailable Revenues	509,681	3,372	3,264,597	3,777,650
Leases	0	0	3,351,166	3,351,166
Total Deferred Inflows of Resources	<u>80,377,571</u>	<u>2,327,091</u>	<u>8,648,044</u>	<u>91,352,706</u>
<u>Fund Balances:</u>				
Restricted	0	17,061,355	16,250,887	33,312,242
Committed	34,932	0	0	34,932
Assigned	1,505,207	0	0	1,505,207
Unassigned (Deficit)	56,435,057	0	(2,916,674)	53,518,383
Total Fund Balances	<u>57,975,196</u>	<u>17,061,355</u>	<u>13,334,213</u>	<u>88,370,764</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$152,081,935</u>	<u>\$21,743,490</u>	<u>\$25,513,463</u>	<u>\$199,338,888</u>

See accompanying notes to the basic financial statements

Mason City School District
*Reconciliation of Total Governmental Fund Balances to
 Net Position of Governmental Activities
 June 30, 2023*

Total Governmental Fund Balances \$88,370,764

***Amounts reported for governmental activities in the
 Statement of Net Position are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 184,609,074

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as unavailable revenue in the funds.

Delinquent Property Taxes	317,821
Intergovernmental	3,256,284
Accrued Interest	203,545
	3,777,650

Total 3,777,650

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (139,725)

Deferred outflows/inflows of resources include deferred charges on refunding which do not provide current financial resources and, therefore are not reported in the funds.
 Deferred Charge on Refunding (367,139)

The net pension/OPEB liability (asset) is not due and payable in the current period; therefore, the liability (asset) and related deferred inflows/outflows are not reported in governmental funds:

Net OPEB Asset	12,667,945
Deferred Outflows - Pension	33,874,762
Deferred Outflows - OPEB	2,956,451
Net Pension Liability	(136,705,195)
Net OPEB Liability	(7,405,134)
Deferred Inflows - Pension	(12,790,396)
Deferred Inflows - OPEB	(19,223,839)
	(126,625,406)

Total (126,625,406)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

General Obligation Bonds	(17,270,000)
Premium on General Obligation Bonds	(342,754)
Financed Purchase	(3,335,000)
Lease Payable	(821,643)
Compensated Absences Payable	(12,820,458)
Vacation Leave Payable	(707,172)
	(35,297,027)

Total (35,297,027)

Net Position of Governmental Activities \$114,328,191

See accompanying notes to the basic financial statements

Mason City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
for the Fiscal Year Ended June 30, 2023

	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$92,707,902	\$1,077,804	\$2,700,562	\$96,486,268
Intergovernmental	44,524,521	111,286	9,241,746	53,877,553
Investment Earnings/Interest	1,701,379	398	153,093	1,854,870
Tuition and Fees	2,728,407	0	323,487	3,051,894
Extracurricular Activities	507,193	0	1,625,296	2,132,489
Rent	0	0	8,536	8,536
Leases	0	0	317,937	317,937
Charges for Services	1,263,070	15,000	4,241,683	5,519,753
Contributions and Donations	89,894	0	201,916	291,810
Payments in Lieu of Taxes	0	1,701,421	831,586	2,533,007
Miscellaneous	223,167	4,464	262,680	490,311
<i>Total Revenues</i>	<u>143,745,533</u>	<u>2,910,373</u>	<u>19,908,522</u>	<u>166,564,428</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	57,931,291	804,289	1,084,140	59,819,720
Special	24,236,310	2,276	2,119,928	26,358,514
Student Intervention Services	21,491	0	159,748	181,239
Support Services:				
Pupils	6,764,611	0	3,509,164	10,273,775
Instructional Staff	2,748,898	965,401	175,764	3,890,063
Board of Education	180,915	0	0	180,915
Administration	6,473,401	842	11,146	6,485,389
Fiscal	2,382,305	12,363	32,055	2,426,723
Business	307,863	0	134,926	442,789
Operation and Maintenance of Plant	8,517,620	1,991,144	3,666,282	14,175,046
Pupil Transportation	7,761,682	781,041	182,500	8,725,223
Central	1,951,013	5,434	14,400	1,970,847
Operation of Non-Instructional Services	707,850	0	5,228,049	5,935,899
Extracurricular Activities	2,973,264	7,636	2,194,526	5,175,426
Capital Outlay	448,770	5,769,250	170,865	6,388,885
Debt Service:				
Principal Retirement	105,255	168,889	2,264,000	2,538,144
Interest	0	0	1,938,489	1,938,489
<i>Total Expenditures</i>	<u>123,512,539</u>	<u>10,508,565</u>	<u>22,885,982</u>	<u>156,907,086</u>
Excess of Revenues Over (Under) Expenditures	<u>20,232,994</u>	<u>(7,598,192)</u>	<u>(2,977,460)</u>	<u>9,657,342</u>
<u>Other Financing Sources (Uses):</u>				
Inception of Lease	448,770	647,017	0	1,095,787
Transfers In	0	3,750,000	0	3,750,000
Transfers Out	(3,750,000)	0	0	(3,750,000)
<i>Total Other Financing Sources (Uses)</i>	<u>(3,301,230)</u>	<u>4,397,017</u>	<u>0</u>	<u>1,095,787</u>
Net Change in Fund Balances	16,931,764	(3,201,175)	(2,977,460)	10,753,129
<i>Fund Balances at Beginning of Year</i>	<u>41,043,432</u>	<u>20,262,530</u>	<u>16,311,673</u>	<u>77,617,635</u>
<i>Fund Balances at End of Year</i>	<u>\$57,975,196</u>	<u>\$17,061,355</u>	<u>\$13,334,213</u>	<u>\$88,370,764</u>

See accompanying notes to the basic financial statements

Mason City School District
*Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
for the Fiscal Year Ended June 30, 2023*

Net Change in Fund Balances - Total Governmental Funds \$10,753,129

*Amounts reported for governmental activities in the
Statement of Activities are different because:*

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital Outlay	8,813,842	
Depreciation Expense	(3,599,950)	
Excess of capital outlay over depreciation expense		5,213,892

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of capital assets is removed from the capital assets account in the Statement of Net Position and offset against the proceeds from the sale of capital assets resulting in a gain or loss on the sale of capital assets in the Statement of Activities.

Loss on Sale of Capital Assets		(4,693)
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Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are therefore recorded as deferred inflows of resources in the governmental funds. Deferred inflows of resources changed by these amounts this fiscal year:

Delinquent Property Taxes	(39,825)	
Intergovernmental	2,389,947	
Interest	161,971	
Charges for Services	(266,064)	
Miscellaneous	(80,680)	
Total		2,165,349

Contractually required contributions are reported as expenditures in governmental funds; however, the Statement of Net Position reports these amounts as deferred outflows.

Pension	11,605,058	
OPEB	350,446	
Total		11,955,504

Except for amounts reported as deferred inflows/outflows, changes in the net pension liability (asset) are reported as pension expense in the Statement of Activities.

Pension	(15,349,807)	
OPEB	2,724,024	
Total		(12,625,783)

The issuance of long-term debt provides current financial resources to governmental funds, but in the Statement of Net Position, the debt is reported as a liability.

Inception of Lease		(\$1,095,787)
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(continued)

Mason City School District
*Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities
for the Fiscal Year Ended June 30, 2023
(Continued)*

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. In the current fiscal year, these amounts consist of:

	General Obligation Bonds Principal Payments	\$2,005,000	
	Accretion on Capital Appreciation Bonds	830,000	
	Lease Payments	274,144	
	Financed Purchase	259,000	
Total			3,368,144

Accretion and amortization of bond premiums, the deferred loss/gain on refunding debt, as well as accrued interest payable on the bonds are not reported in the funds, but are allocated as an expense over the life of the debt in the Statement of Activities

	Increase in Accrued Interest	60,403	
	Accretion on Capital Appreciation Bonds	(77,958)	
	Amortization of Premium on Bonds	635,485	
	Amortization of Deferred Charge on Refunding	(249,675)	
Total			368,255

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

	Compensated Absences Payable	102,149	
	Vacation Leave Payable	(707,172)	
Total			(605,023)

<i>Change in Net Position of Governmental Activities</i>	<u>\$19,492,987</u>
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See accompanying notes to the basic financial statements

Mason City School District
*Statement of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
General Fund
for the Fiscal Year Ended June 30, 2023*

	<u>Budgeted Amounts</u>		Actual	Variance Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<u>Revenues:</u>				
Property Taxes	\$85,066,047	\$85,066,047	\$93,419,251	\$8,353,204
Intergovernmental	44,247,219	44,247,219	44,451,605	204,386
Interest	359,889	359,889	1,690,499	1,330,610
Tuition and Fees	1,382,031	1,385,074	1,280,314	(104,760)
Extracurricular Activities	175	175	0	(175)
Charges for Services	83,617	83,617	84,999	1,382
Contributions and Donations	160	160	14,994	14,834
Miscellaneous	46,275	46,275	1,018	(45,257)
<i>Total Revenues</i>	<u>131,185,413</u>	<u>131,188,456</u>	<u>140,942,680</u>	<u>9,754,224</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	64,743,121	58,953,391	58,925,401	27,990
Special	19,671,434	22,980,642	22,980,642	0
Support Services:				
Pupils	6,176,427	6,708,165	6,708,165	0
Instructional Staff	2,971,905	3,014,923	2,756,905	258,018
Board of Education	121,087	191,175	191,175	0
Administration	6,251,222	6,591,167	6,591,167	0
Fiscal	2,359,538	2,393,436	2,372,815	20,621
Business	323,042	328,312	314,355	13,957
Operation and Maintenance of Plant	7,167,053	9,207,238	9,207,238	0
Pupil Transportation	6,970,954	7,882,778	7,882,778	0
Central	2,508,792	2,628,979	2,628,979	0
Operation of Non-Instructional Services	28,980	41,714	40,792	922
Extracurricular Activities	1,662,257	2,643,387	2,637,508	5,879
<i>Total Expenditures</i>	<u>120,955,812</u>	<u>123,565,307</u>	<u>123,237,920</u>	<u>327,387</u>
Excess of Revenues Over (Under) Expenditures	<u>10,229,601</u>	<u>7,623,149</u>	<u>17,704,760</u>	<u>10,081,611</u>
<u>Other Financing Sources (Uses):</u>				
Refund of Prior Year Expenditures	0	0	103,396	103,396
Advances In	1,090,975	1,090,975	384,141	(706,834)
Advances Out	(4,500,000)	(2,612,967)	(2,612,967)	0
Transfers Out	(3,000,000)	(3,750,000)	(3,750,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(6,409,025)</u>	<u>(5,271,992)</u>	<u>(5,875,430)</u>	<u>(603,438)</u>
Net Change in Fund Balance	3,820,576	2,351,157	11,829,330	9,478,173
<i>Fund Balance at Beginning of Year</i>	32,101,957	32,101,957	32,101,957	0
<i>Prior Year Encumbrances Appropriated</i>	<u>946,265</u>	<u>946,265</u>	<u>946,265</u>	<u>0</u>
<i>Fund Balance at End of Year</i>	<u>\$36,868,798</u>	<u>\$35,399,379</u>	<u>\$44,877,552</u>	<u>\$9,478,173</u>

See accompanying notes to the basic financial statements

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Mason City School District (the “School District”) is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District is a city district as defined by Section 3311.02 of the Ohio Revised Code. The School District operates under a locally elected five member Board of Education and provides educational services as authorized by its charter or further mandated by state/or federal agencies to residents of the School District.

The School District is located in Warren and Butler Counties in southwest Ohio. The School District serves an area of 25 square miles, with 99 percent of its territory located within Warren County and the remaining 1 percent in Butler County. Political subdivisions overlapping the School District are the City of Mason, portions of Deerfield, Union and Turtle Creek Townships in Warren County, and a portion of West Chester Township in Butler County. The School District is approximately 25 minutes northeast of downtown Cincinnati and 35 minutes southwest of downtown Dayton.

The Board of Education exercises control over the School District’s five instructional facilities: one early childhood center (Pre-K-2), one elementary school (2-3), one intermediate school (4-6), one middle school (7-8), and a high school (9-12). It is staffed by 428 full-time equivalent classified personnel and 655 certified full-time equivalent teaching personnel and administrative employees to provide services to students and other community members. The enrollment for the District during the fiscal year was 10,380.

Reporting Entity

A reporting entity is comprised of the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading. The primary government of the School District consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For the School District, this includes: education, pupil transportation, food service, and maintenance of the School District’s facilities.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization’s governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization’s resources; the School District is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes, and there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the School District. The School District has no component units.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

The School District participates in three jointly governed organizations. These organizations are presented in Note 17 to the Basic Financial Statements. These organizations are:

Jointly Governed Organizations:
Southwestern Ohio Computer Association
Great Oaks Career Campuses
Jewell Education Foundation

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standards-setting body for establishing governmental accounting and financial reporting principles. The more significant of the School District's accounting policies are described below.

Basis of Presentation

The School District's basic financial statements consist of government-wide statements, including a Statement of Net Position and a Statement of Activities, and fund financial statements which provide a more detailed level of financial information.

Government-wide Financial Statements

The Statement of Net Position and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the School District, except for fiduciary funds. The government-wide financial statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type; however, the School District has no business-type activities.

The Statement of Net Position presents the financial condition of the governmental activities of the School District at fiscal year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the School District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and are 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 School District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the School District.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental 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.

Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The School District only reports governmental funds.

Governmental Funds:

Governmental funds are those through which most governmental functions of the School District 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 and deferred inflows of resources is reported as fund balance. The following are the School District's major governmental funds:

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

Permanent Improvement Fund – This fund is used to account for and report restricted transactions relating to the acquiring, constructing, or improving facilities within the School District.

The nonmajor governmental funds of the School District account for grants and other resources whose use is restricted to a particular purpose.

Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and deferred outflows of resources and liabilities and deferred inflows of resources associated with the operation of the School District are included on the Statement of Net Position. The Statement of Activities presents increases (e.g., revenues) and decreases (e.g., expenses) in total net position.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

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 deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred inflows/outflows 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. “Measurable” means that the amount of the transaction can be determined, and “available” means that the resources are collectible 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 School District, available means expected to be received within 60 days of fiscal year-end.

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, payments in lieu of taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes and payments in lieu of taxes is recognized in the fiscal year for which the taxes are levied (See Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available for advance, grants, investment earnings, and miscellaneous.

Deferred Outflows/Inflows of Resources

In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net assets that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for pension and OPEB plans. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 12 and 13.

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 assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. For the School District, deferred inflows of resources include deferred charge on refunding, property taxes, payments in lieu of taxes, pension, OPEB plans, leases, and unavailable revenue. Property taxes and payments in lieu of taxes represent amounts for which there is an enforceable legal claim as of June 30, 2023, but which were levied to finance fiscal year 2024 operations. These amounts have been recorded as a deferred inflow on both the government-wide Statement of Net Position and governmental fund financial statements. The deferred inflow for leases is related to the leases receivable and is being recognized as lease revenue in a systematic and rational manner over the term of the lease. 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 School District, unavailable revenue includes delinquent property taxes, intergovernmental revenue, and investment earnings. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities fund on page 16. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide Statement of Net Position. (See Notes 12 and 13.)

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 the governmental funds.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Pensions/Other Postemployment Benefits (OPEB)

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

Cash and Cash Equivalents

Cash received by the School District is deposited into one of several bank accounts with individual fund integrity being maintained through the School District's records for cash that is pooled. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents" on the financial statements. The School District holds money in a reserve fund to be used for the budget stabilization. The balance in this account is presented on the financial statements as "Restricted Assets: Cash and Cash Equivalents" on the financial statements.

During fiscal year 2023, the School District's investments were limited to STAROhio, Commercial Paper, Money Market Mutual Funds, Negotiable Certificates of Deposit, Municipal Bonds, and Federal agency securities. Investments, except for STAROhio and Commercial Paper, are reported at fair value which is based on quoted market prices. For investments in open-end mutual funds, the fair value is determined by the fund's current share price. The School District's commercial paper is measured at amortized cost as it is a highly liquid debt instrument with a remaining maturity at the time of purchase of less than one year.

During fiscal year 2023, the School District invested in STAROhio. STAROhio (the State Treasury Asset Reserve of Ohio), is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, "Certain External Investment Pools and Pool Participants." The School District measures their investment in STAROhio at the net asset value (NAV) per share provided by STAROhio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For fiscal year 2023, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, twenty-four hours advance notice for deposits and withdrawals of \$100 million or more is appreciated. STAROhio reserves the right to limit the transactions to \$250 million per day.

Under existing Ohio statutes all investment earnings are assigned to the General Fund unless statutorily required to be credited to a specific fund. Investment Earnings/Interest revenue credited to the General Fund during 2023 amounted to \$1,701,379, which includes \$568,842 assigned from other School District funds.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, laws of other governments, or imposed by law through constitutional provisions. Restricted assets in the General Fund represents cash equivalents legally required by State statute to be set aside by the School District for budget stabilization. See Note 18 for additional information regarding set-asides.

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as “Interfund Receivable/Payable”. Interfund balances are eliminated in the Statement of Net Position.

Inventory

Materials and supplies inventory is reported at cost, while inventory held for resale is presented at the lower of cost or market value, and donated commodities are presented at their entitlement value. Inventories are presented on a first-in, first-out basis and are expensed/expensed when used. Inventories consist of materials and supplies held for consumption and donated and purchased food held for resale.

Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. 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 (except for intangible right-to-use lease assets which are discussed below) are capitalized at cost (or estimated historical cost, which is determined by indexing the current replacement cost back to the year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their acquisition values as of the date received. The School District maintains a capitalization threshold of \$5,000. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset’s life are not capitalized.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

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

Description	Estimated Lives
Buildings and Improvements	15 - 100 years
Equipment	5 - 20 years

The School District is reporting intangible right to use assets related to leased assets. The lease assets include equipment and represent nonfinancial assets which are being utilized for a period of time through leases from another entity.

Compensated Absences

Vacation benefits are accrued as a liability as the benefits are earned if the employees’ rights to receive compensation are attributable to services already rendered and it is probable that the School District will compensate the employees for the benefits through paid time off or some other means. The School District records a liability for accumulated unused vacation time when earned for all employees with more than one year of service.

Vacation leave is accumulated by employees at the applicable vacation rate based on the employees’ years of service. The School District will record the liability “Accrued Vacation Leave Payable” for the balance at the end of the fiscal year. School District employees cannot carry vacation leave balances over to the next calendar year.

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees’ wage rates at fiscal year-end, taking into consideration any limits specified in the School District’s termination policy. The School District records a liability for accumulated unused sick leave for all employees after five years of service.

On the governmental fund financial statements, compensated absences are recognized as a liability and expenditures to the extent that payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “Matured Compensated Absences Payable” in the fund from which the employees will be paid.

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

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and 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 fiscal year. Bonds, leases, and financed purchases are recognized as liabilities on the governmental fund financial statements when due. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

Leases

The School District serves as both lessee and lessor in various noncancellable leases which are accounted for as follows:

Lessee At the commencement of a lease, the School District initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Lessor At the commencement of a lease, the School District initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The 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" criterion includes items that are not expected to be converted to cash.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

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.

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

Assigned - Amounts in the assigned fund balance classification are intended to be used by the School District 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. In the General Fund, assigned amounts represent intended uses established by the Board of Education. State statute authorizes the Treasurer to assign fund balance for purchase orders provided such amounts have been lawfully appropriated. The assigned fund balance also includes purchases on order, public support, and employee assistance.

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 fund balance.

The School District 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.

Net Position

Net position represents the difference between all other elements in a statement of financial position. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net position is reported as restricted when there are limitations imposed on its use through external restrictions imposed by creditors, grantors, or laws or regulations of other governments.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

The School District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position are available. Restricted Net Position for OPEB plans represents the corresponding restricted asset amounts after considering the related deferred outflows and deferred inflows.

Internal Activity

Transfers between governmental activities are eliminated on the government-wide financial statements.

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Interfund payments for services provided and used are not eliminated.

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

Budgetary Process

All funds, other than the custodial funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund. The budgetary comparisons included within the basic financial statements for the General Fund demonstrates compliance with this legal level of budgetary control.

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

The appropriations resolution is subject to amendment by the Board throughout the fiscal year with the restriction that appropriations may not exceed estimated resources. The amounts reported as the original budgeted amounts in the budgetary statements reflect the first appropriation for that fund that covered the entire fiscal year, including amounts automatically

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

carried over from prior fiscal years. The amounts reported as the final budgeted amounts represent the final appropriation amounts passed by the Board of Education during the fiscal year, including all supplemental appropriations.

Bond Premiums and Compounded Interest on Capital Appreciation Bonds

For governmental activities, bond premiums are deferred and amortized over the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Capital appreciation bonds are accreted each fiscal year for the compounded interest accrued during the fiscal year. Bond premiums and the compounded interest on the capital appreciation bonds are presented as an addition to the face amount of the bonds payable.

On the governmental fund financial statements, bond premiums are recognized in the period in which the bonds were issued. Under Ohio law, premiums on the original issuance of debt are to be deposited to the bond retirement fund to be used for debt retirement and are precluded from being applied to the project fund. Ohio law does allow premiums on refunding debt to be used as part of the payment to the bond escrow agent. Accretion on the capital appreciation bonds is not reported. Interest on the capital appreciation bonds is recorded as an expenditure when the debt becomes due.

