

**Mary Taylor, CPA**  
Auditor of State



CITY OF MANSFIELD  
RICHLAND COUNTY

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# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS REQUIRED BY *GOVERNMENT AUDITING STANDARDS*

City of Mansfield  
Richland County  
30 North Diamond Street  
Mansfield, Ohio 44902

To the City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Richland County, Ohio, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 25, 2010 in where we noted the City is experiencing certain financial difficulties. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

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

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider material weaknesses, as defined above. However, we identified certain deficiencies in internal control over financial reporting, described in the accompanying Schedule of Findings and Questioned Costs that we consider significant deficiencies in internal control over financial reporting. We consider findings 2009-001 and 2009-004 to be significant deficiencies. 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.

### **Compliance and Other Matters**

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed instances of noncompliance or other matters we must report under *Government Auditing Standards* which are described in the accompanying Schedule of Findings and Questioned Costs as items 2009-001 and 2009-002.

We also noted certain matters not requiring inclusion in this report that we reported to the City's management in a separate letter dated June 25, 2010.

The City's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City's responses and, accordingly, we express no opinion on them.

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

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 25, 2010



# Mary Taylor, CPA

## Auditor of State

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

City of Mansfield  
Richland County  
30 North Diamond Street  
Mansfield, Ohio 44902

To the City Council:

#### Compliance

We have audited the compliance of the City of Mansfield, Richland County, Ohio, (the City) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that apply to each of its major federal programs for the year ended December 31, 2009. The summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs identifies the City's major federal programs. The City's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the City's compliance based on our audit.

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

In our opinion, the City of Mansfield, Richland County, Ohio, complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended December 31, 2009. However, the results of our auditing procedures disclosed an instance of noncompliance with those requirements that, while not affecting our opinion on compliance, OMB Circular A-133 requires us to report. The accompanying Schedule of Findings and Questioned Costs lists this instance as Finding 2009-005.

#### Internal Control Over Compliance

The City's management is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could directly and materially affect a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of opining on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the City's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, we identified a certain deficiency in internal control over compliance that we consider to be a significant deficiency, described in the accompanying Schedule of Findings and Questioned Costs as item 2009-005. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a federal program compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

#### **Federal Awards Receipts and Expenditures Schedule**

We have also audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the City of Mansfield, Richland County, Ohio, as of and for the year ended December 31, 2009, and have issued our report thereon dated June 25, 2010 in where we noted the City is experiencing certain financial difficulties. Our audit was performed to form opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying Federal Awards Receipts and Expenditures Schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The City's response to the finding we identified is described in the accompanying Schedule of Findings and Questioned Costs. We did not audit the City's response and, accordingly, we express no opinion on it.

We also noted matters involving federal compliance or internal control over federal compliance not requiring inclusion this report, that we reported to the City's management in a separate letter dated June 25, 2010.

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



**Mary Taylor, CPA**  
Auditor of State

June 25, 2010



CITY OF MANSFIELD  
RICHLAND COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2009

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Number	Federal Receipts	Federal Expenditures
<b>U.S. Department of Agriculture</b>				
<i>Passed through the Ohio Department of Education:</i>				
National School Lunch Program	10.555	N/A	\$32,123	\$24,633
		N/A	9,246	13,258
Total U.S. Department of Agriculture/National School Lunch Program			41,369	37,891
<b>U.S. Department of Housing and Urban Development</b>				
<i>Direct Program:</i>				
Community Development Block Grants Cluster:				
Community Development Block Grants/Entitlement Grant	14.218	CB-02-MC-39-0017	395	395
		CB-03-MC-39-0017	30,375	30,375
		CB-04-MC-39-0017	3,960	3,960
		CB-05-MC-39-0017	136,522	152,570
		CB-06-MC-39-0017	75,680	105,519
		CB-07-MC-39-0017	46,697	49,502
		CB-08-MC-39-0017	367,019	342,282
		CB-09-MC-39-0017	425,486	436,468
Total Community Development Block Grants/Entitlement Grant			1,086,134	1,121,071
ARRA - Community Development Block Grant/Entitlement Grants	14.253	CB-08-MC-39-0017	2,862	3,276
Total Community Development Block Grants Cluster			1,088,996	1,124,347
Community Development Block Grants/State's Program	14.228	A-Z-08-288-1	45,802	59,510
HOME Investment Partnerships Program	14.239	M-03-MC-39-0221	205,518	208,716
		M-04-MC-39-0221	83,786	90,572
		M-05-MC-39-0221	85,061	14,717
		M-06-MC-39-0221	55,985	868
		M-07-MC-39-0221	182,097	130,149
		M-08-MC-39-0221	79,478	251,703
		M-09-MC-39-0221	15,503	19,778
Total HOME Investment Partnerships Program			707,428	716,503
Total U.S. Department of Housing and Urban Development			1,842,226	1,900,360
<b>U.S. Department of Justice</b>				
<i>Direct Program:</i>				
Local Law Enforcement Block Grants Program	16.592	2006-DJ-BX-0743	0	7,525
Bulletproof Vest Partnership Program	16.607	2004BUBX04024705	10,380	0
		2007BUBX07039001	215	350
Total Bulletproof Vest Partnership Program			10,595	350
Public Safety Partnership and Community Policing Grants	16.710	2009RKWX0687	100,000	75,174
Criminal and Juvenile Justice Mental Health Collaboration Program	16.745	2006MOBX0024	33,888	14,994
<i>Passed through the Ohio Office of Criminal Justice Services:</i>				
ARRA - Violence Against Women Formula Grants	16.588	2009-AR-VA2-1262	22,690	29,042
Community Prosecution and Project Safe Neighborhoods	16.609	2003-PS-PSN-397	8,899	8,899
Paul Coverdell Forensic Sciences Improvement Program	16.742	2008-PC-NFS-7809	7,191	8,061
Edward Byrne Memorial Justice Assistance Grant Program Cluster:				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	04-JG-A01-6404	44,750	94,595
		08-JG-A01-6404	46,245	72,303
		08-JG-A02-6651	17,035	22,147
Total Edward Byrne Memorial Justice Assistance Grant Program			108,030	189,045
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government	16.804	2009-SC-B9-0091	0	25,378
		2009-SB-B9-0112	78,109	3,927
Total ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to Units of Local Government			78,109	29,305
Total Edward Byrne Memorial Justice Assistance Grant Program Cluster			186,139	218,350
ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories	16.803	2009-RA-C01-2046	0	28,269
		2009-RA-A01-2067	55,330	14,472
		2009-RA-A02-2314	116,152	109,329
Total ARRA - Edward Byrne Memorial Justice Assistance Grant (JAG) Program/Grants to States and Territories			171,482	152,070

CITY OF MANSFIELD  
RICHLAND COUNTY

FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED DECEMBER 31, 2009  
(Continued)

Federal Grantor/ Pass Through Grantor/ Program Title	Federal CFDA Number	Pass Through Entity Number	Federal Receipts	Federal Expenditures
<b><i>Passed through the Ohio Bureau of Criminal Identification &amp; Investigation, Office of the Attorney General:</i></b>				
DNA Index System Backlog Reduction	16.564	2006-DN-BX-K066	53,251	35,666
		2007-DN-BX-K045	11,899	1,014
		2008-DN-BX-K099	52,616	88,916
		2006-DN-BX-K160	33,419	0
Total DNA Index System Backlog Reduction			<u>151,185</u>	<u>125,596</u>
<b><i>Passed through the Ohio Attorney General's Office:</i></b>				
Crime Victim Assistance	16.575	2009VAGENE019	30,306	33,996
		2009SAGENE019	4,661	4,661
		2010VAGENE019	11,511	13,953
		2010SAGENE019	4,181	581
Total Crime Victim Assistance			<u>50,659</u>	<u>53,191</u>
<b><i>Passed through the Ohio Office of Criminal Justice Services: Passed through the City of Cleveland:</i></b>				
Edward Byrne Memorial State and Local Law Enforcement Assistance Discretionary Grants Program	16.580	N/A	139,425	74,563
Total U.S. Department of Justice			<u>882,153</u>	<u>767,815</u>
<b><u>U.S. Department of Transportation</u></b>				
<b><i>Direct Program:</i></b>				
Airport Improvement Program	20.106	3-39-0049-2106	69,737	0
		3-39-0049-2207	28,205	0
		3-39-0049-2308	146,282	155,752
		3-39-0049-2409	44,015	44,015
Total Airport Improvement Program			<u>288,239</u>	<u>199,767</u>
<b><i>Passed through the Ohio Department of Transportation:</i></b>				
Highway Planning and Construction	20.205	84243-15636	21,910	12,971
		77986-14680	411,346	411,346
Total Highway Planning and Construction			<u>433,256</u>	<u>424,317</u>
<b><i>Passed through the Ohio Department of Public Safety - The Governor's Highway Safety Office:</i></b>				
Alcohol Impaired Driving Countermeasures Incentive Grants	20.601	2010-70-00-00-00292-00	0	2,476
		2009-70-00-00-00431-00	20,716	17,395
Total Alcohol Impaired Driving Countermeasures Incentive Grants			<u>20,716</u>	<u>19,871</u>
Total U.S. Department of Transportation			<u>742,211</u>	<u>643,955</u>
<b>Total</b>			<u><u>\$3,507,959</u></u>	<u><u>\$3,350,021</u></u>