Deferred Charge on Refunding

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This deferred amount is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, using the effective interest method and is presented as deferred outflows/inflows of resources on the Statement of Net Position.

Estimates

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

NOTE 3- CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2023, the School District implemented Governmental Accounting Standards Board (GASB) No. 91, *Conduit Debt Obligations*, Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*, GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, and GASB Statement No. 99, *Omnibus 2022*.

GASB 91 clarifies the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The School District did not have any debt that met the definition of conduit debt.

GASB Statement 94 improves financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). The School District did not have any arrangements that met the GASB 94 definition of a PPP or an APA.

GASB Statement 96 provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). The School District did not have any contracts that met the GASB 96 definition of a SBITA.

GASB Statement 99 addresses various issues including items related to leases, PPPs, and SBITAs. The requirements related to PPPs and SBITAs were incorporated with the corresponding GASB 94 and GASB 96 changes identified above.

NOTE 4 – ACCOUNTABILITY

At June 30, 2023, the following funds had deficit fund balances:

Fund Name	Amount
Nonmajor Governmental Funds:	
Elementary and Secondary School	
Emergency Relief	\$2,167,055
Title IV-B	622,829
Title III	56,457
Title I	55,053
Public School Preschool	5,042
Title II-A	10,238
Total	\$2,916,674

These deficits are the result of the recognition of payables in accordance with generally accepted accounting principles as well as short-term interfund loans from the General Fund needed for operations until the receipt of grant monies. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING

While the School District is reporting financial position, results of operations, and changes in fund balances 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 Balance - Budget and Actual (Budget Basis) is presented for the General Fund on the budgetary basis to provide a meaningful comparison of actual results with the budget.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Advances In and Advances Out are operating transactions (budget basis) as opposed to Balance Sheet transactions (GAAP basis).
4. Encumbrances are treated as expenditures (budget basis) rather than restricted, committed, or assigned fund balance (GAAP basis).
5. Investments are recorded at fair value (GAAP basis) rather than cost (budget basis).
6. Budgetary revenues and expenditures of the Employee Assistance, Public School Support, and Latchkey special revenue funds are classified to the General Fund for GAAP reporting.

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

Net Change in Fund Balance	General
GAAP Basis	\$16,931,764
Adjustments:	
Revenue Accruals	26,378
Expenditure Accruals	(1,616,456)
Advances	(2,228,826)
Encumbrances	(996,645)
Change in Fair Value of Investments - 2022	(729,326)
Change in Fair Value of Investments - 2023	798,525
Excess of revenues under expenditures for Employee Assistance Fund	3,577
Excess of revenues over expenditures for Public School Support Fund	(120,211)
Excess of revenues over expenditures for Latchkey Fund	(239,450)
Budget Basis	\$11,829,330

NOTE 6 – DEPOSITS AND INVESTMENTS

Monies held by the School District are classified by State Statute into three categories.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

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

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

Interim deposits are deposits of interim monies. Interim monies are those monies which are not needed for immediate use but which will be needed before the end of the current period of designation of depositories. Interim deposits must be evidenced by time certificates of deposit maturing not more than one year from the date of deposit, or by savings or deposit accounts, including passbook accounts.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, 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 obligation or security 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, and Government National Mortgage Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio, and with certain limitations including a requirement for maturity within ten years from the date of settlement, bonds and other obligations of political subdivisions of the State of Ohio, if training requirements have been met;

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

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, provided that investments in securities described in this division are made only through eligible institutions;
7. The State Treasurer's investment pool (STAROhio); and
8. Certain bankers' acceptances (for a period not to exceed one hundred eighty days) and commercial paper notes (for a period not to exceed two hundred seventy days) in an account not to exceed 40 percent of the interim monies available for investment at any one time if training requirements have been met. The investment in commercial paper notes of a single issuer shall not exceed in the aggregate five percent of interim moneys available for investment at the time of purchase.

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. Except as noted above, an investment must mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and must be purchased with the expectation that it will be held to maturity.

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

Investments: As of June 30, 2023, the School District had the following investments.

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Measurement/Investment	Measurement Amount	Maturity	S&P's/ Moody's Rating	Percent of Total Investments
Net Asset Value per Share:				
STAROhio	\$8,986	Less than one year	AAAm	N/A
Amortized Cost:				
Commercial Paper	17,288,013	Less than one year	P-1	24.00%
Fair Value - Level One Inputs:				
Money Market Mutual Funds	5,863,025	Less than one year	AAAm	8.14%
Fair Value - Level Two Inputs:				
Negotiable Certificates of Deposit	16,461,086	Less than four years	N/A	22.85%
Municipal Bonds	2,006,668	Less than four years	Aa2-Aaa	N/A
Federal Farm Credit Bank Bonds	1,549,378	Less than three years	Aaa	N/A
Federal Home Loan Bank Notes	18,985,449	Less than four years	Aaa	26.35%
Federal Home Loan Mortgage Corporation Bonds	2,748,760	Less than five years	Aaa	N/A
United States Treasury Notes	6,132,363	Less than two years	Aaa	8.51%
United States Treasury Bills	993,848	Less than one year	P-1	N/A
Total Fair Value - Level Two Inputs	48,877,552			
Total	\$72,037,576			

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The above chart identifies the School District's recurring fair value measurements as of June 30, 2023. The money market mutual fund is measured at fair value using quoted market prices (Level 1 inputs). The School District's remaining investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers and reference data including market research publications. Market indicators and industry and economic events are also monitored, which could require the need to acquire further market data. (Level 2 inputs).

Interest Rate Risk: As a means of limiting its exposure to fair value losses caused by rising interest rates, the School District attempts, to the extent possible, to match investments with anticipated cash flow requirements. Unless matched to a specific obligation or debt of the School District, the School District will not directly invest in securities maturing more than three years from the date of investment. The School District does not have a formal policy regarding interest rate risk.

Credit Risk: The Standard and Poor's or Moody's rating of the School District's investments is listed in the table above. STAROhio is permitted by Ohio Revised Code Section 135.45. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual funds be rated in the highest category at the time of purchase by at least one nationally recognized rating service. The Commercial Paper investments are rated A-1 to A-1+ by Standard and Poor's. The School District's Negotiable Certificates of Deposit are covered by FDIC.

Mason City School District
Notes to the Basic Financial Statements
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Concentration of Credit Risk: The School District's investment policy places no limit on the amount it may invest in any one issuer. The percentage that each investment represents of the total investments is listed in the table preceding.

NOTE 7 – PROPERTY TAXES

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2023 represents collections of calendar year 2022 taxes. Real property taxes received in calendar year 2023 were levied after April 1, 2022, on the assessed value listed as of January 1, 2022, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2023 represents collections of calendar year 2022 taxes. Public utility real and tangible personal property taxes received in calendar year 2023 became a lien December 31, 2021, were levied after April 1, 2022 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The Warren County Treasurer collects property taxes on behalf of all governments in the County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2023, are available to finance fiscal year 2023 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes that are measurable as of June 30, 2023, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit of deferred inflows – property taxes.

The amount available as an advance at June 30, 2023, was \$13,911,524 and is recognized as revenue: \$13,366,150 in the General Fund, \$387,984 in the Debt Service Fund, and \$157,390 in the Permanent Improvement Fund. The amount available as an advance at June 30, 2022, was \$14,819,925 and is recognized as revenue: \$14,077,499 in the General Fund, \$577,015 in the Debt Service Fund, and \$165,411 in the Permanent Improvement Fund.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

On an accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis, the revenue has been reported as deferred inflows of resources – unavailable revenue.

The assessed values upon which fiscal year 2023 taxes were collected are:

	2022 Second- Half Collections		2023 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$2,463,761,140	97.97%	\$2,569,855,700	97.97%
Public Utility Personal	51,071,130	2.03%	53,303,380	2.03%
Total Assessed Value	<u>\$2,514,832,270</u>	<u>100.00%</u>	<u>\$2,623,159,080</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$86.35		\$85.91	

Payments in Lieu of Taxes

The School District is party to Tax Increment Financing (TIF) agreements. Municipalities, townships, and counties can enter into TIF agreements which lock in real property at its unimproved value for up to 30 years in a defined TIF district. Some TIF agreements also require the TIF government to allocate service payments to school districts and other governments to help offset the property taxes these governments would have received had the improvements to real property not been exempted. The service payments that the School District receives as part of TIF agreements are presented on the financial statements as Payments in Lieu of Taxes.

NOTE 8 – TAX ABATEMENTS

Other governments entered into property tax abatement agreements with property owners under the Ohio Community Reinvestment Area (“CRA”) program with the taxing districts of the School District. The CRA program is a directive incentive tax exemption program benefiting property owners who renovate or construct new buildings. Under this program, the other governments designated areas to encourage revitalization of the existing housing stock and the development of new structures. Under this agreement the School District’s Property taxes were reduced by approximately \$975,093. The School District is receiving \$358,419 from the other governments in association with the forgone property tax revenue.

NOTE 9 – RECEIVABLES

Receivables at June 30, 2023, consisted of property taxes, leases, intergovernmental grants, interest, accounts, and interfund. All receivables, except for delinquent property taxes and leases, are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Leases Receivable

The School District is reporting leases receivable of \$3,351,166 in a nonmajor special revenue fund at June 30, 2023. This amount represents the discounted future lease payments. This discount is being amortized using the interest method. For 2023, the School District recognized lease revenue of \$317,937 and interest revenue of \$152,238 in a nonmajor special revenue fund related to lease payments received. These lease revenue amounts exclude short-term leases. A description of the School District’s leasing agreements are as follows:

Beacon Lease – The School District has entered into a lease agreement with Middletown Regional Hospital for athletic training facilities which commenced during fiscal year 2009, is for 23 years ending in fiscal year 2032, and is paid monthly. During fiscal year 2023, the School District terminated the lease with Middletown Regional Hospital and entered into an agreement with Beacon.

Royalty Building Lease – The School District has entered into a lease agreement with Royalty Trucking, Inc. for a building which commenced during fiscal year 2022, is for two years ending in fiscal year 2024, and is paid monthly.

A summary of future lease amounts receivable is as follows:

Fiscal Year Ending June 30,	Beacon		Royalty Building	
	Principal	Interest	Principal	Interest
2024	\$315,651	\$138,154	\$20,242	\$179
2025	343,597	123,729	0	0
2026	373,320	108,042	0	0
2027	404,808	91,017	0	0
2028	438,141	72,575	0	0
2029-2032	1,455,407	96,788	0	0
Totals	<u>\$3,330,924</u>	<u>\$630,305</u>	<u>\$20,242</u>	<u>\$179</u>

NOTE 10 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2023, was as follows:

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	Balance at 6/30/2022	Additions	Deductions	Balance at 6/30/2023
Governmental Activities:				
Capital Assets Not Being Depreciated:				
Land	\$3,582,158	\$0	\$0	\$3,582,158
Construction in Progress	230,944	4,383,852	(231,044)	4,383,752
Total Capital Assets Not Being Depreciated	3,813,102	4,383,852	(231,044)	7,965,910
Capital Assets Being Depreciated:				
Buildings and Improvements	211,169,834	1,716,007	0	212,885,841
Equipment	20,075,552	1,849,240	(19,891)	21,904,901
Intangible Right to Use - Equipment	0	1,095,787	0	1,095,787
Total Capital Assets Being Depreciated	231,245,386	4,661,034	(19,891)	235,886,529
Less Accumulated Depreciation/ Amortization:				
Building and Improvements	(40,645,400)	(2,385,635)	0	(43,031,035)
Equipment	(15,013,213)	(940,171)	15,198	(15,938,186)
Intangible Right to Use - Equipment	0	(274,144)	0	(274,144)
Total Accumulated Depreciation/ Amortization	(55,658,613)	(3,599,950) *	15,198	(59,243,365)
Total Capital Assets Being Depreciated, Net	175,586,773	1,061,084	(4,693)	176,643,164
Governmental Activities Capital Assets, Net	\$179,399,875	\$5,444,936	(\$235,737)	\$184,609,074

*Depreciation expense was charged to governmental functions as follows:

	Depreciation	Amortization	Total
Instruction:			
Regular	\$140,849	\$0	\$140,849
Special	493	0	493
Support Services:			
Instructional Staff	24,156	168,889	193,045
Administration	1,219	0	1,219
Fiscal	1,767	0	1,767
Operation and Maintenance of Plant	2,385,590	105,255	2,490,845
Pupil Transportation	527,880	0	527,880
Central	16,300	0	16,300
Operation of Non-Instructional Services	90,907	0	90,907
Extracurricular Activities	136,645	0	136,645
Total	\$3,325,806	\$274,144	\$3,599,950

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

NOTE 11 – RISK MANAGEMENT

Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2023, the School District contracted with Liberty Mutual for general liability insurance, and an umbrella policy. Property and fleet is also protected by Liberty Mutual. The Travelers Insurance Company maintains the bonds for the Board President, Superintendent, and Treasurer. Liberty Mutual also maintains an employee dishonesty blanket bond for all employees.

Settled claims have not exceeded the coverage in any of the past three fiscal years. There has not been a significant reduction in coverage from the prior fiscal year.

Employee Benefits

The School District is self-insured for employee health care benefits, including prescription drug coverage, for all of its employees. The health care, and prescription drug benefits are currently administered by Anthem, which provides claims review and processing services.

The School District is also self-insured for dental benefits. Third party administrative services are provided by Dental Care Plus Group. Monthly premiums for dental coverage are \$116.85 for family coverage and \$43.98 for individual coverage. The School District is responsible for payment of all claim amounts.

The School District is also self-insured for vision benefits. Third party administrative services are provided by Vision Service Plan (VSP). Monthly premiums for vision are \$9.95 for family coverage and \$4.61 for individual coverage. VSP is responsible for payment of all claim amounts as established in the plan document.

The liability for unpaid claims of \$1,040,711 reported in the General Fund at June 30, 2023, is based on the requirements of GASB Statement No. 10, *“Accounting and Financial Reporting for Risk Financing and Related Insurance Issues,”* as amended by GASB Statement No. 30, *“Risk Management Omnibus,”* which requires that a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. Estimates were calculated based upon an independent actuarial evaluation of claims payable. The estimate was not affected by incremental claims adjustment expenses and does not include other allocated or unallocated claims adjustment expenses.

The amount reported as claims payable in the General Fund in the fund financial statements is \$1,040,711, since this amount is currently due and payable with expendable available financial resources. In the government-wide financial statements, the total amount of the liability for claims of \$1,040,711 has been reported as claims payable.

Mason City School District
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Changes in claims activity for employee benefits for the past two fiscal years are as follows:

	Balance at Beginning of Fiscal Year	Current Fiscal Year Claims	Claims Payments	Balance at End of Fiscal Year
2022	\$1,396,819	\$21,245,458	\$20,950,288	\$1,691,989
2023	1,691,989	18,390,260	19,041,538	1,040,711

NOTE 12 – DEFINED BENEFIT PENSION PLANS

The Statewide retirement systems provide both pension benefits and other postemployment benefits (OPEB).

Net Pension/Net OPEB Liability

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

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

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

GASB 68/75 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires funding to come from these employers. All pension contributions to date have come solely from these employers (which also includes pension costs paid in the form of withholdings from employees). The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits. In addition, health care plan enrollees pay a portion of the health care costs in the form of a monthly premium. State statute requires the retirement systems to amortize unfunded pension liabilities within 30 years. If the pension amortization period exceeds 30 years, each retirement system’s board must propose corrective action to the State legislature. Any resulting legislative

Mason City School District
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change to benefits or funding could significantly affect the net pension/OPEB liability (asset). Resulting adjustments to the net pension/OPEB liability (asset) would be effective when the changes are legally enforceable. The Ohio Revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients.

The proportionate share of each plan’s unfunded benefits is presented as a *net OPEB asset* or long-term *net pension/OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required pension/OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting. The remainder of this note includes the required pension disclosures. See Note 13 for the required OPEB disclosures.

Plan Description - School Employees Retirement System (SERS)

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

Age and service requirements for retirement are as follows:

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

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

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

An individual whose benefit effective date is before April 1, 2018, is eligible for a cost of living adjustment (COLA) on the first anniversary date of the benefit. New benefit recipients must wait until the fourth anniversary of their benefit for COLA eligibility. The COLA is added each year to the base benefit amount on the anniversary date of the benefit. The COLA is indexed to the percentage increase in the CPI-W, not to exceed 2.5 percent and with a floor of 0 percent. A

Mason City School District
Notes to the Basic Financial Statements
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three-year COLA suspension was in effect for all benefit recipients for the years 2018, 2019, and 2020. The Retirement Board approved a 2.5 percent COLA for calendar year 2023.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2023, the allocation to pension, death benefits, and Medicare B was 14.0 percent. For fiscal year 2023, the Retirement Board did not allocate any employer contribution to the Health Care Fund.

The School District's contractually required contribution to SERS was \$2,686,517 for fiscal year 2023, none of which is reported as an intergovernmental payable.

Plan Description – State Teachers Retirement System (STRS)

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

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan, and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307.

The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation is 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. In April 2017, the Retirement Board made the decision to reduce COLA granted on or after July 1, 2017, to 0 percent upon a determination by its actuary that it was necessary to preserve the fiscal integrity of the retirement system. Benefit recipients' base benefit and past cost-of living increases are not affected by this change. Effective July 1, 2022, an ad-hoc COLA of 3 percent of the base benefit was granted to eligible benefit recipients to begin on the anniversary of their retirement benefit in fiscal year 2023 as long as they retired prior to July 1, 2018. Eligibility changes will be phased in until August 1, 2023, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

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Eligibility changes for DB Plan members who retire with actuarially reduced benefits will be phased in until August 1, 2023, when retirement eligibility will be five years of qualifying service credit and age 60, or 30 years of service credit regardless of age.

The DC Plan allows members to place all their member contributions and 9.53 percent of the 14 percent employer contributions into an investment account. The member determines how to allocate the member and employer money among various investment choices offered by STRS. The remaining 4.47 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate is deposited into the member's DC account and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age fifty and after termination of employment.

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

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

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. The 2023 employer and employee contribution rate of 14 percent was equal to the statutory maximum rates. For 2023, the full employer contribution was allocated to pension.

The School District's contractually required contribution to STRS was \$8,918,541 for fiscal year 2023. Of this amount, \$1,572,352 is reported as an intergovernmental payable.

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

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The School District's proportion of the net pension liability was based on the School District's share of contributions to the pension plan relative to the contributions of all participating entities. Following is information related to the proportionate share and pension expense:

	SERS	STRS	Total
Proportion of the Net Pension Liability:			
Current Measurement Date	0.51670550%	0.489235830%	
Prior Measurement Date	0.52205030%	0.481847634%	
Change in Proportionate Share	<u>(0.00534480%)</u>	<u>0.007388196%</u>	
Proportionate Share of the Net Pension Liability	\$27,947,453	\$108,757,742	\$136,705,195
Pension Expense	\$1,316,520	\$14,033,287	\$15,349,807

At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	SERS	STRS	Total
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$1,131,895	\$1,392,239	\$2,524,134
Changes of assumptions	275,762	13,015,034	13,290,796
Net difference between projected and actual earnings on pension plan investments	0	3,784,532	3,784,532
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	6,152	2,664,090	2,670,242
School District contributions subsequent to the measurement date	<u>2,686,517</u>	<u>8,918,541</u>	<u>11,605,058</u>
Total Deferred Outflows of Resources	<u>\$4,100,326</u>	<u>\$29,774,436</u>	<u>\$33,874,762</u>

Mason City School District
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	SERS	STRS	Total
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$183,468	\$416,033	\$599,501
Changes of assumptions	0	9,796,579	9,796,579
Net difference between projected and actual earnings on pension plan investments	975,238	0	975,238
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	203,522	1,215,556	1,419,078
Total Deferred Inflows of Resources	\$1,362,228	\$11,428,168	\$12,790,396

\$11,605,058 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2024	\$18,407	\$1,098,254	\$1,116,661
2025	(194,365)	436,947	242,582
2026	(1,393,150)	(3,137,277)	(4,530,427)
2027	1,620,689	11,029,803	12,650,492
Total	\$51,581	\$9,427,727	\$9,479,308

Actuarial Assumptions – SERS

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

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

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

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2022, are presented below:

	June 30, 2022
Inflation	2.4 percent
Future Salary Increases, including inflation COLA or Ad Hoc COLA	3.25 percent to 13.58 percent 2.0 percent, on or after April 1, 2018, COLAs for future retirees will be delayed for three years following commencement
Investment Rate of Return	7.00 percent net of System expenses
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mortality rates were based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

The most recent experience study was completed for the five year period ended June 30, 2020.