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

**CITY OF MANSFIELD  
RICHLAND COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED DECEMBER 31, 2009**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - SUBRECIPIENTS**

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

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

**NOTE C - CHILD NUTRITION CLUSTER**

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

**NOTE D - COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) REVOLVING LOAN PROGRAMS**

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

These loans are collateralized by mortgages on the property.

Activity in the CDBG revolving loan fund during 2009 is as follows:

Beginning loans receivable balance as of January 1, 2009	\$2,545,011
Loans made	62,000
Loan principal repaid	<u>353,847</u>
Ending loans receivable balance as of December 31, 2009	\$2,253,164
Cash balance on hand in the revolving loan fund as of December 31, 2009	\$320,479
Administrative costs expended during 2009	\$12

The table above reports gross loans receivable. Of the loans receivable as of December 31, 2009, the City estimates \$881,586 to be uncollectible.

**NOTE E - MATCHING REQUIREMENTS**

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

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CITY OF MANSFIELD  
RICHLAND COUNTY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
OMB CIRCULAR A -133 § .505  
DECEMBER 31, 2009

**1. SUMMARY OF AUDITOR'S RESULTS**

<i>(d)(1)(i)</i>	<b>Type of Financial Statement Opinion</b>	Unqualified
<i>(d)(1)(ii)</i>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<i>(d)(1)(ii)</i>	<b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(iii)</i>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<i>(d)(1)(iv)</i>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<i>(d)(1)(iv)</i>	<b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>	Yes
<i>(d)(1)(v)</i>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<i>(d)(1)(vi)</i>	<b>Are there any reportable findings under § .510?</b>	Yes
<i>(d)(1)(vii)</i>	<b>Major Programs (list):</b>	CFDA #14.218 and #14.253 – Community Development Block Grants/Entitlement Grants CFDA #14.239 – HOME Investment Partnerships Program CFDA #20.205 – Highway Planning and Construction
<i>(d)(1)(viii)</i>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$ 300,000 Type B: all others
<i>(d)(1)(ix)</i>	<b>Low Risk Auditee?</b>	Yes

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

**FINDING NUMBER 2009-001**

**Significant Deficiency/Noncompliance Citation**

**Ohio Rev. Code Section 5705.10(H)** indicates money paid into any fund shall be used only for the purposes for which such fund is established.

In 2009, the City paid \$191,370 and \$32,059, of park department employees' payroll expenses from the Water Fund and Sewer Fund, respectively, rather than the General Fund. These amounts were adjusted in the financial statements and the City's accounting records. In addition, at December 31, 2009, the General fund had a negative cash fund balance of \$2,164,866.

Negative cash fund balances are an indication revenues from other sources were used to pay obligations of these funds. Additionally, money spent for purposes other than specified in grant agreements could result in the loss of future grant awards.

For reporting purposes, the deficit cash balances were reported as part of the "Interfund payable" liability, and the funds with positive cash balances offsetting these deficits reported a "Interfund receivable" asset. Since the City's cash is pooled, there was no method to determine which funds' cash was used to offset the deficit balances and consequently the "Interfund receivable" amounts related to the deficit cash balances were assigned using certain assumptions.

The City should ensure its fund appropriations and expenditures are consistent with the purposes for which the funds were established. The City should consult with its Law Director when questions arise regarding a fund's intended use and if certain employees are being paid from appropriate. Additionally, the City should monitor its cash fund balances, expenditures, and appropriations and attempt to reduce existing, and avoid future, fund deficits.

**Officials' Response:** The City is currently restoring the Parks Department to the General Fund. Expenses originally paid from the water and sewer funds were returned to the General Fund prior to releasing the 2009 financial statements.

The Safety Services Fund, Miller Park Fund and Airport Fund did not earn enough revenue to sustain themselves in 2009. End of the year loans to these funds caused the General Fund to fall to a negative fund balance of \$2,164,866. Revenue sources in the Miller Park and Airport Funds should be sufficient for 2010; however, the Safety-Services Fund is projected to finish with a negative cash balance once again. Union contracts, upheld by arbitration, have made cost-cutting efforts difficult. As tax revenues continue to decrease, it becomes increasingly challenging to maintain adequate fund balances in funds supported by taxes.

**FINDING NUMBER 2009-002**

**Noncompliance Citation**

**Ohio Rev. Code Section 5705.41(B)** requires no subdivision or taxing unit is to expend money unless it has been appropriated.

At December 31, 2009, fund level expenditures of \$22,261,810 exceeded appropriations of \$20,232,050 by \$2,029,760 in the Safety Services Fund.

**FINDING NUMBER 2009-002 (continued)**

The City should frequently compare actual expenditures to appropriations at the fund level to avoid overspending.

**Officials' Response:** The city does frequently compare actual expenditures to appropriations to avoid overspending. Unfortunately the budget was originally passed without enough funds to maintain anticipated expenditures. The integrity of the budget will continue to diminish if this practice continues. In the future, the City must make difficult decisions until additional revenues are realized.

**FINDING NUMBER 2009-003**

**Significant Deficiency**

**GAAP Issues**

Our GAAP basis financial statement testing revealed the following:

- The City did not include three vouchers for services received in 2009 totaling \$94,137 in the General Fund and \$26,733 in the Internal Service-Garage Operating Fund as accounts payable, resulting in the accounts payable liability being understated. These amounts were reported to management as unadjusted items.
- The City calculated short term the compensated absences liability based on the leave amount used during January 2010 rather than using actual severance payments made in 2010 for individuals who retired on or before December 31, 2009. This resulted in the short term compensated absences liability being overstated by \$43,598 in the General Fund, \$2,293 in the Community Development Fund, \$38,515 in the Safety Services Fund, \$1,668 in the Grant Fund, and \$13,046 in the Other Governmental Funds. These amounts were reported to management as unadjusted items.
- The City did not correctly allocate certain intergovernmental receivables between intergovernmental revenue and deferred revenue. As a result, intergovernmental revenue was overstated and deferred revenue was understated \$234,999 in the General Fund, \$23,569 in the Safety Services Fund, \$89,534 in the Grant Fund, and \$58,290 in the Street Construction Maintenance and Repair Fund. These amounts were reported to management as unadjusted items.

The City should exercise due care when compiling and posting GAAP transactions to help ensure the GAAP financial statements are accurate. Management should review the draft GAAP journal entries and financial statements to help ensure they are supported by sufficient documentation, reconciled to the trial balances, free of obvious errors and omissions, and consistent with their financial expectations. These procedures should help avoid GAAP financial statement errors and help ensure more accurate financial reporting.

**Officials' Response:** All paid vouchers are reviewed by hand to calculate accounts payable. Unfortunately a few of these Vouchers were mistakenly missed. The calculation of accounts payable will be greatly improved by the implementation of new software. The new software is scheduled to go live on January 3, 2011.

The calculation of the short term compensated absences liability will be corrected in 2010.

The estate tax and homestead/rollback tax were mistakenly classified as intergovernmental revenue instead of deferred revenue. These items will be properly classified in the future.

## FINDING NUMBER 2009-004

### Significant Deficiency

#### Program Change Controls

Well-documented procedures for maintenance of computer application systems is vital to help ensure modified computer applications perform accurately, efficiently, and meet management's requirements. The procedures typically cover such areas as request guidelines, naming conventions, approval procedures for users, approval procedures for IT management, and testing standards and approvals. The procedures are also used to communicate and define a proper segregation of duties within the application change process, including placing them into production.

The City of Mansfield IT department does not have formal written procedures to track, monitor, remediate, test, implement, and document program changes. A request form was in place, although it was not used consistently to document approval from the IT department or the programs affected by the change request.

Also, the mainframe administrator, responsible for all program changes, had the access authorities to modify the application code, complete the testing of the changes, and also migrate the changed program(s) into the production environment.