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

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash	2.00 %	(0.45) %
US Equity	24.75	5.37
Non-US Equity Developed	13.50	6.22
Non-US Equity Emerging	6.75	8.22
Fixed Income/Global Bonds	19.00	1.20
Private Equity	11.00	10.05
Real Estate/Real Assets	16.00	4.87
Multi-Asset Strategy	4.00	3.39
Private Debt/Private Credit	3.00	5.38
Total	<u>100.00 %</u>	

Discount Rate The total pension liability for 2022 was calculated using the discount rate of 7.00 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.00 percent). Based on those assumptions, the plan’s fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the net pension liability calculated using the discount rate of 7.00 percent, as well as what each plan’s net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent), or one percentage point higher (8.00 percent) than the current rate.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$41,137,316	\$27,947,453	\$16,835,172

Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2022, actuarial valuation are presented below:

Mason City School District
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	June 30, 2022
Inflation	2.50 percent
Salary increases	From 2.5 percent to 12.5 percent based on age
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation
Discount Rate of Return	7.00 percent
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017

For 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For 2021, post-retirement mortality rates are based on RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates, thereafter, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

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<u>Asset Class</u>	<u>Target Allocation *</u>	<u>Long-Term Expected Rate of Return **</u>
Domestic Equity	26.00%	6.60%
International Equity	22.00	6.80
Alternatives	19.00	7.38
Fixed Income	22.00	1.75
Real Estate	10.00	5.75
Liquidity Reserves	1.00	1.00
Total	<u>100.00%</u>	

* Target allocation percentage is effective July 1, 2022. Target weights were phased in over a 3 month period concluding on October 1, 2022.

** 10 year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent, and is net of investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

Discount Rate The discount rate used to measure the total pension liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumes that member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on pension plan investments of 7.00 percent was applied to all periods of projected benefit payment to determine the total pension liability as of June 30, 2022.

Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate The following table presents the School District's proportionate share of the net pension liability calculated using the current period discount rate assumption of 7.00 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.00 percent) or one-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
School District's proportionate share of the net pension liability	\$164,293,354	\$108,757,742	\$61,791,807

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Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2023, two members of the Board of Education have elected Social Security. The Board's liability is 6.2 percent of wages paid.

NOTE 13 – DEFINED BENEFIT OPEB PLANS

See Note 12 for a description of the net OPEB liability.

Plan Description – School Employees Retirement System (SERS)

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. The following types of credit purchased after January 29, 1981, do not count toward health care coverage eligibility: military, federal, out-of-state, municipal, private school, exempted, and early retirement incentive credit. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Annual Comprehensive Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2023, no allocation was made to health care. An additional health care surcharge on employers is

Mason City School District
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collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2023, this amount was \$25,000. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2023, the School District's surcharge obligation was \$350,446.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$350,446 for fiscal year 2023, all of which is reported as an intergovernmental payable.

Plan Description – State Teachers Retirement System of Ohio (STRS)

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

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. All benefit recipients pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2023, STRS did not allocate any employer contributions to post-employment health care.

OPEB Liability (Asset), OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

The net OPEB liability (asset) was measured as of June 30, 2022, and the total OPEB liability used to calculate the net OPEB liability (asset) was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability (asset) was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability/Asset:			
Current Measurement Date	0.52742740%	0.489235830%	
Prior Measurement Date	0.52815870%	0.481847634%	
Change in Proportionate Share	<u>(0.00073130%)</u>	<u>0.007388196%</u>	
Proportionate Share of the:			
Net OPEB (Asset)	\$0	(\$12,667,945)	(\$12,667,945)
Net OPEB Liability	\$7,405,134	\$0	\$7,405,134
OPEB Expense	(\$526,696)	(\$2,197,328)	(\$2,724,024)

At June 30, 2023, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Deferred Outflows of Resources:			
Differences between expected and actual experience	\$62,251	\$183,640	\$245,891
Changes of assumptions	1,177,882	539,612	1,717,494
Net difference between projected and actual earnings on pension plan investments	38,487	220,518	259,005
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	182,745	200,870	383,615
School District contributions subsequent to the measurement date	350,446	0	350,446
Total Deferred Outflows of Resources	<u>\$1,811,811</u>	<u>\$1,144,640</u>	<u>\$2,956,451</u>
Deferred Inflows of Resources:			
Differences between expected and actual experience	\$4,736,868	\$1,902,482	\$6,639,350
Changes of assumptions	3,039,862	8,982,791	12,022,653
Changes in proportionate share and difference between School District contributions and proportionate share of contributions	550,286	11,550	561,836
Total Deferred Inflows of Resources	<u>\$8,327,016</u>	<u>\$10,896,823</u>	<u>\$19,223,839</u>

\$350,446 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Fiscal Year Ending June 30:			
2024	(\$1,510,177)	(\$2,819,978)	(\$4,330,155)
2025	(1,574,231)	(2,773,432)	(4,347,663)
2026	(1,412,044)	(1,354,311)	(2,766,355)
2027	(885,926)	(561,517)	(1,447,443)
2028	(577,116)	(741,855)	(1,318,971)
Thereafter	<u>(906,157)</u>	<u>(1,501,090)</u>	<u>(2,407,247)</u>
Total	<u><u>(\$6,865,651)</u></u>	<u><u>(\$9,752,183)</u></u>	<u><u>(\$16,617,834)</u></u>

Actuarial Assumptions – SERS

The total OPEB liability is determined by SERS’ actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

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

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

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2022, are presented below:

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	June 30, 2022
Inflation	2.40 percent
Future Salary Increases, including inflation Wage Increases	3.25 percent to 13.58 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation
Fiduciary Net Position is Projected to be Depleted	2044
Municipal Bond Index Rate:	
Measurement Date	3.69 percent
Prior Measurement Date	1.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Measurement Date	4.08 percent
Prior Measurement Date	2.27 percent
Health Care Cost Trend Rate	
Medicare	5.125 to 4.40 percent
Pre-Medicare	6.75 to 4.40 percent
Medical Trend Assumption	7.00 to 4.40 percent

Mortality rates among healthy retirees were based on the PUB-2010 General Employee Amount Weighted Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Mortality rates for contingent survivors were based on PUB-2010 General Amount Weighted Below Median Contingent Survivor mortality table projected to 2017 with ages set forward 1 year and adjusted 105.5 percent for males and adjusted 122.5 percent for females. Mortality rates for actives is based on PUB-2010 General Amount Weighted Below Median Employee mortality table.

The most recent experience study was completed for the five year period ended June 30, 2020.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2016 through 2020, and was adopted by the Board in 2021. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a long-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.00 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended

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to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The SERS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 12.

Discount Rate The discount rate used to measure the total OPEB liability at June 30, 2022, was 4.08 percent. The discount rate used to measure total OPEB liability prior to June 30, 2021, was 2.27 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the contribution rate of 1.50 percent of projected covered payroll each year, which includes a 1.50 percent payroll surcharge and no contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make all projected future benefit payments of current System members by SERS actuaries. The Municipal Bond Index Rate is used in the determination of the SEIR for both the June 30, 2022, and the June 30, 2021, total OPEB liability. The Municipal Bond Index rate is the single rate that will generate a present value of benefit payments equal to the sum of the present value determined by the long-term expected rate of return, and the present value determined by discounting those benefits after the date of depletion. The Municipal Bond Index Rate is 3.69 percent at June 30, 2022, and 1.92 percent at June 30, 2021.

Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (3.08%) and higher (5.08%) than the current discount rate (4.08%). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.00% decreasing to 3.40%) and higher (8.00% decreasing to 5.40%) than the current rate.

	1% Decrease (3.08%)	Current Discount Rate (4.08%)	1 % Increase (5.08%)
School District's proportionate share of the net OPEB liability	\$9,197,290	\$7,405,134	\$5,958,380
	1% Decrease (6.00% decreasing to 3.40%)	Current Trend Rate (7.00% decreasing to 4.40%)	1% Increase (8.00% decreasing to 5.40%)
School District's proportionate share of the net OPEB liability	\$5,710,688	\$7,405,134	\$9,618,358

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Actuarial Assumptions – STRS

Key methods and assumptions used in the June 30, 2022, actuarial valuation are presented below:

	<u>June 30, 2022</u>	<u>June 30, 2021</u>
Projected salary increases	Varies by service from 2.5 percent to 8.5 percent	Varies by age from 2.5 percent to 12.50 percent
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.00 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent
Discount Rate of Return	7.00 percent	7.00 percent
Health Care Cost Trends		
Medical		
Pre-Medicare	7.50 percent initial 3.94 percent ultimate	5.00 percent initial 4 percent ultimate
Medicare	-68.78 percent initial 3.94 percent ultimate	-16.18 percent initial 4 percent ultimate
Prescription Drug		
Pre-Medicare	9.00 percent initial 3.94 percent ultimate	6.50 percent initial 4 percent ultimate
Medicare	-5.47 percent initial 3.94 percent ultimate	29.98 percent initial 4 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For 2022, healthy retirees post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020; pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. For disabled retirees, mortality rates are based on the Pub-2010 Teachers Disabled Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

For 2021, healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2022, valuation are based on the results of an actuarial experience study for the period July 1, 2015, through June 30, 2021. An actuarial experience study is done on a quinquennial basis.

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The STRS health care plan follows the same asset allocation and long-term expected real rate of return for each major asset class as the pension plan, see Note 12.

Discount Rate The discount rate used to measure the total OPEB liability was 7.00 percent as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed STRS continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2022. Therefore, the long-term expected rate of return on health care plan investments of 7.00 percent was applied to all periods of projected health care costs to determine the total OPEB liability as of June 30, 2022.

Sensitivity of the School District's Proportionate Share of the Net OPEB Asset to Changes in the Discount and Health Care Cost Trend Rate The following table represents the net OPEB asset as of June 30, 2022, calculated using the current period discount rate assumption of 7.00 percent, as well as what the net OPEB asset would be if it were calculated using a discount rate that is one percentage point lower (6.00 percent) or one percentage point higher (8.00 percent) than the current assumption. Also shown is the net OPEB asset as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1 % Increase (8.00%)
School District's proportionate share of the net OPEB asset	(\$11,711,181)	(\$12,667,945)	(\$13,487,493)

	1% Decrease	Current Trend Rate	1% Increase
School District's proportionate share of the net OPEB asset	(\$13,139,739)	(\$12,667,945)	(\$12,072,418)

NOTE 14 – EMPLOYEE BENEFITS

Compensated Absences

The criteria for determining vacation, sick, and compensated time leave benefits are derived from negotiated agreements and State laws. Eligible classified employees and administrators earn 0 to 30 days of vacation per fiscal year, depending upon length of service and days worked. Accumulated, unused vacation time is paid to classified employees and administrators upon termination of employment. Certified employees do not earn vacation time.

Certified employees, classified employees, and administrators earn sick leave at the rate of one and one-quarter days per month. Sick leave accumulation for all employees is unlimited. Upon retirement, payment is made for accumulated, unused sick leave up to a maximum number of days, depending upon length of service and the negotiated contract.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Insurance

The School District is self-insured for employee healthcare, prescription drug, dental, vision and worker’s compensation benefits. See Note 11 for more information regarding these benefits.

Deferred Compensation

School District employees may participate in the Ohio Public Employees Deferred Compensation Plan. This plan was created in accordance with Internal Revenue Code Section 457 and is considered an other employee benefit plan. School District employees are also permitted to participate in the 403b plans offered by many Board approved vendors. Participation is on a voluntary payroll deduction basis. The plan permits deferral of compensation until future years. According to the plans, the deferred compensation is not available until termination, retirement, death or an unforeseeable emergency.

NOTE 15 – LONG-TERM OBLIGATIONS

The changes in the School District’s long-term obligations during the fiscal year 2023 were as follows:

	Amounts Outstanding 6/30/2022	Additions	Deductions	Amounts Outstanding 6/30/2023	Amounts Due Within One Year
<u>Governmental Activities:</u>					
General Obligation Bonds:					
2007 Refunding Early Childhood Center Bonds 4.89%					
Serial Bonds \$15,015,000	\$13,870,000	\$0	\$0	\$13,870,000	\$0
2013 Refunding High School Addition Bonds 4.25-4.375%					
Capital Appreciation Bonds \$720,000					
	275,000	0	275,000	0	0
Accretion on Capital Appreciation Bonds					
	752,042	77,958	830,000	0	0
Unamortized Premium					
	464,109	0	464,109	0	0
2013 Refunding High School / 2016 Tax Exempt Refunding Bonds - 3.0% to 5.0%					
Serial Bonds \$10,170,000.	5,130,000	0	1,730,000	3,400,000	1,670,000
Unamortized Premium	514,130	0	171,376	342,754	0
Total General Obligation Debt	<u>\$21,005,281</u>	<u>\$77,958</u>	<u>\$3,470,485</u>	<u>\$17,612,754</u>	<u>\$1,670,000</u>

(Continued)

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

	Amounts Outstanding 6/30/2022	Additions	Deductions	Amounts Outstanding 6/30/2023	Amounts Due Within One Year
<u>Governmental Activities:</u>					
Net Pension Liability:					
SERS	\$19,262,142	\$8,685,311	\$0	\$27,947,453	\$0
STRS	61,608,550	47,149,192	0	108,757,742	0
Total Net Pension Liability	<u>80,870,692</u>	<u>55,834,503</u>	<u>0</u>	<u>136,705,195</u>	<u>0</u>
Net OPEB Liability:					
SERS	9,995,837	0	2,590,703	7,405,134	0
Compensated Absences	12,922,607	3,648,013	3,750,162	12,820,458	1,067,075
Leases	0	1,095,787	274,144	821,643	263,611
Financed Purchase (Direct Borrowing)	<u>3,594,000</u>	<u>0</u>	<u>259,000</u>	<u>3,335,000</u>	<u>286,000</u>
Total Governmental Activities					
Long-Term Obligations	<u>\$128,388,417</u>	<u>\$60,656,261</u>	<u>\$10,344,494</u>	<u>\$178,700,184</u>	<u>\$3,286,686</u>

General Obligation bonds were issued for construction and improvements to various School District facilities. The bonds will be paid from the Debt Service Fund.

Financed Purchase Agreements – In a prior fiscal year, the School District entered into a financed purchase agreement for equipment. The School District is purchasing the equipment from the Ohio Association of School Business Officials (OASBO). This agreement meets the criteria of a financed purchase which transfers ownership to the lessee. Financed purchase payments are reflected as debt service expenditures in the fund financial statements. Principal payments made during fiscal year 2023 totaled \$259,000 from the Community Services Fund.

The agreement provides for minimum annual financed purchase payments as follows:

Fiscal Year Ending June 30,	Total Payments
2024	\$433,972
2025	445,745
2026	460,340
2027	474,520
2028	487,519
2029-2032	<u>1,779,109</u>
Total Outstanding Lease Liability	4,081,205
Less: Amount Representing Interest	<u>(746,205)</u>
Present Value of Net Minimum Lease Payments	<u>\$3,335,000</u>

Compensated absences will be paid from the General Fund, Food Service, Community Services, Title VI-B, Title III, Title I and Public School Preschool special revenue funds. There is no repayment schedule for the net pension/OPEB liabilities. However, employer pension/OPEB contributions are made from the following funds: General, Food Service, Community Services, Latchkey, District Managed Student, Auxiliary Services, Miscellaneous State Grants, Title VI-B, Title III, Title I, and Public School Preschool funds. For additional information related to the net pension/OPEB liabilities see Notes 12 and 13.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Principal and interest requirements to retire the School District’s outstanding debt at June 30, 2023, are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds Serial/Term Bonds	
	Principal	Interest
2024	\$1,670,000	\$856,425
2025	1,730,000	771,425
2026	1,695,000	683,681
2027	1,780,000	592,463
2028	1,870,000	496,650
2029-2032	8,525,000	923,606
Totals	\$17,270,000	\$4,324,250

The School District’s overall legal debt margin was \$218,814,317 with an unvoted debt margin of \$2,623,159.

Leases – The School District has outstanding agreements to lease copiers and computers. The future lease payments were discounted based on the interest rate implicit in the lease or using the School District’s incremental borrowing rate. This discount is being amortized using the interest method over the life of the lease. Leases will be paid from the General Fund and the Permanent Improvement Fund. A summary of the principal and interest amounts for the remaining leases is as follows:

Year	Principal	Interest
2024	\$263,611	\$29,241
2025	273,750	19,102
2026	284,282	8,570
	\$821,643	\$56,913

NOTE 16 – INTERFUND ACTIVITY

As of June 30, 2023, the Nonmajor Governmental Funds owed the General Fund \$2,612,432. General Fund advances are made to move unrestricted balances to support programs and projects accounted for in nonmajor governmental funds. A Nonmajor Governmental Fund owed the Permanent Improvement Fund \$201,481 due to grant monies owed between those funds. Advancing monies to other funds is necessary due to timing differences in the receipt of grant monies. When the monies are finally received, the grant fund will use these restricted monies to reimburse the General Fund for the initial advance. All advances are expected to be repaid within one year.

Transfers made during the fiscal year ended June 30, 2023, were as follows:

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

		Transfers From
		<u>General Fund</u>
Transfers	To	
	Permanent Improvement Fund	<u>\$3,750,000</u>

Transfers made from the General Fund to the Permanent Improvement Fund were for capital improvements.

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS

Southwestern Ohio Computer Association

The School District is a participant in the Southwest Ohio Computer Association (SWOCA), which is a computer consortium. SWOCA is an association of public school districts within the boundaries of Butler, Hamilton, Preble, and Warren Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SWOCA consists of one representative from each district plus one representative from the fiscal agent. The Board exercises total control over the operations of the consortium including budgeting, appropriating, contracting and designating management. Each School District’s degree of control is limited to its representation on the Board. The School District paid SWOCA \$182,701 for services provided during the fiscal year. Financial information can be obtained from SWOCA at 3607 Hamilton-Middletown Road, Hamilton, Ohio 45011.

Great Oaks Career Campuses

Great Oaks Career Campuses, a jointly governed organization, is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each of the thirty-six participating school district’s elected boards. Great Oaks provides coordination of career development services to students in grades K-12 in the affiliated school districts. The Board exercises total control over the operations of the organization including budgeting, appropriating, contracting and designating management. Each School District’s degree of control is limited to its representation on the Board. Financial information can be obtained by writing to Great Oaks Career Campuses at 3254 East Kemper Road, Cincinnati, Ohio 45241.

Jewell Education Foundation

The School District is a participant in the Jewell Education Foundation, which is a jointly governed educational foundation established to benefit the school districts in Warren County. The Foundation was created to promote and assist in funding through soliciting grants and charitable contributions for distributions to member educational institutions of participating school districts. The governing board is made up of the Warren County Vocational School

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

District Superintendent, one member of the 1999 Warren County Vocational School District Board of Education, not on the current board, and one member submitted by each participating school district. The Board exercises total control over the operations of the foundation including budgeting, appropriating, contracting and designating management. Each School District’s degree of control is limited to its representation on the Board. The School District made no financial contribution to the Foundation during the fiscal year. Financial information can be obtained by writing to the Director of Planned Giving at P.O. Box 854, Lebanon, Ohio 45036.

NOTE 18 – SET-ASIDES

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

The School District is no longer required to set aside funds in the budget stabilization, with the exception of monies received from the Bureau of Workers’ Compensation prior to April 10, 2001, which must be retained for budget stabilization or spent for specified purposes.

The following cash basis information identifies the change in the fiscal year-end set-aside amounts. Disclosure of this information is required by State statute.

	Capital Acquisitions	Budget Stabilization
Set-aside Balance as of June 30, 2022	\$0	\$85,593
Current Fiscal Year Set-aside Requirement	2,172,169	0
Qualifying Disbursements	(2,172,169)	0
Set-aside Balance as of June 30, 2023	\$0	\$85,593

Amounts of offsets and qualifying expenditures presented in the table for the capital acquisitions set-asides were limited to those necessary to reduce the year-end balance to zero. Although the School District may have had additional offsets and qualifying expenditures for capital acquisitions, these amounts may not be used to reduce the set-aside requirements of future fiscal years and therefore are not presented as being carried forward to the next fiscal year.

NOTE 19 – SIGNIFICANT COMMITMENTS

Encumbrances

Encumbrances are commitments related to unperformed contracts for goods or services. Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. At fiscal year end, the amount of encumbrances expected to be honored upon performance by the vendor in the next fiscal year were as follows:

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

<u>Governmental Funds:</u>	
General Fund	\$996,645
Permanent Improvement Fund	6,525,991
Nonmajor Governmental Funds	769,163
Total	\$8,291,799

Contractual Commitments

As of June 30, 2023, the School District had the following commitments with respect to capital projects:

Project	Contractual Commitments
Mobilcomm	\$284,941
Pinnacle Paving	432,977
Trane	20,537
Ebeb	821,225
Graybach	4,363,600
IMS Technology and Security	276,032
River City Body	30,375

NOTE 20 – FUND BALANCES

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

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

Fund Balances	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total
Restricted for:				
Debt Service	\$0	\$0	\$7,038,648	\$7,038,648
Capital Improvements	0	17,061,355	0	17,061,355
Classroom Facilities	0	0	2,641,493	2,641,493
Building Projects	0	0	7,671	7,671
District and Student Managed Activities	0	0	1,211,902	1,211,902
Community Services	0	0	1,918,401	1,918,401
Food Services Operations	0	0	3,046,200	3,046,200
State and Federal Grants	0	0	300,460	300,460
Scholarships	0	0	86,112	86,112
Total Restricted	0	17,061,355	16,250,887	33,312,242
Committed to:				
Professional & Technical Services	2,449	0	0	2,449
Property Services	32,483	0	0	32,483
Total Committed	34,932	0	0	34,932
Assigned to:				
Purchases on Order:				
Professional & Technical Services	127,023	0	0	127,023
Property and Utility Services	313,520	0	0	313,520
Supplies and Materials	270,473	0	0	270,473
Transportation	628	0	0	628
Dues and Fees	1,340	0	0	1,340
Employee Benefits	5,199	0	0	5,199
Other	8,247	0	0	8,247
Public Support	766,054	0	0	766,054
Employee Assistance	12,723	0	0	12,723
Total Assigned	1,505,207	0	0	1,505,207
Unassigned (Deficits)	56,435,057	0	(2,916,674)	53,518,383
Total Fund Balances	\$57,975,196	\$17,061,355	\$13,334,213	\$88,370,764

NOTE 21 – CONTINGENCIES

Grants

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2023, if applicable, cannot be determined at this time.

Mason City School District
Notes to the Basic Financial Statements
for the Fiscal Year Ended June 30, 2023

School Foundation

School District foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2023 were provided. As a result, the School District recognized a payable of \$2,691 and a receivable of \$208. The School District has not received the final adjustments from ODE, which may result in additional receivables or payables.

Litigation

The School District is not party to legal proceedings as of June 30, 2023.

NOTE 22 – COVID-19

The United States and the State of Ohio declared a state of emergency in March of 2020 due to the COVID-19 pandemic. Ohio's state of emergency ended in June 2021 while the national state of emergency ended in April 2023. During 2023, the School District received COVID-19 funding. The School District will continue to spend available COVID-19 funding consistent with the applicable program guidelines.

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

	2023	2022	2021	2020
School District's Proportion of the Net Pension Liability	0.51670550%	0.52205030%	0.52156210%	0.52210830%
School District's Proportionate Share of the Net Pension Liability	\$27,947,453	\$19,262,142	\$34,497,217	\$31,238,656
School District's Covered Payroll	\$19,301,879	\$18,019,836	\$18,411,679	\$17,881,207
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	144.79%	106.89%	187.37%	174.70%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.82%	82.86%	68.55%	70.85%

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

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
0.54214530%	0.51235500%	0.53056090%	0.53311760%	0.54363500%	0.54363500%
\$31,049,665	\$30,612,110	\$38,832,162	\$30,420,707	\$27,513,058	\$32,337,923
\$17,519,519	\$17,103,571	\$17,714,229	\$18,873,331	\$15,956,537	\$15,323,775
177.23%	178.98%	219.21%	161.18%	172.42%	211.03%
71.36%	69.50%	62.98%	69.16%	71.70%	65.52%

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

	2023	2022	2021	2020
School District's Proportion of the Net OPEB Liability	0.52742740%	0.52815870%	0.52538240%	0.53410310%
School District's Proportionate Share of the Net OPEB Liability	\$7,405,134	\$9,995,837	\$11,418,277	\$13,431,570
School District's Covered Payroll	\$19,301,879	\$18,019,836	\$18,411,679	\$17,881,207
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	38.36%	55.47%	62.02%	75.12%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	30.34%	24.08%	18.17%	15.57%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.54966140%	0.52145630%	0.53825683%
\$15,249,092	\$13,994,517	\$15,342,311
\$17,519,519	\$17,103,571	\$17,714,229
87.04%	81.82%	86.61%
13.57%	12.46%	11.49%

Mason City School District
Required Supplementary Information
Schedule of the School District's Proportionate Share of the Net Pension Liability
School Teachers Retirement System of Ohio
Last Ten Fiscal Years

	2023	2022	2021	2020
School District's Proportion of the Net Pension Liability	0.489235830%	0.481847634%	0.490055480%	0.465692860%
School District's Proportionate Share of the Net Pension Liability	\$108,757,742	\$61,608,550	\$118,575,987	\$102,985,176
School District's Covered Payroll	\$63,899,150	\$60,383,614	\$59,714,264	\$56,480,571
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	170.20%	102.03%	198.57%	182.34%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.90%	87.80%	75.50%	77.40%

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

See accompanying notes to the required supplementary information

2019	2018	2017	2016	2015	2014
0.465065100%	0.450216920%	0.450520310%	0.447684400%	0.454208730%	0.204542087%
\$102,257,389	\$106,949,994	\$150,802,728	\$123,726,873	\$110,479,282	\$131,247,785
\$52,426,029	\$47,922,093	\$47,531,486	\$49,677,086	\$49,977,400	\$52,226,769
195.05%	223.17%	317.27%	249.06%	221.06%	251.30%
77.30%	75.30%	66.80%	72.10%	74.70%	69.30%

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

	2023	2022	2021	2020
School District's Proportion of the Net OPEB Liability (Asset)	0.489235830%	0.481847634%	0.490054800%	0.465692860%
School District's Proportionate Share of the Net OPEB Liability (Asset)	(\$12,667,945)	(\$10,159,363)	(\$8,612,715)	(\$7,712,992)
School District's Covered Payroll	\$63,899,150	\$60,383,614	\$59,714,264	\$56,480,571
School District's Proportionate Share of the Net OPEB Liability (Asset) as a Percentage of its Covered Payroll	(19.82%)	(16.82%)	(14.42%)	(13.66%)
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	230.70%	174.70%	182.10%	174.70%

(1) Although this schedule is intended to reflect information for ten years, information prior to 2017 is not available. An additional column will be added each year.

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

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>
0.465065170%	0.450216920%	0.450520310%
(\$7,473,122)	\$17,565,803	\$24,093,943
\$52,426,029	\$47,922,093	\$47,531,486
(14.25%)	36.65%	50.69%
176.00%	47.10%	37.30%

Mason City School District
Required Supplementary Information
Schedule of the School District's Contributions
School Employees Retirement System of Ohio
Last Nine Fiscal Years (1)

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Net Pension Liability				
Contractually Required Contribution	\$2,686,517	\$2,702,263	\$2,522,777	\$2,577,635
Contributions in Relation to the Contractually Required Contribution	<u>(2,686,517)</u>	<u>(2,702,263)</u>	<u>(2,522,777)</u>	<u>(2,577,635)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (2)	\$19,189,407	\$19,301,879	\$18,019,836	\$18,411,679
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability				
Contractually Required Contribution (3)	\$350,446	\$339,792	\$292,461	\$262,590
Contributions in Relation to the Contractually Required Contribution	<u>(350,446)</u>	<u>(339,792)</u>	<u>(292,461)</u>	<u>(262,590)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>1.83%</u>	<u>1.76%</u>	<u>1.62%</u>	<u>1.43%</u>
Total Contributions as a Percentage of Covered Payroll (3)	<u>15.83%</u>	<u>15.76%</u>	<u>15.62%</u>	<u>15.43%</u>

(1) Although this schedule is intended to reflect information for ten years, information prior to 2015 is not available. An additional column will be added each year.

(2) The School District's covered payroll is the same for Pension and OPEB.

(3) Includes Surcharge

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
\$2,413,963	\$2,365,135	\$2,394,500	\$2,479,992	\$2,487,504
<u>(2,413,963)</u>	<u>(2,365,135)</u>	<u>(2,394,500)</u>	<u>(2,479,992)</u>	<u>(2,487,504)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$17,881,207	\$17,519,519	\$17,103,571	\$17,714,229	\$18,873,331
<u>13.50%</u>	<u>13.50%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.18%</u>
\$410,929	\$383,016	\$291,301	\$274,888	
<u>(410,929)</u>	<u>(383,016)</u>	<u>(291,301)</u>	<u>(274,888)</u>	
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
<u>2.30%</u>	<u>2.19%</u>	<u>1.70%</u>	<u>1.55%</u>	
<u>15.80%</u>	<u>15.69%</u>	<u>15.70%</u>	<u>15.55%</u>	

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Net Pension Liability				
Contractually Required Contribution	\$8,918,541	\$8,945,881	\$8,453,706	\$8,359,997
Contributions in Relation to the Contractually Required Contribution	<u>(8,918,541)</u>	<u>(8,945,881)</u>	<u>(8,453,706)</u>	<u>(8,359,997)</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
School District Covered Payroll (1)	\$63,703,864	\$63,899,150	\$60,383,614	\$59,714,264
Pension Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>
Net OPEB Liability				
Contractually Required Contribution	\$0	\$0	\$0	\$0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
OPEB Contributions as a Percentage of Covered Payroll	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Contributions as a Percentage of Covered Payroll	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

(1) The School District's covered payroll is the same for Pension and OPEB.

See accompanying notes to the required supplementary information

<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
\$7,907,280	\$7,339,644	\$6,709,093	\$6,654,408	\$6,954,792	\$6,497,062
<u>(7,907,280)</u>	<u>(7,339,644)</u>	<u>(6,709,093)</u>	<u>(6,654,408)</u>	<u>(6,954,792)</u>	<u>(6,497,062)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
\$56,480,571	\$52,426,029	\$47,922,093	\$47,531,486	\$49,677,086	\$49,977,400
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>13.00%</u>
\$0	\$0	\$0	\$0	\$0	\$499,774
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(499,774)</u>
<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>	<u>1.00%</u>
<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>	<u>14.00%</u>

Mason City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

NET PENSION LIABILITY

Changes in Assumptions – SERS

Beginning in fiscal year 2018, on each anniversary of the initial retirement, the allowance of all retirees and survivors may be increased by the annual rate of increase in the CPI-W measured as of the June preceding the beginning of the applicable calendar year. The annual rate of increase shall not be less than 0 percent nor greater than 2.5 percent. The COLA was suspended for 2018-2020. Prior to 2018, an assumption of 3 percent was used.

Amounts reported in 2022 incorporate changes in assumptions used by SERS in calculating the total pension liability in the latest actuarial valuation. These assumptions compared with those used in prior years are presented below:

	<u>Fiscal Year 2022</u>	<u>Fiscal Years 2021-2017</u>	<u>Fiscal Year 2016 and Prior</u>
Wage Inflation	2.4 percent	3.00 percent	3.25 percent
Future Salary Increases, including inflation	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent	4.00 percent to 22.00 percent
Investment Rate of Return	7.0 percent net of system expenses	7.50 percent net of investments expense, including inflation	7.75 percent net of investments expense, including inflation

Beginning in 2022, amounts reported use mortality rates based on the PUB-2010 General Employee Amount Weight Below Median Healthy Retiree mortality table projected to 2017 with ages set forward 1 year and adjusted 94.20 percent for males and set forward 2 years and adjusted 81.35 percent for females. Mortality among disabled members were based upon the PUB-2010 General Disabled Retiree mortality table projected to 2017 with ages set forward 5 years and adjusted 103.3 percent for males and set forward 3 years and adjusted 106.8 percent for females. Future improvement in mortality rates is reflected by applying the MP-2020 projection scale generationally.

Amounts reported for 2017 through 2021 use mortality rates that are based on the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Amounts reported for fiscal year 2016 and prior, use mortality assumptions that are based on the 1994 Group Annuity Mortality Table set back one year for both men and women. Special mortality tables were used for the period after disability retirement.

Changes in Assumptions - STRS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by STRS in calculating the total pension liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal years 2018-2021 and fiscal year 2017 and prior are presented below:

Mason City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

	Fiscal Year 2022	Fiscal Years 2021-2018	Fiscal Year 2017 and Prior
Inflation	2.50 percent	2.50 percent	2.75 percent
Projected salary increases	From 2.5 percent to 12.5 percent based on age	12.50 percent at age 20 to 2.50 percent at age 65	12.25 percent at age 20 to 2.75 percent at age 70
Investment Rate of Return	7.00 percent, net of investment expenses, including inflation	7.45 percent, net of investment expenses, including inflation	7.75 percent, net of investment expenses, including inflation
Payroll Increases	3 percent	3 percent	3.5 percent
Cost-of-Living Adjustments (COLA)	0.0 percent, effective July 1, 2017	0.0 percent, effective July 1, 2017	2 percent simple applied as follows: for members retiring before August 1, 2013, 2 percent per year; for members retiring August 1, 2013 or later, 2 percent COLA commences on fifth anniversary of retirement date

Beginning with fiscal year 2022, post-retirement mortality rates are based on the Pub-2010 Teachers Healthy Annuitant Mortality Table, adjusted 110 percent for males, projected forward generationally using mortality improvement scale MP-2020. Pre-retirement mortality rates are based on Pub-2010 Teachers Employee Table adjusted 95 percent for females, projected forward generationally using mortality improvement scale MP-2020. Post-retirement disabled mortality rates are based on Pub-2010 Teachers Disable Annuitant Table projected forward generationally using mortality improvement scale MP-2020.

Beginning with fiscal year 2018, post-retirement mortality rates for healthy retirees were based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

For fiscal year 2017 and prior actuarial valuation, mortality rates were based on the RP-2000 Combined Mortality Table (Projection 2022—Scale AA) for Males and Females. Males’ ages are set-back two years through age 89 and no set-back for age 90 and above. Females younger than age 80 are set back four years, one year set back from age 80 through 89, and no set back from age 90 and above.

Changes in Benefit Term – STRS Pension

For fiscal year 2023, the Board approved a one-time 3 percent COLA effective on the anniversary of a benefit recipient’s retirement date for those eligible during fiscal year 2023 and eliminated the age 60 requirement to receive unreduced retirement that was scheduled to go into effect August 1, 2026.

Mason City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

NET OPEB LIABILITY

Changes in Assumptions – SERS

Beginning with fiscal year 2022, amounts reported incorporate changes in assumptions and changes in benefit terms used by SERS in calculating the total OPEB liability in the latest actuarial valuation. These new assumptions compared with those used in fiscal year 2021 and prior are presented below:

	2022	2021 and Prior
Inflation	2.40 percent	3.00 percent
Future Salary Increases, including inflation		
Wage Increases	3.25 percent to 13.58 percent	3.50 percent to 18.20 percent
Investment Rate of Return	7.00 percent net of investment expense, including inflation	7.50 percent net of investment expense, including inflation

Amounts reported incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:	
Fiscal year 2023	3.69 percent
Fiscal year 2022	1.92 percent
Fiscal year 2021	2.45 percent
Fiscal year 2020	3.13 percent
Fiscal year 2019	3.62 percent
Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent
Single Equivalent Interest Rate, net of plan investment expense, including price inflation	
Fiscal year 2023	4.08 percent
Fiscal year 2022	2.27 percent
Fiscal year 2021	2.63 percent
Fiscal year 2020	3.22 percent
Fiscal year 2019	3.70 percent
Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

Changes in Assumptions – STRS

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB) and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled

Mason City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

For fiscal year 2019, the discount rate was increased from the blended rate of 4.13 percent to the long-term expected rate of return of 7.45.

For fiscal year 2022, the discount rate was decreased from 7.45 percent to the long-term expected rate of return of 7.00.

For fiscal year 2023, the projected salary increases were changed from age based (2.5 percent to 12.50 percent) to service based (2.5 percent to 8.5 percent.)

Changes in Benefit Terms – STRS OPEB

For fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

For fiscal year 2019, the subsidy multiplier for non-Medicare benefit recipients was increased from 1.9 percent to 1.944 percent per year of service effective January 1, 2019. The non-Medicare frozen subsidy base premium was increased effective January 1, 2019, and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 1, 2020.

For fiscal year 2020, there was no change to the claims costs process. Claim curves were trended to the fiscal year ending June 30, 2020, to reflect the current price renewals. The non-Medicare subsidy percentage was increased effective January 1, 2020, from 1.944 percent to 1.984 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2020. The Medicare subsidy percentages were adjusted effective January 1, 2021, to 2.1 percent for the Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed to January 1, 2021.

For fiscal year 2021, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2021, premium based on June 30, 2020, enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2021, from 1.984 percent to 2.055 percent per year of service. The non-Medicare frozen subsidy base premium was increased effective January 1, 2021. The Medicare subsidy percentages were adjusted effective January 1, 2021, to 2.1 percent for the AMA Medicare plan. The Medicare Part B monthly reimbursement elimination date was postponed indefinitely.

For fiscal year 2022, there was no change to the claims costs process. Claim curves were updated to reflect the projected fiscal year ending June 30, 2022, premium based on June 30, 2021, enrollment distribution. The non-Medicare subsidy percentage was increased effective January 1, 2022, from 2.055 percent to 2.1 percent per year of service. The non-Medicare frozen subsidy

Mason City School District
Notes to the Required Supplementary Information
For the Fiscal Year Ended June 30, 2023

base premium was increased effective January 1, 2022. The Medicare Part D Subsidy was updated to reflect it is expected to be negative in CY 2022. The Part B monthly reimbursement elimination date was postponed indefinitely.

For fiscal year 2023, healthcare trends were updated to reflect emerging claims and recoveries experience.

MASON CITY SCHOOL DISTRICT
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Mason City School District

Nonmajor Governmental Fund Descriptions

SPECIAL REVENUE FUNDS

Special Revenue Funds are established to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specified purposes other than debt service or capital projects. The following are descriptions of the School District's nonmajor special revenue funds:

Nonmajor Special Revenue Funds

Food Service Fund

This fund is used to account for and report the proceeds from the sale of breakfasts and lunches and grants restricted to the food service operations of the School District.

Scholarships Fund

This fund is used to account for and report monies restricted for scholarships.

Community Services Fund

This fund is used to account for and report monies restricted for developing, maximizing, coordinating, enhancing and strengthening the process of community interaction and communication with the School District.

Classroom Facilities Maintenance Fund

This fund is used to account for and report revenues restricted to expenditures for the maintenance and upkeep of classroom facilities.

Student Managed Activities Fund

This fund is used to account for and report monies restricted for student activity programs which have student participation in the activity in which the School District has administrative involvement.

District Managed Student Activities Fund

This fund is used to account for and report program fees restricted for student activity programs which have student participation in the activity, but do not have student management in the programs. This fund includes athletic programs, band, cheerleaders, and other similar types of activities.

Auxiliary Services Fund

This fund is used to account for and report restricted State grants to provide services and materials to pupils attending non-public schools within the School District.

OneNet Network Connectivity Fund

This fund is used to account for and report restricted State grants to provide network connections for technology in the School District.

(continued)

Mason City School District

Nonmajor Governmental Fund Descriptions

Nonmajor Special Revenue Funds

(Continued)

Miscellaneous State Grants Fund

This fund is used to account for and report various restricted grants received from State agencies which are not classified elsewhere.

Elementary and Secondary School Emergency Relief Fund

To account for and report restricted federal monies received through the American Rescue Plan Act to help the School District sustain safe operation and to aid in the impact of the Coronavirus pandemic.

Title VI-B Fund

This fund is used to account for and report federal grants restricted to providing full educational opportunities to handicapped children at the preschool, elementary, and secondary levels; and to assist in the training of teachers, supervisors and other specialists in providing educational services to the handicapped.

Vocational Education Fund

This fund is used to account for and report federal grants restricted to the development of vocational education programs in the following categories: secondary, post-secondary, adult, handicapped persons, cooperative education, advisory committees, and work-study projects. This fund had no cash activity during fiscal year 2023. Therefore, no budgetary statement is presented.

Title III Fund

This fund is used to account for and report federal grants restricted to meet the educational needs of School District's English as a second language students.

Title I Fund

This fund is used to account for and report federal grants restricted to meet educational needs of educationally deprived children.

Title IV-A Fund

This fund is used to account for and report federal grants restricted to services used to provide students with opportunities to improve academic achievement.

Public School Preschool Fund

This fund is used to account for and report State grants restricted to the improvement and expansion of services for handicapped children between three (3) through five (5) years of age.

(continued)

Mason City School District

Nonmajor Governmental Fund Descriptions

Nonmajor Special Revenue Funds
(Continued)

Title II-A Fund

This fund is used to account for and report restricted federal grants used to hire additional classroom teachers in grades one through three, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund

This fund is used to account for and report various restricted grants received through state agencies from the federal government, or directly from the federal government, which are not classified elsewhere.

Employee Assistance Fund

This fund is used to account for and report revenues assigned to provide financial and medical assistance to School District employees during times of need. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or committed revenue source.

Public School Support Fund

This fund is used to account for and report specific revenues, other than taxes, generated by individual school buildings (i.e. sales of pictures, vending machines sales, etc.) Expenditures include field trips, materials, equipment, and other items to supplement co-curricular and extracurricular programs. The Board of Education grants the principal of each site the authority to spend monies on allowable activities. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or committed revenue source.

Latchkey Fund

This fund is used to account for and report revenues and expenses related to the operation of the latchkey program for students of the School District. This fund is included with the General Fund for GAAP reporting as it does not have a restricted or committed revenue source.

DEBT SERVICE FUND

The Debt Service Funds are used to account for and report financial resources that are restricted to expenditure for principal and interest.

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are established to account for and report financial resources that are restricted or assigned to expenditure for capital outlays including the acquisition or construction of capital facilities and other capital assets. The following are descriptions of the School District's nonmajor capital projects funds:

Nonmajor Capital Projects Funds

Building Fund

This fund is used to account for and report all transactions restricted for constructing improvements, renovations, and additions to the School District's buildings, including equipment.

Classroom Facilities Fund

This fund is used to account for and report grants restricted for constructing improvements, renovations, and additions to the School District's buildings, including equipment.