Without program change control procedures, critical data processing applications could be improperly modified, resulting in erroneous and unauthorized transaction processing. The lack of segregation of duties or strict monitoring of programs placed into production may result in key programs or data being changed without the knowledge and/or consent of management or the user departments.

Finally, no testing documentation or evidence of end user acceptance of testing performed was maintained for program changes. Without following standardized procedures for performing and documenting tests of program changes, the risk increases that requested changes are incomplete, unapproved, or do not meet users' expectations. Also, without maintaining adequate testing documentation, it may be impossible to duplicate or evaluate testing scenarios in the event that problems arise later that require subsequent review of the program change.

The City of Mansfield IT Department should develop, formalize, and approve standards for the entire life cycle of the program change request process. These standards should include, but not be limited to, procedures for maintaining test documentation to reasonably ensure all key documentation of the testing performed for all program changes is maintained and available. In addition, user acceptance should be obtained for all pertinent changes to help ensure the applications are operating as intended. Each phase of the life cycle should be monitored to comply with the developed standards, be adequately documented, and have appropriate approvals.

Segregation of duties should also be implemented by upgrading the logical access controls of all the IT Department personnel who have access to the financial program and data housed on the mainframe. The migration of the programs into the production environment should be performed by someone without program modification capabilities whenever possible. If the segregation of duties is not possible due to staffing shortages, an independent and timely review of the migration activity should occur to help ensure only authorized changes were migrated into production.



**FINDING NUMBER 2009-004 (continued)**

**Officials' Response:** This process has been modified significantly. In February 2010 we implemented an electronic work order system that required users to request system changes/modifications through their supervisor/manager. All requests must come through this system; and all major system changes must be approved verbally by the IT Manager. Further work to implement a formalized standard will be delayed until after the new software is completely installed in the latter part of 2010.

Segregation of duties has been completed.

Audits have been completed and many accounts have been disabled and/or reduced in authority levels. This will become a normal recurring process.

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

<b>Finding Number</b>	<b>2009-005</b>
<b>CFDA Title and Number</b>	Community Development Block Grants/Entitlement Grants CFDA # 14.218
<b>Federal Award Number / Year</b>	CB-02-MC-39-0017 – 2002 CB-03-MC-39-0017 – 2003 CB-04-MC-39-0017 – 2004 CB-05-MC-39-0017 – 2005 CB-06-MC-39-0017 – 2006 CB-07-MC-39-0017 – 2007 CB-08-MC-39-0017 – 2008 CB-09-MC-39-0017 – 2009
<b>Federal Agency</b>	U.S. Department of Housing and Urban Development
<b>Pass-Through Agency</b>	N/A – Direct Program

**Questioned Cost/Significant Deficiency**

**2 C.F.R. part 225, App. B 8.g(2)** indicates, in part, severance payments (but not accruals) associated with normal turnover are allowable. Such payments shall be allocated to all activities of the governmental unit as an indirect cost.

In 2009, a \$14,215 severance payment to a Community Development Department employee was charged as a direct cost to the Community Development Block Grant instead of an indirect cost. This resulted in administrative expenses which were unallowable and, therefore, a questioned cost of \$14,215.

The City should ensure severance payments from the Community Development Department using CDBG money are charged as indirect costs and allocated to all activities of the governmental unit rather than charging the payment as a direct cost.

**FINDING NUMBER 2009-005 (continued)**

**Officials' Response/Corrective Action Plan:**

Finding Number	Planned Corrective Action	Anticipated Completion Date	Responsible Contact Person
2009-005	In the future, any severance payments charged to grants within the Community Development Department will be allocated among all of the grants of the department.	Immediately	Cindy Baker

**CITY OF MANSFIELD  
RICHLAND COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
DECEMBER 31, 2009**

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <b><i>Explain</i></b>
Finding 2008-Mansfield-01	<p><b>Ohio Rev. Code Section 5705.36(A)(4)</b> - Reduced amended certificates were not obtained for certain funds in which the deficiency of estimated receipts over actual receipts reduce available resources below the current level of appropriation.</p>	Yes	Finding No Longer Valid.