Mason City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$9,361,944	\$6,650,664	\$394,775	\$16,407,383
Inventory Held for Resale	30,991	0	0	30,991
Receivables:				
Property Taxes	0	2,428,578	0	2,428,578
Leases	3,351,166	0	0	3,351,166
Intergovernmental	2,924,107	0	332,177	3,256,284
Accounts	39,061	0	0	39,061
<i>Total Assets</i>	<u>\$15,707,269</u>	<u>\$9,079,242</u>	<u>\$726,952</u>	<u>\$25,513,463</u>
<u>Liabilities:</u>				
Accounts Payable	\$101,983	\$0	\$0	\$101,983
Accrued Wages and Benefits Payable	501,084	0	0	501,084
Intergovernmental Payable	102,472	0	0	102,472
Matured Compensated Absences Payable	11,754	0	0	11,754
Interfund Payable	2,813,913	0	0	2,813,913
<i>Total Liabilities</i>	<u>3,531,206</u>	<u>0</u>	<u>0</u>	<u>3,531,206</u>
<u>Deferred Inflows of Resources:</u>				
Property Taxes	0	2,032,281	0	2,032,281
Unavailable Revenues	2,924,107	8,313	332,177	3,264,597
Leases	3,351,166	0	0	3,351,166
<i>Total Deferred Inflows of Resources</i>	<u>6,275,273</u>	<u>2,040,594</u>	<u>332,177</u>	<u>8,648,044</u>
<u>Fund Balances:</u>				
Restricted	8,817,464	7,038,648	394,775	16,250,887
Unassigned (Deficit)	(2,916,674)	0	0	(2,916,674)
<i>Total Fund Balances</i>	<u>5,900,790</u>	<u>7,038,648</u>	<u>394,775</u>	<u>13,334,213</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$15,707,269</u>	<u>\$9,079,242</u>	<u>\$726,952</u>	<u>\$25,513,463</u>

Mason City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
for the Fiscal Year Ended June 30, 2023

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$0	\$2,700,562	\$0	\$2,700,562
Intergovernmental	8,771,649	470,097	0	9,241,746
Investment Earnings/Interest	152,956	137	0	153,093
Tuition and Fees	323,487	0	0	323,487
Extracurricular Activities	1,625,296	0	0	1,625,296
Rent	8,536	0	0	8,536
Leases	317,937	0	0	317,937
Charges for Services	4,241,683	0	0	4,241,683
Contributions and Donations	201,916	0	0	201,916
Payments in Lieu of Taxes	831,586	0	0	831,586
Miscellaneous	262,680	0	0	262,680
Total Revenues	16,737,726	3,170,796	0	19,908,522
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	1,084,140	0	0	1,084,140
Special	2,119,928	0	0	2,119,928
Student Intervention Services	159,748	0	0	159,748
Support Services:				
Pupils	3,509,164	0	0	3,509,164
Instructional Staff	175,764	0	0	175,764
Administration	9,008	2,138	0	11,146
Fiscal	0	32,055	0	32,055
Business	134,926	0	0	134,926
Operation and Maintenance of Plant	3,666,282	0	0	3,666,282
Pupil Transportation	182,500	0	0	182,500
Central	14,400	0	0	14,400
Operation of Non-Instructional Services	5,228,049	0	0	5,228,049
Extracurricular Activities	2,194,526	0	0	2,194,526
Capital Outlay	170,865	0	0	170,865
Debt Service:				
Principal Retirement	259,000	2,005,000	0	2,264,000
Interest	167,064	1,771,425	0	1,938,489
Total Expenditures	19,075,364	3,810,618	0	22,885,982
Net Change in Fund Balances	(2,337,638)	(639,822)	0	(2,977,460)
Fund Balances at Beginning of Year	8,238,428	7,678,470	394,775	16,311,673
Fund Balances at End of Year	\$5,900,790	\$7,038,648	\$394,775	\$13,334,213

Mason City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023

	Food Service Fund	Scholarships Fund	Community Services Fund	Classroom Facilities Maintenance Fund
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$3,171,413	\$86,112	\$1,941,269	\$2,254,389
Inventory Held for Resale	30,991	0	0	0
Receivables:				
Leases	0	0	3,351,166	0
Intergovernmental	0	0	0	0
Accounts	0	0	15,007	0
<i>Total Assets</i>	<u>\$3,202,404</u>	<u>\$86,112</u>	<u>\$5,307,442</u>	<u>\$2,254,389</u>
<u>Liabilities:</u>				
Accounts Payable	\$243	\$0	\$30,790	\$0
Accrued Wages and Benefits Payable	133,513	0	2,164	0
Intergovernmental Payable	10,694	0	3,409	0
Matured Compensated Absences Payable	11,754	0	0	0
Interfund Payable	0	0	1,512	0
<i>Total Liabilities</i>	<u>156,204</u>	<u>0</u>	<u>37,875</u>	<u>0</u>
<u>Deferred Inflows of Resources:</u>				
Unavailable Revenues	0	0	0	0
Leases	0	0	3,351,166	0
<i>Total Deferred Inflows of Resources</i>	<u>0</u>	<u>0</u>	<u>3,351,166</u>	<u>0</u>
<u>Fund Balances:</u>				
Restricted	3,046,200	86,112	1,918,401	2,254,389
Unassigned (Deficit)	0	0	0	0
<i>Total Fund Balances (Deficit)</i>	<u>3,046,200</u>	<u>86,112</u>	<u>1,918,401</u>	<u>2,254,389</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$3,202,404</u>	<u>\$86,112</u>	<u>\$5,307,442</u>	<u>\$2,254,389</u>

Student Managed Activities Fund	District Managed Student Activities Fund	Auxiliary Services Fund	One Net Network Connectivity Fund	Miscellaneous State Grants Fund	Elementary and Secondary School Emergency Relief Fund	Title VI-B Fund
\$819,004	\$421,478	\$202,798	\$0	\$280,330	\$1,227	\$33,706
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	7,393	2,167,055	622,829
0	24,054	0	0	0	0	0
<u>\$819,004</u>	<u>\$445,532</u>	<u>\$202,798</u>	<u>\$0</u>	<u>\$287,723</u>	<u>\$2,168,282</u>	<u>\$656,535</u>
\$11,835	\$922	\$37,564	\$0	\$0	\$0	\$6,521
0	0	12,393	0	3,939	0	301,310
0	0	52,256	0	340	0	30,609
0	0	0	0	0	0	0
610	39,267	0	0	205,272	2,168,282	318,095
<u>12,445</u>	<u>40,189</u>	<u>102,213</u>	<u>0</u>	<u>209,551</u>	<u>2,168,282</u>	<u>656,535</u>
0	0	0	0	7,393	2,167,055	622,829
0	0	0	0	0	0	0
0	0	0	0	7,393	2,167,055	622,829
806,559	405,343	100,585	0	70,779	0	0
0	0	0	0	0	(2,167,055)	(622,829)
<u>806,559</u>	<u>405,343</u>	<u>100,585</u>	<u>0</u>	<u>70,779</u>	<u>(2,167,055)</u>	<u>(622,829)</u>
<u>\$819,004</u>	<u>\$445,532</u>	<u>\$202,798</u>	<u>\$0</u>	<u>\$287,723</u>	<u>\$2,168,282</u>	<u>\$656,535</u>

(continued)

Mason City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2023
(Continued)

	Vocational Education Fund	Title III Fund	Title I Fund	Title IV-A Fund
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,071	\$13,980	\$859	\$0
Inventory Held for Resale	0	0	0	0
Receivables:				
Leases	0	0	0	0
Intergovernmental	0	56,457	55,053	0
Accounts	0	0	0	0
Total Assets	\$2,071	\$70,437	\$55,912	\$0
<u>Liabilities:</u>				
Accounts Payable	\$0	\$13,261	\$0	\$0
Accrued Wages and Benefits Payable	0	11,526	33,293	0
Intergovernmental Payable	0	940	3,729	0
Matured Compensated Absences Payable	0	0	0	0
Interfund Payable	0	44,710	18,890	0
Total Liabilities	0	70,437	55,912	0
<u>Deferred Inflows of Resources:</u>				
Unavailable Revenues	0	56,457	55,053	0
Leases	0	0	0	0
Total Deferred Inflows of Resources	0	56,457	55,053	0
<u>Fund Balances:</u>				
Restricted	2,071	0	0	0
Unassigned (Deficit)	0	(56,457)	(55,053)	0
Total Fund Balances (Deficit)	2,071	(56,457)	(55,053)	0
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$2,071	\$70,437	\$55,912	\$0

Public School Preschool Fund	Title II-A Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
\$0	\$6,283	\$127,025	\$9,361,944
0	0	0	30,991
0	0	0	3,351,166
5,042	10,278	0	2,924,107
0	0	0	39,061
<u>\$5,042</u>	<u>\$16,561</u>	<u>\$127,025</u>	<u>\$15,707,269</u>
\$0	\$847	\$0	\$101,983
2,946	0	0	501,084
183	312	0	102,472
0	0	0	11,754
1,913	15,362	0	2,813,913
<u>5,042</u>	<u>16,521</u>	<u>0</u>	<u>3,531,206</u>
5,042	10,278	0	2,924,107
0	0	0	3,351,166
<u>5,042</u>	<u>10,278</u>	<u>0</u>	<u>6,275,273</u>
0	0	127,025	8,817,464
(5,042)	(10,238)	0	(2,916,674)
<u>(5,042)</u>	<u>(10,238)</u>	<u>127,025</u>	<u>5,900,790</u>
<u>\$5,042</u>	<u>\$16,561</u>	<u>\$127,025</u>	<u>\$15,707,269</u>

Mason City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
for the Fiscal Year Ended June 30, 2023

	Food Service Fund	Scholarships Fund	Community Services Fund	Classroom Facilities Maintenance Fund
<u>Revenues:</u>				
Intergovernmental	\$1,343,750	\$0	\$0	\$0
Investment Earnings/Interest	64	0	152,255	0
Tuition and Fees	0	0	85,112	0
Extracurricular Activities	0	0	18,089	0
Rent	0	0	8,536	0
Leases	0	0	317,937	0
Charges for Services	3,345,075	0	872,217	0
Contributions and Donations	0	1,000	27,555	0
Payments in Lieu of Taxes	0	0	0	831,586
Miscellaneous	107	0	118,245	0
<i>Total Revenues</i>	<u>4,688,996</u>	<u>1,000</u>	<u>1,599,946</u>	<u>831,586</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	0	0	150,282	0
Special	0	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	0	0	3,996	0
Instructional Staff	0	0	0	0
Administration	0	0	9,008	0
Business	0	0	134,926	0
Operation and Maintenance of Plant	1,165	0	1,097,705	1,071,955
Pupil Transportation	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	4,055,747	1,999	22,662	0
Extracurricular Activities	0	0	69,114	0
Capital Outlay	0	0	170,865	0
Debt Service:				
Principal Retirement	0	0	259,000	0
Interest	0	0	167,064	0
<i>Total Expenditures</i>	<u>4,056,912</u>	<u>1,999</u>	<u>2,084,622</u>	<u>1,071,955</u>
<i>Net Change in Fund Balances</i>	632,084	(999)	(484,676)	(240,369)
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>2,414,116</u>	<u>87,111</u>	<u>2,403,077</u>	<u>2,494,758</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$3,046,200</u>	<u>\$86,112</u>	<u>\$1,918,401</u>	<u>\$2,254,389</u>

Student Managed Activities Fund	District Managed Student Activities Fund	Auxiliary Services Fund	OneNet Network Connectivity Fund	Miscellaneous State Grants Fund	Elementary and Secondary School Emergency Relief Fund
\$0	\$0	\$948,961	\$7,200	\$264,602	\$2,966,778
625	0	12	0	0	0
0	238,375	0	0	0	0
639,654	967,553	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	24,391	0
51,851	121,510	0	0	0	0
0	0	0	0	0	0
9,333	134,995	0	0	0	0
<u>701,463</u>	<u>1,462,433</u>	<u>948,973</u>	<u>7,200</u>	<u>288,993</u>	<u>2,966,778</u>
0	0	0	0	0	775,408
0	0	0	0	0	1,138
0	0	0	0	0	0
0	0	0	0	31,456	2,978,364
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	49,734	1,372,748
0	0	0	0	180,000	0
0	0	0	14,400	0	0
0	0	990,003	0	0	428
716,513	1,408,899	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>716,513</u>	<u>1,408,899</u>	<u>990,003</u>	<u>14,400</u>	<u>261,190</u>	<u>5,128,086</u>
(15,050)	53,534	(41,030)	(7,200)	27,803	(2,161,308)
<u>821,609</u>	<u>351,809</u>	<u>141,615</u>	<u>7,200</u>	<u>42,976</u>	<u>(5,747)</u>
<u>\$806,559</u>	<u>\$405,343</u>	<u>\$100,585</u>	<u>\$0</u>	<u>\$70,779</u>	<u>(\$2,167,055)</u>

(continued)

Mason City School District
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds
for the Fiscal Year Ended June 30, 2023
(Continued)

	Title VI-B Fund	Vocational Education Fund	Title III Fund	Title I Fund
<u>Revenues:</u>				
Intergovernmental	\$2,466,238	\$0	\$166,806	\$231,774
Investment Earnings/Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Extracurricular Activities	0	0	0	0
Rent	0	0	0	0
Leases	0	0	0	0
Charges for Services	0	0	0	0
Contributions and Donations	0	0	0	0
Payments in Lieu of Taxes	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>2,466,238</u>	<u>0</u>	<u>166,806</u>	<u>231,774</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	153,185	0	0	5,265
Special	1,672,353	0	180,379	235,602
Student Intervention Services	159,748	0	0	0
Support Services:				
Pupils	495,348	0	0	0
Instructional Staff	36,377	0	7,663	0
Administration	0	0	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation	0	0	0	2,500
Central	0	0	0	0
Operation of Non-Instructional Services	146,572	0	0	2,473
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
Debt Service:				
Principal Retirement	0	0	0	0
Interest	0	0	0	0
<i>Total Expenditures</i>	<u>2,663,583</u>	<u>0</u>	<u>188,042</u>	<u>245,840</u>
<i>Net Change in Fund Balances</i>	(197,345)	0	(21,236)	(14,066)
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>(425,484)</u>	<u>2,071</u>	<u>(35,221)</u>	<u>(40,987)</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>(\$622,829)</u></u>	<u><u>\$2,071</u></u>	<u><u>(\$56,457)</u></u>	<u><u>(\$55,053)</u></u>

Title IV-A Fund	Public School Preschool Fund	Title II-A Fund	Miscellaneous Federal Grants Fund	Total Nonmajor Special Revenue Funds
\$7,500	\$30,744	\$137,296	\$200,000	\$8,771,649
0	0	0	0	152,956
0	0	0	0	323,487
0	0	0	0	1,625,296
0	0	0	0	8,536
0	0	0	0	317,937
0	0	0	0	4,241,683
0	0	0	0	201,916
0	0	0	0	831,586
0	0	0	0	262,680
<u>7,500</u>	<u>30,744</u>	<u>137,296</u>	<u>200,000</u>	<u>16,737,726</u>
0	0	0	0	1,084,140
0	30,456	0	0	2,119,928
0	0	0	0	159,748
0	0	0	0	3,509,164
7,500	0	124,224	0	175,764
0	0	0	0	9,008
0	0	0	0	134,926
0	0	0	72,975	3,666,282
0	0	0	0	182,500
0	0	0	0	14,400
0	0	8,165	0	5,228,049
0	0	0	0	2,194,526
0	0	0	0	170,865
0	0	0	0	259,000
0	0	0	0	167,064
<u>7,500</u>	<u>30,456</u>	<u>132,389</u>	<u>72,975</u>	<u>19,075,364</u>
0	288	4,907	127,025	(2,337,638)
0	(5,330)	(15,145)	0	8,238,428
<u>\$0</u>	<u>(\$5,042)</u>	<u>(\$10,238)</u>	<u>\$127,025</u>	<u>\$5,900,790</u>

Mason City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2023

	Building Fund	Classroom Facilities Fund	Total Nonmajor Capital Projects Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$7,671	\$387,104	\$394,775
Receivables:			
Intergovernmental	0	332,177	332,177
<i>Total Assets</i>	<u>\$7,671</u>	<u>\$719,281</u>	<u>\$726,952</u>
<u>Deferred Inflows of Resources:</u>			
Unavailable Revenues	\$0	\$332,177	\$332,177
<u>Fund Balances:</u>			
Restricted	7,671	387,104	394,775
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$7,671</u>	<u>\$719,281</u>	<u>\$726,952</u>

Mason City School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
for the Fiscal Year Ended June 30, 2023

	Building Fund	Classroom Facilities Fund	Total Nonmajor Capital Projects Funds
<u>Revenues:</u>	\$0	\$0	\$0
<u>Expenditures:</u>	0	0	0
Net Change in Fund Balances	0	0	0
<i>Fund Balances at Beginning of Year</i>	<i>7,671</i>	<i>387,104</i>	<i>394,775</i>
Fund Balances at End of Year	\$7,671	\$387,104	\$394,775

MASON CITY SCHOOL DISTRICT

**INDIVIDUAL FUND SCHEDULES OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL (BUDGET BASIS)**

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Permanent Improvement Fund
for the Fiscal Year Ended June 30, 2023*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Property Taxes	\$2,046,621	\$1,085,825	(\$960,796)
Intergovernmental	111,372	111,286	(86)
Interest	540	398	(142)
Charges for Services	0	15,000	15,000
Payments in Lieu of Taxes	2,655,672	2,442,469	(213,203)
Miscellaneous	50,703	3,998	(46,705)
<i>Total Revenues</i>	<u>4,864,908</u>	<u>3,658,976</u>	<u>(1,205,932)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	857,385	804,580	52,805
Special	2,897	2,276	621
Support Services:			
Instructional Staff	1,632,841	1,260,134	372,707
Administration	1,500	842	658
Fiscal	18,186	12,363	5,823
Operation and Maintenance of Plant	5,465,049	2,829,283	2,635,766
Pupil Transportation	1,142,604	1,142,148	456
Central	5,434	5,434	0
Extracurricular Activities	33,636	7,636	26,000
Capital Outlay	10,530,822	8,713,064	1,817,758
<i>Total Expenditures</i>	<u>19,690,354</u>	<u>14,777,760</u>	<u>4,912,594</u>
Excess of Revenues Over (Under) Expenditures	<u>(14,825,446)</u>	<u>(11,118,784)</u>	<u>3,706,662</u>
<u>Other Financing Sources (Uses):</u>			
Refund of Prior Year Expenditures	466	466	0
Transfers In	0	3,750,000	3,750,000
Transfers Out	(850,000)	(831,586)	18,414
<i>Total Other Financing Sources (Uses)</i>	<u>(849,534)</u>	<u>2,918,880</u>	<u>3,768,414</u>
Net Change in Fund Balance	(15,674,980)	(8,199,904)	7,475,076
Fund Balance at Beginning of Year	18,498,214	18,498,214	0
Prior Year Encumbrances Appropriated	2,111,439	2,111,439	0
Fund Balance at End of Year	<u>\$4,934,673</u>	<u>\$12,409,749</u>	<u>\$7,475,076</u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Food Service Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$1,365,131	\$1,357,931	(\$7,200)
Interest	64	64	0
Charges for Services	3,201,759	3,345,584	143,825
Miscellaneous	1,107	107	(1,000)
<i>Total Revenues</i>	<u>4,568,061</u>	<u>4,703,686</u>	<u>135,625</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Operation and Maintenance of Plant	1,165	1,165	0
Operation of Non-Instructional Services	4,811,547	4,159,221	652,326
<i>Total Expenditures</i>	<u>4,812,712</u>	<u>4,160,386</u>	<u>652,326</u>
Net Change in Fund Balance	(244,651)	543,300	787,951
Fund Balance at Beginning of Year	2,414,503	2,414,503	0
Prior Year Encumbrances Appropriated	119,887	119,887	0
Fund Balance at End of Year	<u>\$2,289,739</u>	<u>\$3,077,690</u>	<u>\$787,951</u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Scholarships Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Interest	\$80	\$0	(\$80)
Contributions and Donations	1,500	1,000	(500)
<i>Total Revenues</i>	<u>1,580</u>	<u>1,000</u>	<u>(580)</u>
<u>Expenditures:</u>			
Current:			
Operation of Non-Instructional Services	69,762	1,999	67,763
Net Change in Fund Balance	(68,182)	(999)	67,183
Fund Balance at Beginning of Year	<u>87,109</u>	<u>87,109</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$18,927</u></u>	<u><u>\$86,110</u></u>	<u><u>\$67,183</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Community Services Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Interest	\$18	\$18	\$0
Tuition and Fees	91,332	85,625	(5,707)
Extracurricular Activities	18,993	18,089	(904)
Rent	686,986	481,687	(205,299)
Charges for Services	990,000	888,551	(101,449)
Contributions and Donations	34,791	27,555	(7,236)
Miscellaneous	118,145	118,270	125
Total Revenues	1,940,265	1,619,795	(320,470)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	261,118	179,630	81,488
Support Services:			
Pupils	4,688	3,996	692
Administration	9,748	9,020	728
Business	137,954	134,913	3,041
Operation and Maintenance of Plant	1,337,667	1,033,738	303,929
Operation of Non-Instructional Services	54,404	34,884	19,520
Extracurricular Activities	87,563	69,132	18,431
Capital Outlay	878,533	170,865	707,668
Debt Service:			
Principal Retirement	259,000	259,000	0
Interest	167,064	167,064	0
Total Expenditures	3,197,739	2,062,242	1,135,497
Excess of Revenues Over (Under) Expenditures	(1,257,474)	(442,447)	815,027
<u>Other Financing Sources:</u>			
Transfers Out	(92,584)	0	92,584
Advances In	239,514	1,512	(238,002)
Advances Out	(75,184)	(75,184)	0
Refund of Prior Year Receipts	(156,413)	(156,413)	0
Total Other Financing Sources	(84,667)	(230,085)	(145,418)
Net Change in Fund Balance	(1,342,141)	(672,532)	669,609
Fund Balance at Beginning of Year	2,190,412	2,190,412	0
Prior Year Encumbrances Appropriated	286,777	286,777	0
Fund Balance at End of Year	\$1,135,048	\$1,804,657	\$669,609

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Classroom Facilities Maintenance Fund
for the Fiscal Year Ended June 30, 2023*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>	\$0	\$0	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Operation and Maintenance of Plant	1,071,955	1,071,955	0
Capital Outlay	1,328,045	0	1,328,045
<i>Total Expenditures</i>	<u>2,400,000</u>	<u>1,071,955</u>	<u>1,328,045</u>
Excess of Revenues Over (Under) Expenditures	(2,400,000)	(1,071,955)	1,328,045
<u>Other Financing Sources:</u>			
Transfers In	831,586	831,586	0
Net Change in Fund Balance	(1,568,414)	(240,369)	1,328,045
Fund Balance at Beginning of Year	<u>2,494,758</u>	<u>2,494,758</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$926,344</u></u>	<u><u>\$2,254,389</u></u>	<u><u>\$1,328,045</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Student Managed Activities Fund
for the Fiscal Year Ended June 30, 2023*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Interest	\$644	\$625	(\$19)
Extracurricular Activities	716,836	639,924	(76,912)
Contributions and Donations	118,944	51,851	(67,093)
Miscellaneous	20,601	9,333	(11,268)
<i>Total Revenues</i>	<u>857,025</u>	<u>701,733</u>	<u>(155,292)</u>
<u>Expenditures:</u>			
Current:			
Extracurricular Activities	<u>1,077,669</u>	<u>811,426</u>	<u>266,243</u>
Excess of Revenues Over (Under) Expenditures	<u>(220,644)</u>	<u>(109,693)</u>	<u>110,951</u>
<u>Other Financing Sources (Uses):</u>			
Advances In	653	610	(43)
Advances Out	<u>(42)</u>	<u>(42)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>611</u>	<u>568</u>	<u>(43)</u>
Net Change in Fund Balance	(220,033)	(109,125)	110,908
Fund Balance at Beginning of Year	781,656	781,656	0
Prior Year Encumbrances Appropriated	<u>49,626</u>	<u>49,626</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$611,249</u></u>	<u><u>\$722,157</u></u>	<u><u>\$110,908</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
District Managed Student Activities Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Interest	\$30	\$0	(\$30)
Tuition and Fees	238,000	238,375	375
Extracurricular Activities	1,024,711	906,737	(117,974)
Contributions and Donations	165,397	121,510	(43,887)
Miscellaneous	140,231	135,195	(5,036)
<i>Total Revenues</i>	<u>1,568,369</u>	<u>1,401,817</u>	<u>(166,552)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	160	0	160
Extracurricular Activities	1,759,070	1,522,138	236,932
<i>Total Expenditures</i>	<u>1,759,230</u>	<u>1,522,138</u>	<u>237,092</u>
Excess of Revenues Over (Under) Expenditures	<u>(190,861)</u>	<u>(120,321)</u>	<u>70,540</u>
<u>Other Financing Sources (Uses):</u>			
Refund of Prior Year Expenditures	1,360	1,360	0
Advances In	104,102	40,779	(63,323)
Advances Out	(57,928)	(56,743)	1,185
<i>Total Other Financing Sources (Uses)</i>	<u>47,534</u>	<u>(14,604)</u>	<u>(62,138)</u>
Net Change in Fund Balance	(143,327)	(134,925)	8,402
Fund Balance at Beginning of Year	364,540	364,540	0
Prior Year Encumbrances Appropriated	53,399	53,399	0
Fund Balance at End of Year	<u>\$274,612</u>	<u>\$283,014</u>	<u>\$8,402</u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Auxiliary Services Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$948,961	\$948,961	\$0
Interest	12	12	0
<i>Total Revenues</i>	<u>948,973</u>	<u>948,973</u>	<u>0</u>
<u>Expenditures:</u>			
Current:			
Operation of Non-Instructional Services	1,139,047	1,126,092	12,955
Net Change in Fund Balance	(190,074)	(177,119)	12,955
Fund Balance at Beginning of Year	103,142	103,142	0
Prior Year Encumbrances Appropriated	<u>86,932</u>	<u>86,932</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$12,955</u></u>	<u><u>\$12,955</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
OneNet Network Connectivity Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$7,200	\$7,200	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Central	14,400	14,400	0
Net Change in Fund Balance	(7,200)	(7,200)	0
Fund Balance at Beginning of Year	7,200	7,200	0
Fund Balance at End of Year	\$0	\$0	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Miscellaneous State Grants Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$271,995	\$264,602	(\$7,393)
Charges for Services	24,391	24,391	0
<i>Total Revenues</i>	<u>296,386</u>	<u>288,993</u>	<u>(7,393)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	16	0	16
Vocational	24,391	0	24,391
Support Services:			
Pupils	36,242	32,639	3,603
Operation and Maintenance of Plant	104,174	53,820	50,354
Pupil Transportation	381,481	180,000	201,481
<i>Total Expenditures</i>	<u>546,304</u>	<u>266,459</u>	<u>279,845</u>
Excess of Revenues Over (Under) Expenditures	<u>(249,918)</u>	<u>22,534</u>	<u>272,452</u>
<u>Other Financing Sources (Uses):</u>			
Advances In	0	3,791	3,791
Advances Out	(1,318)	(1,318)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(1,318)</u>	<u>2,473</u>	<u>3,791</u>
Net Change in Fund Balance	(251,236)	25,007	276,243
Fund Balance at Beginning of Year	<u>251,236</u>	<u>251,236</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$276,243</u></u>	<u><u>\$276,243</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Elementary and Secondary School Emergency Relief Fund
for the Fiscal Year Ended June 30, 2023*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$6,667,272	\$2,966,778	(\$3,700,494)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	1,242,094	775,408	466,686
Special	3,573	1,894	1,679
Support Services:			
Pupils	4,042,682	2,978,835	1,063,847
Operation and Maintenance of Plant	1,372,748	1,372,748	0
Operation of Non-Instructional Services	428	428	0
<i>Total Expenditures</i>	<u>6,661,525</u>	<u>5,129,313</u>	<u>1,532,212</u>
Excess of Revenues Over (Under) Expenditures	<u>5,747</u>	<u>(2,162,535)</u>	<u>(2,168,282)</u>
<u>Other Financing Sources (Uses):</u>			
Advances In	0	2,168,282	2,168,282
Advances Out	<u>(6,175)</u>	<u>(6,175)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(6,175)</u>	<u>2,162,107</u>	<u>2,168,282</u>
Net Change in Fund Balance	(428)	(428)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>428</u>	<u>428</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title VI-B Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$3,171,704	\$2,466,238	(\$705,466)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	162,000	153,185	8,815
Special	1,770,548	1,659,626	110,922
Student Intervention Services	188,360	159,748	28,612
Support Services:			
Pupils	600,193	505,522	94,671
Instructional Staff	156,833	45,876	110,957
Operation of Non-Instructional Services	199,262	165,868	33,394
<i>Total Expenditures</i>	<u>3,077,196</u>	<u>2,689,825</u>	<u>387,371</u>
Excess of Revenues Over (Under) Expenditures	<u>94,508</u>	<u>(223,587)</u>	<u>(318,095)</u>
<u>Other Financing Sources (Uses):</u>			
Advances In	0	318,095	318,095
Advances Out	<u>(175,709)</u>	<u>(175,709)</u>	<u>0</u>
<i>Total Other Financing Sources (Uses)</i>	<u>(175,709)</u>	<u>142,386</u>	<u>318,095</u>
Net Change in Fund Balance	(81,201)	(81,201)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	<u>81,201</u>	<u>81,201</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title III Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$233,015	\$166,806	(\$66,209)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	216,462	197,168	19,294
Support Services:			
Instructional Staff	8,739	8,534	205
Operation of Non-Instructional Services	2,000	0	2,000
<i>Total Expenditures</i>	227,201	205,702	21,499
Excess of Revenues Over (Under) Expenditures	5,814	(38,896)	(44,710)
<u>Other Financing Sources (Uses):</u>			
Advances In	0	44,710	44,710
Advances Out	(21,299)	(21,299)	0
<i>Total Other Financing Sources (Uses)</i>	(21,299)	23,411	44,710
Net Change in Fund Balance	(15,485)	(15,485)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	15,485	15,485	0
Fund Balance at End of Year	\$0	\$0	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title I Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$306,950	\$231,774	(\$75,176)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	5,276	5,265	11
Special	283,065	232,080	50,985
Support Services:			
Pupil Transportation	2,500	2,500	0
Operation of Non-Instructional Services	6,904	2,473	4,431
<i>Total Expenditures</i>	297,745	242,318	55,427
Excess of Revenues Over (Under) Expenditures	9,205	(10,544)	(19,749)
<u>Other Financing Sources (Uses):</u>			
Advances In	0	18,890	18,890
Advances Out	(10,819)	(9,960)	859
<i>Total Other Financing Sources (Uses)</i>	(10,819)	8,930	19,749
Net Change in Fund Balance	(1,614)	(1,614)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	1,614	1,614	0
Fund Balance at End of Year	\$0	\$0	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title IV-A Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$32,925	\$7,500	(\$25,425)
<u>Expenditures:</u>			
Current:			
Support Services:			
Instructional Staff	30,527	7,500	23,027
Operation of Non-Instructional Services	2,204	0	2,204
<i>Total Expenditures</i>	32,731	7,500	25,231
Excess of Revenues Over (Under) Expenditures	194	0	(194)
<u>Other Financing Sources:</u>			
Advances In	(3,444)	(3,250)	194
Net Change in Fund Balance	(3,250)	(3,250)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	3,250	3,250	0
Fund Balance at End of Year	\$0	\$0	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public School Preschool Fund
for the Fiscal Year Ended June 30, 2023*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$93,806	\$30,744	(\$63,062)
<u>Expenditures:</u>			
Current:			
Instruction:			
Special	92,511	31,362	61,149
Excess of Revenues Over (Under) Expenditures	1,295	(618)	(1,913)
<u>Other Financing Sources (Uses):</u>			
Advances In	0	1,913	1,913
Advances Out	(1,295)	(1,295)	0
<i>Total Other Financing Sources (Uses)</i>	(1,295)	618	1,913
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Title II-A Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$275,649	\$137,296	(\$138,353)
<u>Expenditures:</u>			
Current:			
Support Services:			
Instructional Staff	245,822	128,098	117,724
Operation of Non-Instructional Services	15,643	10,336	5,307
<i>Total Expenditures</i>	261,465	138,434	123,031
Excess of Revenues Over (Under) Expenditures	14,184	(1,138)	(15,322)
<u>Other Financing Sources (Uses):</u>			
Advances In	0	15,362	15,362
Advances Out	(32,710)	(32,710)	0
<i>Total Other Financing Sources (Uses)</i>	(32,710)	(17,348)	15,362
Net Change in Fund Balance	(18,526)	(18,486)	40
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	18,526	18,526	0
Fund Balance at End of Year	\$0	\$40	\$40

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Miscellaneous Federal Grants Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Intergovernmental	\$200,000	\$200,000	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Operation and Maintenance of Plant	72,975	72,975	0
Net Change in Fund Balance	127,025	127,025	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$127,025	\$127,025	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Debt Service Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
<u>Revenues:</u>			
Property Taxes	\$6,749,318	\$2,889,593	(\$3,859,725)
Intergovernmental	964,600	470,097	(494,503)
Interest	1,645	137	(1,508)
	<u>7,715,563</u>	<u>3,359,827</u>	<u>(4,355,736)</u>
<u>Expenditures:</u>			
Current:			
Support Services:			
Administration	2,138	2,138	0
Fiscal	168,153	32,055	136,098
Debt Service:			
Principal Retirement	2,005,000	2,005,000	0
Interest	1,771,425	1,771,425	0
	<u>3,946,716</u>	<u>3,810,618</u>	<u>136,098</u>
Excess of Revenues Over (Under) Expenditures	3,768,847	(450,791)	(4,219,638)
<u>Other Financing Sources:</u>			
Transfers In	146,174	0	(146,174)
Net Change in Fund Balance	3,915,021	(450,791)	(4,365,812)
Fund Balance at Beginning of Year	7,055,906	7,055,906	0
Prior Year Encumbrances Appropriated	45,550	45,550	0
Fund Balance at End of Year	<u>\$11,016,477</u>	<u>\$6,650,665</u>	<u>(\$4,365,812)</u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Building Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>	\$0	\$0	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Operation and Maintenance of Plant	359	359	0
Net Change in Fund Balance	(359)	(359)	0
Fund Balance at Beginning of Year	7,672	7,672	0
Prior Year Encumbrances Appropriated	359	359	0
Fund Balance at End of Year	\$7,672	\$7,672	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Classroom Facilities Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>	\$0	\$0	\$0
<u>Expenditures:</u>			
Current:			
Support Services:			
Operation and Maintenance of Plant	1,886	1,886	0
Net Change in Fund Balance	(1,886)	(1,886)	0
Fund Balance at Beginning of Year	387,104	387,104	0
Prior Year Encumbrances Appropriated	1,886	1,886	0
Fund Balance at End of Year	\$387,104	\$387,104	\$0

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Employee Assistance Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Contributions and Donations	\$1,500	\$800	(\$700)
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	13,423	0	13,423
Special	4,377	4,377	0
<i>Total Expenditures</i>	17,800	4,377	13,423
Net Change in Fund Balance	(16,300)	(3,577)	12,723
Fund Balance at Beginning of Year	16,300	16,300	0
Fund Balance at End of Year	\$0	\$12,723	\$12,723

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)
Public School Support Fund
for the Fiscal Year Ended June 30, 2023*

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Tuition and Fees	\$1,448,491	\$1,448,491	\$0
Extracurricular Activities	560,699	506,906	(53,793)
Contributions and Donations	89,524	73,827	(15,697)
Miscellaneous	16,434	12,963	(3,471)
<i>Total Revenues</i>	<u>2,115,148</u>	<u>2,042,187</u>	<u>(72,961)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	594,127	504,484	89,643
Special	1,480,780	1,365,345	115,435
Support Services:			
Board of Education	2,096	2,087	9
Operation and Maintenance of Plant	50,758	1,786	48,972
Pupil Transportation	2,250	750	1,500
Central	14,202	1,950	12,252
Operation of Non-Instructional Services	19,392	12,199	7,193
Extracurricular Activities	79,988	53,650	26,338
<i>Total Expenditures</i>	<u>2,243,593</u>	<u>1,942,251</u>	<u>301,342</u>
Excess of Revenues Over (Under) Expenditures	<u>(128,445)</u>	<u>99,936</u>	<u>228,381</u>
<u>Other Financing Sources (Uses):</u>			
Advances In	1,169	535	(634)
Advances Out	(228)	(228)	0
<i>Total Other Financing Sources (Uses)</i>	<u>941</u>	<u>307</u>	<u>(634)</u>
Net Change in Fund Balance	(127,504)	100,243	227,747
Fund Balance at Beginning of Year	628,077	628,077	0
Prior Year Encumbrances Appropriated	<u>26,167</u>	<u>26,167</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$526,740</u></u>	<u><u>\$754,487</u></u>	<u><u>\$227,747</u></u>

Mason City School District
*Schedule of Revenues, Expenditures and Changes in
Fund Balance - Budget and Actual (Budget Basis)*
Latchkey Fund
for the Fiscal Year Ended June 30, 2023

	Final Budgeted Amount	Actual	Variance Positive (Negative)
<u>Revenues:</u>			
Interest	\$1,000	\$7	(\$993)
Charges for Services	1,335,000	1,193,841	(141,159)
Contributions and Donations	2,000	273	(1,727)
Miscellaneous	840	840	0
<i>Total Revenues</i>	<u>1,338,840</u>	<u>1,194,961</u>	<u>(143,879)</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Regular	5,829	3,951	1,878
Operation of Non-Instructional Services	1,126,977	723,883	403,094
Extracurricular Activities	304,179	280,787	23,392
<i>Total Expenditures</i>	<u>1,436,985</u>	<u>1,008,621</u>	<u>428,364</u>
Net Change in Fund Balance	(98,145)	186,340	284,485
Fund Balance at Beginning of Year	96,794	96,794	0
Prior Year Encumbrances Appropriated	12,055	12,055	0
Fund Balance at End of Year	<u>\$10,704</u>	<u>\$295,189</u>	<u>\$284,485</u>



**Statistical
Section**

Statistical Tables

This part of the School District's annual comprehensive 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 School District's

Contents

Financial Trends

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

Revenue Capacity

These schedules contain information to help the reader assess the School District's most significant local revenue source, property taxes.

Debt Capacity

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

Demographic and Economic Information

These Schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.

Operating Information

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

Sources

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

Mason City School District
Net Position by Component
Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	2014 (1)	2015	2016	2017 (2)
Governmental Activities:				
Net Investment in Capital Assets	\$50,767,119	\$51,834,565	\$60,022,603	\$66,402,057
Restricted	27,740,454	31,879,104	33,340,612	32,778,083
Unrestricted (Deficit)	<u>(129,592,529)</u>	<u>(120,034,729)</u>	<u>(120,047,956)</u>	<u>(123,113,369)</u>
<i>Total Net Position (Deficit)</i>	<u><u>(\$51,084,956)</u></u>	<u><u>(\$36,321,060)</u></u>	<u><u>(\$26,684,741)</u></u>	<u><u>(\$23,933,229)</u></u>

(1) The School District reported the impact of GASB Statement No. 68 beginning in fiscal year 2014.

(2) The School District reported the impact of GASB Statement No. 75 beginning in fiscal year 2017.

(3) The School District reported the impact of GASB Statement No. 84 beginning in fiscal year 2020.

<u>2018</u>	<u>2019</u>	<u>2020 (3)</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$86,330,715	\$129,766,300	\$134,327,167	\$146,114,112	\$155,204,228	\$160,641,434
60,611,546	32,435,558	36,987,048	41,653,643	38,283,851	38,082,122
<u>(98,679,933)</u>	<u>(103,475,454)</u>	<u>(115,470,420)</u>	<u>(119,911,321)</u>	<u>(98,652,875)</u>	<u>(84,395,365)</u>
<u>\$48,262,328</u>	<u>\$58,726,404</u>	<u>\$55,843,795</u>	<u>\$67,856,434</u>	<u>\$94,835,204</u>	<u>\$114,328,191</u>

Mason City School District
Changes in Net Position
Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)

Fiscal Year	2014	2015 (1)	2016	2017
Expenses:				
Current:				
Instruction	\$65,567,175	\$71,759,192	\$66,906,992	\$74,489,440
Support Services:				
Pupils	6,956,891	6,915,158	7,915,545	7,736,352
Instructional Staff	2,384,639	2,389,958	2,572,243	3,110,272
Board of Education	57,685	60,845	64,284	136,638
Administration	5,345,653	5,269,714	5,459,816	6,131,843
Fiscal	1,932,376	1,859,141	1,826,523	2,160,384
Business	447,303	421,654	463,923	531,596
Operation and Maintenance of Plant	12,976,097	12,433,209	12,445,936	12,799,417
Pupil Transportation	6,619,587	6,221,325	6,262,821	6,613,893
Central	3,279,666	3,105,493	2,437,029	2,528,808
Operation of Non-Instructional Services	5,988,246	6,484,771	6,400,287	6,671,478
Extracurricular Activities	3,351,887	3,290,127	3,466,056	3,428,746
Interest	7,025,687	4,503,141	4,111,137	3,679,221
<i>Total Expenses</i>	<u>121,932,892</u>	<u>124,713,728</u>	<u>120,332,592</u>	<u>130,018,088</u>
Program Revenues:				
Governmental Activities:				
Charges for Services and Sales:				
Instruction	4,074,943	4,517,089	3,798,624	5,123,863
Support Services:				
Pupils	1,522	4,222	8,675	1,442
Instructional Staff	11,783	6,661	13,303	0
Administration	0	5,468	8,895	9,702
Business	174,176	160,911	176,699	184,040
Operation and Maintenance of Plant	1,445,552	1,258,416	1,343,914	1,378,993
Pupil Transportation	422	3,588	0	0
Central	17	0	0	0
Operation of Non-Instructional Services	3,281,890	3,418,897	3,397,489	3,267,274
Extracurricular Activities	2,037,073	1,940,095	2,009,068	1,886,329
Operating Grants, Interest, and Contributions	6,630,987	7,040,629	7,126,928	7,844,513
<i>Total Program Revenues</i>	<u>17,658,365</u>	<u>18,355,976</u>	<u>17,883,595</u>	<u>19,696,156</u>
<i>Net Expense</i>	<u>(\$104,274,527)</u>	<u>(\$106,357,752)</u>	<u>(\$102,448,997)</u>	<u>(\$110,321,932)</u>

2018 (2)	2019	2020	2021 (3)	2022	2023
\$35,941,935	\$69,241,151	\$81,055,097	\$90,473,437	\$82,163,149	\$88,763,298
3,800,082	7,372,124	8,663,578	9,536,132	8,537,737	10,470,298
2,796,433	3,064,046	4,098,974	4,637,492	3,817,609	3,351,372
138,899	111,245	68,358	123,848	138,784	180,915
972,419	4,572,650	6,490,891	6,683,458	5,715,858	6,567,809
1,005,830	1,754,587	2,154,423	2,148,527	2,033,196	2,284,087
110,619	468,664	620,540	435,942	393,136	450,374
9,664,573	12,731,323	18,693,214	13,779,266	14,322,233	15,347,280
3,280,142	6,415,481	7,874,708	6,862,980	7,465,640	8,428,913
1,324,691	2,468,899	4,124,590	2,398,899	2,613,870	1,842,576
4,860,953	6,082,681	6,304,875	5,476,583	5,723,319	5,925,184
1,697,858	3,235,015	3,530,012	3,593,351	3,785,192	4,884,450
2,859,926	2,500,391	2,185,420	1,562,182	1,071,623	740,234
68,454,360	120,018,257	145,864,680	147,712,097	137,781,346	149,236,790
4,455,855	4,346,747	3,584,036	3,467,024	2,699,192	2,813,519
1,800	779	0	0	0	0
0	0	0	0	0	0
7,069	84,718	99,442	89,221	105,825	68,910
129,194	27,283	0	0	35,339	47,580
824,587	133,945	2,512,265	490,227	1,290,578	872,630
0	0	0	0	0	0
0	0	0	0	0	0
3,152,483	3,040,079	3,486,795	1,193,322	1,877,569	4,201,483
1,864,828	1,940,650	2,765,008	2,315,634	2,300,942	2,736,032
7,625,002	8,706,812	8,465,078	12,757,833	15,055,962	14,498,705
18,060,818	18,281,013	20,916,615	20,313,261	23,365,407	25,238,859
(\$50,393,542)	(\$101,737,244)	(\$124,948,065)	(\$127,398,836)	(\$114,415,939)	(\$123,997,931)

(continued)

Mason City School District
Changes in Net Position
Governmental Activities
Last Ten Fiscal Years
(accrual basis of accounting)
(Continued)

Fiscal Year	2014	2015 (1)	2016	2017
General Revenues and Other				
Changes in Net Position:				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$46,641,011	\$56,481,261	\$48,393,144	\$58,117,164
Debt Service	10,948,558	13,292,896	11,132,818	13,277,230
Capital Outlay	518,442	629,514	673,718	666,047
Grants and Entitlements Restricted for Capital Construction	0	0	0	33,794,366
Grants and Entitlements not Restricted to Specific Programs	43,444,518	45,646,771	45,479,897	44,840,676
Investment Earnings/Interest	185,110	85,326	149,052	191,392
Gifts and Donations not Restricted to Specific Programs	150,018	108,151	39,017	50,000
Payments in Lieu of Taxes	3,771,193	4,318,908	5,635,305	4,630,395
Gain on Sale of Capital Assets	0	0	0	0
Miscellaneous	681,835	558,821	582,365	642,262
<i>Total General Revenues and Other</i> <i>Changes in Net Position</i>	106,340,685	121,121,648	112,085,316	156,209,532
<i>Restatement of Net Position</i>	0	0	0	0
<i>Change in Net Position</i>	<u>\$2,066,158</u>	<u>\$14,763,896</u>	<u>\$9,636,319</u>	<u>\$45,887,600</u>

(1) Expenses are first impacted by the implementation of GASB Statement No. 68 beginning in fiscal year 2015.

(2) Expenses are first impacted by the implementation of GASB Statement No. 75 beginning in fiscal year 2018.

(3) Governmental Activities are first impacted by the implementation of GASB Statement No. 84 beginning in fiscal year 2021.

<u>2018 (2)</u>	<u>2019</u>	<u>2020</u>	<u>2021 (3)</u>	<u>2022</u>	<u>2023</u>
\$57,835,024	\$48,776,828	\$59,490,800	\$77,671,566	\$88,815,155	\$92,673,923
13,246,320	11,346,575	14,175,519	16,380,813	7,214,080	2,695,250
692,986	609,889	771,579	922,604	959,244	1,077,270
0	0	0	0	0	0
43,829,088	42,967,258	40,114,123	40,406,516	41,026,024	42,237,959
633,027	1,640,777	1,549,317	150,549	(720,566)	1,863,878
0	29,542	2,878	679	160	0
5,046,252	4,801,885	4,621,838	3,403,177	2,830,288	2,533,007
0	0	0	0	166,545	0
1,306,402	2,028,566	597,314	475,571	1,103,779	409,631
122,589,099	112,201,320	121,323,368	139,411,475	141,394,709	143,490,918
0	0	742,088	0	0	0
<u>\$72,195,557</u>	<u>\$10,464,076</u>	<u>(\$2,882,609)</u>	<u>\$12,012,639</u>	<u>\$26,978,770</u>	<u>\$19,492,987</u>

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
General Fund:				
Committed	\$0	\$0	\$0	\$0
Assigned	2,085,713	1,090,919	1,069,724	4,255,497
Unassigned	<u>28,026,632</u>	<u>36,194,522</u>	<u>34,427,290</u>	<u>38,177,226</u>
<i>Total General Fund</i>	<u>30,112,345</u>	<u>37,285,441</u>	<u>35,497,014</u>	<u>42,432,723</u>
All Other Governmental Funds:				
Restricted	27,995,049	32,147,340	33,514,871	33,191,172
Committed	9,977	0	0	0
Assigned	2,085,713	1,090,919	1,069,724	4,255,497
Unassigned (Deficit)	<u>20,363,548</u>	<u>29,847,003</u>	<u>28,925,499</u>	<u>37,675,537</u>
<i>Total All Other Governmental Funds</i>	<u>50,454,287</u>	<u>63,085,262</u>	<u>63,510,094</u>	<u>75,122,206</u>
<i>Total Governmental Funds</i>	<u><u>\$80,566,632</u></u>	<u><u>\$100,370,703</u></u>	<u><u>\$99,007,108</u></u>	<u><u>\$117,554,929</u></u>

- (1) The School District implemented GASB Statement No. 84 in fiscal year 2021.
Fiscal year 2020 has been restated to reflect changes.
- (2) The School District had a correction of error resulting in 2021's balances
being restated.

<u>2018</u>	<u>2019</u>	<u>2020 (1)</u>	<u>2021 (2)</u>	<u>2022</u>	<u>2023</u>
\$0	\$0	\$90,784	\$54,812	\$143,016	\$34,932
11,982,081	24,574,143	9,070,246	2,255,814	1,374,768	1,505,207
31,304,113	5,337,067	17,746,804	29,459,027	39,525,648	56,435,057
<u>43,286,194</u>	<u>29,911,210</u>	<u>26,907,834</u>	<u>31,769,653</u>	<u>41,043,432</u>	<u>57,975,196</u>
38,430,592	29,183,267	27,003,858	31,143,697	37,102,117	33,312,242
0	0	0	0	0	0
0	0	0	0	0	0
<u>(549,940)</u>	<u>(640,683)</u>	<u>(525,398)</u>	<u>(653,052)</u>	<u>(527,914)</u>	<u>(2,916,674)</u>
<u>37,880,652</u>	<u>28,542,584</u>	<u>26,478,460</u>	<u>30,490,645</u>	<u>36,574,203</u>	<u>30,395,568</u>
<u>\$81,166,846</u>	<u>\$58,453,794</u>	<u>\$53,386,294</u>	<u>\$62,260,298</u>	<u>\$77,617,635</u>	<u>\$88,370,764</u>

Mason City School District
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2014	2015	2016	2017
Revenues:				
Property Taxes	\$58,136,666	\$70,578,586	\$58,898,232	\$73,379,471
Intergovernmental	49,608,589	52,820,730	52,630,047	52,538,177
Investment Earnings/Interest	177,608	92,767	93,934	230,885
Tuition and Fees	3,040,814	3,437,268	2,731,732	4,064,377
Extracurricular Activities	1,853,772	1,680,111	1,723,057	1,607,507
Rent	0	0	0	0
Leases	0	0	0	0
Charges for Services	6,227,734	6,315,917	6,396,579	6,222,941
Contributions and Donations	0	0	0	0
Payments in Lieu of Taxes	3,771,193	4,318,908	5,635,305	4,630,395
Miscellaneous	771,206	549,023	526,682	649,084
<i>Total Revenues</i>	<u>123,587,582</u>	<u>139,793,310</u>	<u>128,635,568</u>	<u>143,322,837</u>
Expenditures:				
Current:				
Instruction	64,497,627	68,181,928	67,201,564	70,047,255
Support Services:				
Pupils	6,914,148	7,054,999	7,480,831	7,354,465
Instructional Staff	2,365,585	2,404,644	2,706,886	3,104,463
Board of Education	57,685	61,315	64,662	135,545
Administration	5,269,650	5,481,341	5,515,942	5,591,558
Fiscal	1,957,646	1,931,843	1,835,162	2,066,361
Business	445,040	434,372	453,876	522,844
Operation and Maintenance of Plant	11,538,247	10,807,624	10,809,004	11,712,430
Pupil Transportation	6,556,743	5,730,801	6,418,207	6,284,309
Central	2,911,398	2,920,588	2,249,808	2,344,341
Operation of Non-Instructional Services	5,503,217	6,460,795	6,236,907	6,458,499
Extracurricular Activities	3,168,911	3,244,502	3,413,531	3,187,316
Capital Outlay	20,507	92,741	448,244	26,206
Debt Service:				
Principal Retirement	6,647,000	8,466,000	8,873,000	20,358,000
Interest	7,228,513	4,913,373	4,503,112	3,890,033
Capital Appreciation Bond Accretion	0	0	0	0
Issuance Costs	0	0	0	168,110
<i>Total Expenditures</i>	<u>125,081,917</u>	<u>128,186,866</u>	<u>128,210,736</u>	<u>143,251,735</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(\$1,494,335)</u>	<u>\$11,606,444</u>	<u>\$424,832</u>	<u>\$71,102</u>

2018	2019	2020 (1)	2021	2022	2023
\$71,375,267	\$61,108,412	\$74,484,268	\$94,589,250	\$97,307,857	\$96,486,268
62,720,709	69,829,570	49,493,486	53,148,393	58,096,173	53,877,553
636,666	1,568,440	1,590,696	187,608	(572,046)	1,854,870
3,506,887	3,577,503	3,870,964	3,727,169	2,923,060	3,051,894
1,602,987	1,611,856	1,253,274	1,231,438	2,050,654	2,132,489
0	0	2,518,121	499,439	192,679	8,536
0	0	0	0	273,450	317,937
5,407,416	4,383,704	3,669,376	3,233,193	2,869,602	5,519,753
0	0	177,403	187,358	268,604	291,810
4,848,792	4,756,647	4,621,838	3,403,177	2,830,288	2,533,007
1,384,109	1,914,935	597,314	391,973	1,106,697	490,311
151,482,833	148,751,067	142,276,740	160,598,998	167,347,018	166,564,428
72,328,986	77,540,881	75,348,612	83,188,912	89,723,727	86,359,473
7,618,774	8,193,687	8,086,006	8,876,041	9,395,858	10,273,775
4,100,505	3,358,703	3,895,368	4,458,014	4,070,922	3,890,063
153,385	113,286	68,358	123,848	138,784	180,915
5,948,006	5,655,720	5,986,145	6,305,306	6,616,164	6,485,389
1,892,449	1,952,534	2,049,372	2,119,226	2,243,374	2,426,723
443,311	553,665	604,393	410,331	433,905	442,789
11,555,490	11,615,780	11,276,047	11,692,515	12,861,236	14,175,046
6,136,955	6,772,352	6,608,553	6,914,117	8,237,079	8,725,223
2,488,998	2,676,973	3,950,746	2,317,587	2,907,126	1,970,847
6,411,535	6,601,288	5,897,375	5,292,412	6,005,814	5,935,899
3,360,655	3,469,749	3,073,329	3,202,984	3,761,282	5,175,426
10,022,711	29,933,462	3,656,483	911,544	1,092,101	6,388,885
9,615,000	9,883,000	21,898,000	14,234,000	6,607,000	2,538,144
3,500,012	2,522,351	2,721,902	1,904,040	1,318,956	1,938,489
0	0	0	0	1,090,000	0
0	78,999	0	0	0	0
145,576,772	170,922,430	155,120,689	151,950,877	156,503,328	156,907,086
\$5,906,061	(\$22,171,363)	(\$12,843,949)	\$8,648,121	\$10,843,690	\$9,657,342

(continued)

Mason City School District
Changes in Fund Balances - Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(Continued)

	2014	2015	2016	2017
Other Financing Sources (Uses):				
Payment to Refunded Bond Escrow Agent	\$0	\$0	\$0	\$0
Refunding Bond Anticipation Notes Issued	0	0	0	0
Premium on Bond Anticipation Notes Issued	0	0	0	0
Proceeds from Sale of Capital Assets	0	0	0	0
Refunding Bonds Issued	0	0	0	10,170,000
Premium on Refunding Bonds Issued	0	0	0	1,371,010
Inception of Lease	0	0	0	0
Transfers In	15,819,000	15,297,229	14,092,243	17,237,749
Transfers Out	<u>(15,819,000)</u>	<u>(15,297,229)</u>	<u>(14,092,243)</u>	<u>(17,237,749)</u>
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>11,541,010</u>
<i>Restatement of Fund Balance</i>	0	0	0	0
<i>Net Change in Fund Balances</i>	<u><u>(\$1,494,335)</u></u>	<u><u>\$11,606,444</u></u>	<u><u>\$424,832</u></u>	<u><u>\$11,612,112</u></u>
<i>Debt Service as a Percentage of Noncapital Expenditures</i>	11.2%	10.5%	10.6%	17.2%

(1) The implementation of GASB 84 resulted in a fund balance restatement.

2018	2019	2020 (1)	2021	2022	2023
\$0	(\$16,019,788)	\$0	\$0	\$0	\$0
0	15,015,000	6,965,000	0	0	0
0	265,485	68,048	0	0	0
138,579	197,614	1,313	0	4,513,647	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	1,095,787
10,276,000	5,960,000	94,288	1,805,298	0	3,750,000
(10,276,000)	(5,960,000)	(94,288)	(1,805,298)	0	(3,750,000)
138,579	(541,689)	7,034,361	0	4,513,647	1,095,787
0	0	742,088	225,883	0	0
\$6,044,640	(\$22,713,052)	(\$5,067,500)	\$8,874,004	\$15,357,337	\$10,753,129
9.8%	8.8%	16.3%	10.8%	5.1%	3.0%

Mason City School District
Assessed Valuation and Estimated Actual Value of Taxable Property
Last Ten Collection (Calendar) Years

Collection Year	Real Property		Tangible Personal Property	
	Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
2013	\$1,461,234,590	\$4,174,955,971	\$29,850,640	\$85,287,543
2014	1,482,387,830	4,235,393,800	32,320,460	92,344,171
2015	1,629,258,740	4,655,024,971	33,913,130	96,894,658
2016	1,663,905,800	4,754,016,571	34,841,600	99,547,429
2017	1,695,789,200	4,845,112,000	37,827,010	108,077,171
2018	1,912,206,480	5,463,447,086	40,462,230	115,606,371
2019	1,984,746,010	5,670,702,886	42,609,760	121,742,171
2020	2,188,947,370	6,254,135,343	47,569,460	135,912,743
2021	2,463,761,140	7,039,317,543	51,071,130	145,917,514
2022	2,569,855,700	7,342,444,857	53,303,380	152,295,372

Source: Ohio Department of Taxation and Warren County Auditor

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by a 10 percent and a 2 1/2 percent rollback, and homestead exemptions before being billed.

Total			
Assessed Value	Estimated Actual Value	Total Direct Rate	Weighted Average Property Tax Rate (per \$1,000 of assessed value)
\$1,491,085,230	\$4,260,243,514	83.97	\$73.15
1,514,708,290	4,327,737,971	83.97	73.06
1,663,171,870	4,751,919,629	83.11	73.11
1,698,747,400	4,853,564,000	83.11	73.10
1,733,616,210	4,953,189,171	83.11	73.01
1,952,668,710	5,579,053,457	82.79	73.08
2,027,355,770	5,792,445,057	82.79	73.06
2,236,516,830	6,390,048,086	87.10	77.65
2,514,832,270	7,185,235,057	86.35	77.70
2,623,159,080	7,494,740,229	85.91	82.73

Mason City School District
Principal Real and Personal Property Taxpayers
Tax Collection (Calendar) Years 2022 and 2013

Tax Payer	2022		Percentage of Real Property Assessed Valuation
	Assessed Value	Rank	
Procter & Gamble Company	\$55,584,720	1	2.12%
Duke Energy Ohio Inc.	52,789,400	2	2.01
Ramco-Gersheson	32,050,570	3	1.22
Somerset at Deerfield	15,887,550	4	0.61
CVG Partners IV LLC	14,341,420	5	0.55
GS-A Deerfield Crossing	12,110,000	6	0.46
District Partners I, LLC	11,825,770	7	0.45
GC Net Lease	11,489,130	8	0.44
Lenscrafters Inc.	11,417,330	9	0.43
Hills Properties LTD	10,985,540	10	0.42
Deerfield Realty Holding	0	N/A	0.00
Twin Fountains of Mason	0	N/A	0.00
Community Insurance	0	N/A	0.00
Duke Realty Ohio	0	N/A	0.00
Sterling Lakes Apartments	0	N/A	0.00
Northeast Cincinnati Hotel	0	N/A	0.00
Tennis for Charity	0	N/A	0.00
Mitsubishi Electric Mfg	0	N/A	0.00
Cintas Sales Corp.	0	N/A	0.00
Total	228,481,430		8.71%
All Others	2,394,677,650		91.29%
Total Assessed Valuation	<u>\$2,623,159,080</u>		<u>100.00%</u>

Source: Warren County Auditor

2013		
Assessed Value	Rank	Percentage of Real Property Assessed Valuation
\$0	N/A	0.00%
26,462,200	1	1.80
0	N/A	0.00
0	N/A	0.00
0	N/A	0.00
0	N/A	0.00
0	N/A	0.00
0	N/A	0.00
0	N/A	0.00
0	N/A	0.00
15,889,860	2	1.08
8,695,050	3	0.59
7,676,110	4	0.52
7,584,840	5	0.52
6,284,240	6	0.43
6,018,640	7	0.41
5,342,700	8	0.36
4,732,050	9	0.32
4331180	10	0.29
93,016,870		6.32%
1,398,068,360		93.68%
<u>\$1,491,085,230</u>		<u>100.00%</u>

Mason City School District
Property Tax Rates (Per \$1,000 of Assessed Valuation)
Direct and Overlapping Governments
Last Ten Collection (Calendar) Years

Calendar Year	School District Direct Rate					Overlapping Rates		
	General	Bond	Permanent Improvement	Total	Weighted Average	Warren County	City of Mason	Mason Public Library
2013	74.46	9.08	0.43	83.97	73.15	5.78	6.72	0.75
2014	74.46	9.08	0.43	83.97	73.06	5.78	6.72	0.75
2015	74.46	8.22	0.43	83.11	73.11	5.78	6.72	0.75
2016	74.46	8.22	0.43	83.11	73.10	5.78	6.72	0.75
2017	74.46	8.22	0.43	83.11	73.01	5.78	6.72	0.75
2018	74.46	7.90	0.43	82.79	73.08	5.78	6.72	0.50
2019	74.46	7.90	0.43	82.79	73.06	6.28	6.72	0.50
2020	79.17	7.50	0.43	87.10	77.65	6.28	6.72	0.50
2021	79.17	6.75	0.43	86.35	77.70	2.50	6.75	0.50
2022	84.42	1.06	0.43	85.91	82.73	6.28	6.72	0.50

Source: Warren County Auditor

Overlapping Rates

Deerfield Township	Great Oaks JVSD	Warren-Clinton Community Mental Health	Turtlecreek Township	Union Township	Warren County Health District	City of Lebanon	Lebanon Library
14.10	2.70	1.00	9.12	9.20	0.50	8.32	1.00
14.10	2.70	1.00	9.12	9.20	0.50	9.32	1.00
14.10	2.70	1.00	9.12	9.20	0.50	9.32	1.00
14.10	2.70	1.00	9.12	9.20	0.50	9.32	1.00
14.10	2.70	1.00	9.12	13.10	0.50	9.32	1.00
14.10	2.70	1.00	9.12	13.10	0.50	9.32	1.00
14.10	2.70	1.00	9.12	13.10	0.50	9.32	1.00
14.10	2.70	1.00	9.12	13.10	0.50	11.32	1.00
14.10	2.70	1.00	8.51	13.10	0.50	11.32	1.00
14.10	2.70	1.00	9.12	13.10	0.50	11.32	1.00

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Mason City School District
Property Tax Levies and Collections
Last Ten Collection (Calendar) Years

Collection Year (1)	Total Current Tax Levied (2)	Current Tax Collection	Percent of Current Levy Collected	Delinquent Tax Collection (3)	Total Tax Collections	Percent Of Total Collections To Total Levy
2013	\$71,446,609	\$70,531,504	98.72%	\$915,105	\$71,446,609	100.00%
2014	71,144,660	69,751,930	98.04	1,038,720	70,790,650	99.50
2015	73,825,100	72,825,654	98.65	999,446	73,825,100	100.00
2016	75,428,947	74,177,960	98.34	1,065,126	75,243,086	99.75
2017	76,823,664	75,781,755	98.64	1,041,978	76,823,733	100.00
2018	80,642,224	79,788,968	98.94	857,255	80,646,223	100.00
2019	83,415,178	81,804,294	98.07	1,610,884	83,415,178	100.00
2020	101,973,531	100,238,677	98.30	1,440,983	101,679,660	99.71
2021	103,175,406	101,635,112	98.51	1,483,906	103,119,018	99.95
2022	107,325,699	105,430,519	98.23	1,654,316	107,084,835	99.78

Source: Warren County Auditor

- (1) The 2023 information cannot be presented because all collections have not been made by June 30, 2023.
- (2) Taxes levied and collected are presented on a cash basis because that is the manner that information is maintained by the County Auditor.
- (3) Penalties and interest are included since, by Ohio law, they become part of the tax obligation as assessment occurs.

Mason City School District
*Ratio of Debt to Estimated Actual Value,
 Personal Income, and Debt Per Capita
 Last Ten Fiscal Years*

Fiscal Year	General Obligation Bonds (1)	General Obligation Notes (1)	Leases (1)	Financed Purchases (1)	Total Outstanding Debt	Estimated Actual Value (2)
2014	\$108,878,030	\$0	\$0	\$4,933,000	\$113,811,030	\$4,260,243,514
2015	99,945,545	0	0	4,827,000	104,772,545	4,327,737,971
2016	90,643,770	0	0	4,704,000	95,347,770	4,751,919,629
2017	79,968,080	0	0	4,566,000	84,534,080	4,853,564,000
2018	69,943,580	0	0	4,411,000	74,354,580	4,953,189,171
2019	44,387,632	15,280,485	0	4,238,000	63,906,117	5,579,053,457
2020	36,903,380	6,976,341	0	4,045,000	47,924,721	5,792,445,057
2021	29,096,832	0	0	3,831,000	32,927,832	6,390,048,086
2022	21,005,281	0	0	3,594,000	24,599,281	7,185,235,057
2023	17,612,754	0	821,643	3,335,000	21,769,397	7,494,740,229

Source: (1) School District Financial Records; includes outstanding principal on debt issuances, as well as accretion on capital appreciation bonds, and unamortized premiums.

(2) Ohio Department of Taxation.

(3) Ohio Development Services Agency, Warren County

(4) Computation of per capita personal income multiplied by population.

(5) Although the Debt Service Fund is restricted for debt service, it is not specifically restricted to the payment of principal.

Population (3)	Personal Income (4)	Ratio of Debt to Estimated Actual Value	Ratio of Bonded Debt to Estimated Actual Value (5)	Bonded Debt Per Capita	Ratio of Debt to Personal Income	Debt Per Capita
219,169	\$10,131,306,194	2.67%	2.56%	\$496.78	1.12%	\$519.28
221,659	10,990,739,856	2.42%	2.31%	450.90	0.95%	472.67
224,469	11,572,050,357	2.01%	1.91%	403.81	0.82%	424.77
227,063	12,475,068,283	1.74%	1.65%	352.18	0.68%	372.29
228,882	13,002,328,656	1.50%	1.41%	305.59	0.57%	324.86
232,173	13,883,713,227	1.15%	0.80%	191.18	0.46%	275.25
234,602	13,883,746,360	0.83%	0.64%	157.30	0.35%	204.28
242,337	14,341,503,660	0.52%	0.46%	120.07	0.23%	135.88
246,553	15,313,653,383	0.34%	0.29%	85.20	0.16%	99.77
249,778	15,513,961,358	0.29%	0.24%	70.51	0.14%	87.15

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Mason City School District
Computation of Direct and Overlapping Debt
 June 30, 2023

Jurisdiction	Debt Attributable to Governmental Activities	Percentage Applicable to District (1)	Amount Applicable to District
Direct:			
Mason City School District:	\$21,769,397	100.00 %	\$21,769,397
Overlapping:			
Butler County	20,290,270	0.05	10,145
City of Mason	46,160,000	89.66	41,387,056
Union Township	430,946	2.06	8,877
West Chester Township	17,745,000	0.22	39,039
Total Overlapping Debt	84,626,216		41,445,117
Total Direct and Overlapping Debt	\$106,395,613		\$63,214,514

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken in account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

Mason City School District
Computation of Legal Debt Margin
Last Ten Fiscal Years

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Debt Limit	\$247,858,540	\$247,858,540	\$247,858,540	\$247,858,540
Total Net Debt Applicable to Limit	<u>121,611,030</u>	<u>112,172,595</u>	<u>90,643,700</u>	<u>79,968,080</u>
Legal Debt Margin	<u>\$126,247,510</u>	<u>\$135,685,945</u>	<u>\$157,214,840</u>	<u>\$167,890,460</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	49.06%	45.26%	36.57%	32.26%

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

Legal Debt Margin Calculation for Fiscal Year 2023

Assessed Value	\$2,623,159,080
Overall Debt Limit - 9% of Assessed Value (1)	236,084,317
Amount of Debt Applicable to Debt Limit	<u>17,270,000</u>
Legal Debt Margin	<u><u>218,814,317</u></u>

<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
\$247,858,540	\$247,858,540	\$182,462,019	\$201,286,515	\$226,334,904	\$236,084,317
<u>69,943,580</u>	<u>59,668,117</u>	<u>46,100,000</u>	<u>32,610,000</u>	<u>19,275,000</u>	<u>17,270,000</u>
<u><u>\$177,914,960</u></u>	<u><u>\$188,190,423</u></u>	<u><u>\$136,362,019</u></u>	<u><u>\$168,676,515</u></u>	<u><u>\$207,059,904</u></u>	<u><u>\$218,814,317</u></u>
28.22%	24.07%	25.27%	16.20%	8.52%	7.32%

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Mason City School District
Demographic and Economic Statistics
Last Ten Calendar Years

Year	Population (1)	Per Capita Personal Income (1)	School Enrollment (2)	Unemployment Rate (1)
2013	219,169	\$46,226	10,773	6.40%
2014	221,659	49,584	10,715	5.20
2015	224,469	51,553	10,713	4.10
2016	227,063	54,941	10,728	4.20
2017	228,882	56,808	10,664	4.10
2018	232,173	59,799	10,420	3.90
2019	234,602	59,180	10,463	3.50
2020	242,337	59,180 *	10,295	7.00
2021	246,553	62,111	10,210	5.00
2022	249,778	62,111 ^	10,380	6.40

Source: (1) Ohio Development Services Agency, Warren County

(2) School District Records.

Note: * Per Capita Personal Income information is not available for 2020, therefore the 2019 information was used.

^ Per Capita Personal Income information is not available for 2022, therefore the 2021 information was used.

*Mason City School District
Principal Employers
Fiscal Years 2023 and 2014*

Employer	2023		
	Total Employees	Rank	Percentage of Total Employees
Proctor and Gamble	3,189	1	2.87%
Essilor Luxottica/Luxottica Retail	1,742	2	1.56
Atrium Medical Center	1,600	3	1.44
Anthem Blue Cross and Blue Shield	1,500	4	1.35
Amazon	1,358	5	1.22
Warren County	1,276	6	1.15
Kings Island	1,250	7	1.12
Cintas Corporation	1,228	8	1.10
Macy's Credit and Customer Service	1,200	9	1.08
Mason City Schools	1,083	10	0.97
WellPoint	N/A	N/A	0.00
L3 Cincinnati Electronics	N/A	N/A	0.00
Cengage Learning, Inc.	N/A	N/A	0.00
Intelligrated Systems, LLC	N/A	N/A	0.00
Portion Pac	N/A	N/A	0.00
Mitsubishi Electric	N/A	N/A	0.00
Total Employees from Top Ten Employers	15,426		13.86
All Other Employers	95,874		86.14
Total Employees	111,300		100.00%

Source: Warren County Economic Development Department and the School District

2014		
Total Employees	Rank	Percentage of Total Employees
1,948	1	1.82%
1,533	3	1.43
N/A	N/A	0.00
N/A	N/A	0.00
N/A	N/A	0.00
N/A	N/A	0.00
N/A	N/A	0.00
1,322	4	1.23
N/A	N/A	0.00
1,099	5	1.03
1,748	2	1.63
653	6	0.61
575	7	0.54
468	8	0.44
455	9	0.42
395	10	0.37
10,196		9.52
96,904		90.48
107,100		100.00%

Mason City School District
Full-time Equivalent School District Employees by Type
Last Ten Fiscal Years

	2014	2015	2016	2017
Office/Administrative:				
Superintendent/Associate/Assistants	3.00	3.00	4.00	4.00
Principals/Assistant	20.33	21.00	21.00	21.00
Other	17.00	19.00	19.50	18.00
<i>Total Official/Administrative</i>	<u>40.33</u>	<u>43.00</u>	<u>44.50</u>	<u>43.00</u>
Professional - Educational:				
Total General Education	513.00	482.33	483.91	482.13
Special Education	87.72	78.63	74.15	75.00
Curriculum Specialist	10.00	8.00	6.00	8.00
Counseling	20.00	19.80	19.80	20.00
Librarian/Media	2.00	2.00	2.00	2.00
Other Professional	0.00	14.00	12.50	2.65
<i>Total Professional - Educational</i>	<u>632.72</u>	<u>604.76</u>	<u>598.36</u>	<u>589.78</u>
Professional - Other:				
Public Relations	1.00	1.00	1.00	1.00
Psychologists	9.00	10.00	9.00	9.00
Social Work	1.00	1.00	1.00	1.00
Speech, OT, PT	14.88	13.34	13.34	12.94
<i>Total Professional - Other</i>	<u>25.88</u>	<u>25.34</u>	<u>24.34</u>	<u>23.94</u>
Technical:				
Information Technology	9.00	8.00	8.00	7.00
Practical Nursing	8.46	8.46	10.46	11.58
Library Aide	7.20	8.63	8.63	8.63
Other Technical	1.00	1.00	1.00	1.00
<i>Total Technical</i>	<u>25.66</u>	<u>26.09</u>	<u>28.09</u>	<u>28.21</u>
Office/ Clerical	55.52	58.03	59.46	59.16
Crafts & Trades	9.00	10.00	11.50	9.50
Bus Drivers	66.37	70.56	71.68	81.80
Service Work/ Laborer:				
Attendance Officer	0.94	0.94	0.94	0.94
Custodian	37.00	34.00	30.00	29.00
Groundskeeping	3.00	3.00	2.00	2.00
Food Service	45.18	47.76	47.00	49.90
Guard/ Watchman	1.00	0.00	0.00	0.00
Monitoring (Recess)	21.86	24.95	19.51	27.85
Attendent (Paraprofessionals)	134.11	130.32	134.87	152.08
Other Services Worker/ Laborer	0.00	9.43	8.81	0.00
<i>Total Service Work/Laborer</i>	<u>243.09</u>	<u>250.40</u>	<u>243.13</u>	<u>261.77</u>
<i>Total Employees</i>	<u><u>1,098.57</u></u>	<u><u>1,088.18</u></u>	<u><u>1,081.06</u></u>	<u><u>1,097.16</u></u>

Source: School District Records

2018	2019	2020	2021	2022	2023
4.00	4.00	4.00	4.00	4.00	4.00
20.50	20.00	20.00	20.00	20.00	19.00
18.50	17.00	18.00	18.00	18.00	20.00
43.00	41.00	42.00	42.00	42.00	43.00
486.80	486.93	489.80	486.80	489.80	473.80
79.00	78.00	79.50	80.00	80.00	95.00
8.00	8.00	8.00	9.00	9.00	11.00
20.00	21.00	21.00	21.00	21.00	23.00
2.00	2.00	2.00	2.00	1.00	1.00
2.65	2.56	4.00	2.00	2.00	1.00
598.45	598.49	604.30	600.80	602.80	604.80
1.00	1.00	1.00	1.00	1.00	1.00
9.00	9.00	9.00	9.00	7.60	9.00
1.00	1.00	2.00	2.00	2.00	2.00
12.94	12.94	11.94	11.94	11.94	10.94
23.94	23.94	23.94	23.94	22.54	22.94
6.00	5.00	5.00	5.00	5.00	5.00
8.70	8.70	8.76	9.89	9.89	9.59
7.63	7.20	8.70	7.70	9.57	8.70
1.00	1.00	1.00	1.00	1.00	1.00
23.33	21.90	23.46	23.59	25.46	24.29
56.03	60.13	60.36	54.91	55.61	57.03
6.50	6.50	6.50	6.00	6.00	5.00
74.49	76.33	76.85	77.50	77.51	73.36
0.94	0.00	0.00	0.00	0.00	0.00
24.00	24.00	24.00	22.00	20.00	16.00
2.00	2.00	2.00	2.00	2.00	2.00
47.29	40.15	43.20	34.84	39.78	41.18
0.00	0.00	0.00	0.00	0.00	0.00
24.61	18.33	19.77	17.71	18.82	17.50
149.66	159.41	163.69	153.49	168.06	175.72
0.00	0.00	0.00	0.00	0.00	0.00
248.50	243.89	252.66	230.04	248.66	252.40
1,074.24	1,072.18	1,090.07	1,058.78	1,080.58	1,082.82

Mason City School District
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment	Operating Expenditures (1)	Cost Per Pupil	Percentage Change	Expenses (2)	Cost Per Pupil
2014	10,773	\$111,185,897	\$10,321	3.44%	\$121,932,892	\$11,318
2015	10,715	114,714,752	10,706	3.73%	124,713,728	11,639
2016	10,713	114,386,380	10,677	-0.27%	120,332,592	11,232
2017	10,728	118,809,386	11,075	3.72%	130,018,088	12,120
2018	10,664	122,439,049	11,482	3.67%	69,454,360	6,513
2019	10,420	128,504,618	12,332	7.41%	119,332,017	11,452
2020	10,463	126,844,304	12,123	-1.70%	145,864,680	13,941
2021	10,295	134,901,293	13,104	8.09%	147,712,097	14,348
2022	10,210	146,395,271	14,338	9.42%	137,781,346	13,495
2023	10,380	146,041,568	14,070	-1.88%	149,236,790	14,377

Source: School District Records

(1) Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds,
excludes capital outlay and debt service as presented on this statement.

(2) Statement of Activities

Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
3.99%	672.50	16.0	8.00%
2.83%	656.00	16.3	8.00%
-3.49%	646.50	16.6	8.00%
7.90%	637.60	16.8	8.00%
-46.26%	645.60	16.5	8.00%
75.84%	645.93	16.1	8.00%
21.73%	652.30	16.0	8.00%
2.92%	651.80	15.8	10.80%
-5.95%	652.40	15.6	9.34%
6.54%	654.80	15.9	11.02%

Mason City School District
School Building Information
Last Ten Fiscal Years

	2014	2015	2016	2017
Elementary				
Mason Early Childhood (2006)				
Square feet	172,211	172,211	172,211	172,211
Capacity	2,100	2,100	2,100	2,100
Enrollment	1,854	1,825	1,833	1,861
Western Row (1961)				
Square feet	100,002	100,002	100,002	100,002
Capacity	1,200	1,200	1,200	1,200
Enrollment	1,050	1,025	974	1,012
Mason Intermediate (1998/1994)				
Square feet	356,700	356,700	356,700	356,700
Capacity	3,000	3,000	3,000	3,000
Enrollment	2,606	2,554	2,486	2,430
Junior High School				
Mason Middle (1958)				
Square feet	276,378	276,378	276,378	276,378
Capacity	1,850	1,850	1,850	1,850
Enrollment	1,853	1,749	1,799	1,834
High School				
William Mason High (2002) (2010)				
Square feet	539,236	539,236	539,236	539,236
Capacity	3,700	3,700	3,700	3,700
Enrollment	3,410	3,562	3,621	3,591

Source: School District Records

2018	2019	2020	2021	2022	2023
172,211	201,963	201,963	201,963	201,963	201,963
2,100	2,400	2,400	2,400	2,400	2,400
1,834	2,085	2,111	2,027	2,087	2,299
100,002	100,002	N/A	N/A	N/A	N/A
1,200	1,200	N/A	N/A	N/A	N/A
1,022	741	N/A	N/A	N/A	N/A
356,700	356,700	356,700	356,700	356,700	356,700
3,000	3,000	3,120	3,120	3,120	3,120
2,412	2,383	3,119	3,047	2,997	3,167
276,378	276,378	276,378	276,378	276,378	276,378
1,850	1,850	1,850	1,850	1,850	1,850
1,765	1,713	1,746	1,744	1,676	1,725
539,236	539,236	539,236	539,236	539,236	539,236
3,700	3,700	3,700	3,700	3,700	3,700
3,631	3,498	3,487	3,477	3,450	3,189

Mason City School District
Miscellaneous Statistical Data
 June 30, 2023

Year of Original Charter	June 10, 1968
Current Charter	September 9, 1991
Form of Government	Public School District
Area of District	25 Square Miles
Number Miles Traveled by Transportation	
Fleet for the 2022-2023 School Year	969,774
Number Meals Served by Food Service	
Department for the 2022-2023 School Year	762,842

School Buildings	Grade Levels	Enrollment
Mason Early Childhood Center	PS-2	2,299
Mason Elementary/Intermediate	3-6	3,167
Mason Middle School	7-8	1,725
William Mason High School	9-12	3,189
Total		<u>10,380</u>

Number of Teachers, Levels of Degree, and Years of Experience

Degree	Education	
	Number of Certified Staff	Percentage of Total
Bachelor's Degree	36.0	5.50%
Bachelor's + 150	52.8	8.06%
Master's	562.0	85.83%
Doctorate	4.0	0.61%
Total	<u>654.8</u>	<u>100.00%</u>

Years of Experience	Experience	
	Number of Certified Staff	Percentage of Total
0 - 5	72.0	11.00%
6 - 10	52.5	8.02%
11 - 15	74.5	11.38%
16 - 20	155.5	23.75%
21 - 25	162.3	24.79%
26 - 30	89.0	13.59%
31 - 35	41.0	6.26%
36 - 40	8.0	1.22%
Total	<u>654.8</u>	<u>100.01%</u>

Source: School District Records

*Mason City School District
Student Population by Race
for the 2022-2023 School Year*

Race	Total	Percent
American Indian/Alaskan	19	0.18%
Asian	3,379	32.55%
Black	536	5.16%
Caucasian	5,156	49.67%
Hispanic	668	6.44%
Multi-Racial	549	5.29%
Hawaiian/Pac Island	73	0.70%
	10,380	99.99%

Source: School District Records

*Mason City School District
Enrollment History
Last Ten School Years*

School Year (1)	Grade							
	Preschool	KDN	1	2	3	4	5	6
2013-14	171	575	679	713	766	867	876	863
2014-15	164	580	662	702	742	806	862	886
2015-16	165	544	676	687	735	777	826	883
2016-17	171	553	675	734	740	768	820	842
2017-18	165	539	677	719	756	763	806	843
2018-19	171	550	648	716	741	760	781	842
2019-20	182	553	659	717	736	767	783	833
2020-21	125	565	659	678	710	758	780	799
2021-22	168	565	700	654	704	721	771	801
2022-23	261	603	718	717	786	783	772	826

Source: School District Records

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

Grade						Total	% Increase or Decrease
7	8	9	10	11	12		
878	977	857	878	832	841	10,773	-1.26%
872	877	941	873	883	865	10,715	-0.54%
910	889	859	962	888	912	10,713	-0.02%
903	931	864	871	946	910	10,728	0.14%
846	919	882	878	870	1,001	10,664	-0.60%
857	856	892	883	854	869	10,420	-2.29%
868	878	839	888	880	880	10,463	0.41%
839	905	858	843	878	898	10,295	-1.61%
834	842	850	866	828	906	10,210	-0.83%
845	880	819	829	769	772	10,380	1.67%

Mason City School District
Directory of School Facilities
as of June 30, 2023

<u>Facility</u>	<u>Address</u>	<u>Administrator/Contact</u>	<u>Grades</u>	<u>Phone Numbers</u>
Early Childhood Center	4631 Hickory Woods Dr.	Melissa Bly	PS-2	398-3741
Mason Elementary	6307 Mason-Montgomery Rd.	Javaris Powell	3-4	398-5821
Mason Intermediate	6307 Mason-Montgomery Rd.	Eric Messer	5-6	459-2850
Mason Middle School	6370 Mason-Montgomery Rd.	Jacob Reutter	7-8	398-9035
Mason High School	6100 Mason-Montgomery Rd.	Bobby Dodd	9-12	398-5025
Mason Central Administration	211 North East Street	Jonathan Cooper	N/A	398-0474
Transportation Center	5025 Enterprise Drive	Mark Murzynowski	N/A	398-6682
Maintenance Garage	5120 Enterprise Drive	Jerry Pennington	N/A	398-2784

Source: School District Records

OHIO AUDITOR OF STATE KEITH FABER



MASON CITY SCHOOL DISTRICT

WARREN COUNTY

AUDITOR OF STATE OF OHIO CERTIFICATION

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



Certified for Release 1/2/2024

88 East Broad Street, Columbus, Ohio 43215
Phone: 614-466-4514 or 800-282-0370

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www.ohioauditor.gov