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City of Mansfield, Ohio  
Comprehensive Annual Financial Report  
For the Year Ended December 31, 2009

Prepared By  
Department of Finance

Kelly G. Blankenship  
Director of Finance

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**CITY OF MANSFIELD, OHIO**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

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# City of Mansfield, Ohio

**KELLY BLANKENSHIP, FINANCE DIRECTOR**

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30 N. Diamond Street  
Mansfield, Ohio 44902

Phone (419) 755-9781  
Fax (419) 755-9405

June 25, 2010,

Citizens of Mansfield  
Mayor Donald Culliver  
Members of Council  
City of Mansfield, Ohio

As the Finance Director for the City of Mansfield (the "City"), I am pleased to present the Comprehensive Annual Financial Report (CAFR) of Mansfield, Ohio for the year ended December 31, 2009. The report has been prepared for the citizens of Mansfield, the elected officials, bondholders, the investment community, rating agencies, and all persons interested in the financial affairs of the City. This report includes the City's implementation of accounting principles generally accepted in the United States of America (GAAP) set forth by the Governmental Accounting Standards Board (GASB) and other authoritative sources, and the guidelines set by the Government Finance Officers Association (GFOA). GASB No. 14 was used in evaluating how to define the City for financial reporting purposes. The financial reporting entity consists of the primary government, organizations for which the primary government is financially accountable and other organizations which have a significant relationship with the City that by excluding them would cause the financial statements to be misleading. Note 2A further discusses the reporting entity.

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

## OVERVIEW AND INTRODUCTION TO THE CITY

The City of Mansfield is located in Richland County in north central Ohio, approximately 65 miles northeast of the City of Columbus and 75 miles southwest of the City of Cleveland. It has a population of 51,600, is the county seat, and is the county's largest city. The City is an important industrial and marketing center located strategically between Cleveland and Columbus. It is the largest populated city between the two cities off Interstate 71 making it a desirable crossroads for business.

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

The downtown Richland Carousel Park provides entertainment for children and adults. Other local entertainment options include theatrical productions at the Mansfield Playhouse, shows at the Mansfield Art Center, and classes at the Richland Academy of Arts and Sciences. The Mansfield Motorsports Speedway, north of town, is a fast half-mile asphalt racetrack where fans can enjoy great racing. Mansfield has 33 parks covering 435 acres. Those looking for exercise can try bicycling or in-line skating on the 18 mile B&O Bike Trail, which begins at North Lake Park in the City, running south through Lexington. Mansfield is also home to North Central State College and a branch campus of The Ohio State University. The two schools share the campus in Mansfield.

## ECONOMIC CONDITION AND OUTLOOK

Staying with an aggressive economic development position, Mansfield again focused efforts in 2009 to development possibilities. The City was able to assist five companies in 2009. The involvement of the City of Mansfield was crucial to ensure that the companies not only stayed in business through tough economic times, but

were able to take advantage of opportunities for growth. Revolving loan funds totaling \$72,000 were granted which have leveraged approximately \$250,000 in additional investments in existing projects creating 30 new jobs over the next three years.

The Enterprise Zone program was utilized to assist one company during 2009. Investment in the project is estimated to be approximately \$2,900,000. The project company will create 20 new jobs due to the investment.

The Gorman Rupp Company completed construction of the second phase of their Rupp Road facility and relocated their main plant operations and corporate headquarters to the new building during the 4<sup>th</sup> quarter of 2009. The project consists of a 460,000 square foot addition. The total investment in the project was approximately \$52,500,000.

Eilenfeld Industries completed construction of an 11,000 square foot building at the corner of Harrington-Memorial Road and Sawyer Parkway. The Fastenal Company is leasing one half of the new building and expects to add two new employees.

Phase II of the Reid Industrial Park project was completed in 2009 bringing water and sewer west along Crall Road to the future entrance of Reid Industrial Park. Phase II also included the reconstruction of Crall Road from Bowman Street to the Industrial Park entrance. The third and final phase is expected to be completed in 2010.

The military broke ground in 2009 on the first two buildings at the Reid Industrial Park expansion site. They estimate a total investment in the site between \$45,000,000 and \$50,000,000. The site will be the home of approximately 450 military personnel.

Citation Corporation donated the former Mansfield Foundry property to the City of Mansfield in May of 2003. An Ohio Department of Development grant from the Clean Ohio Assistance Fund was used to complete phase one and two environmental assessments to Voluntary Action Program standards for the site. The environmental assessments were completed in May of 2008. Plans to begin environmental remediation in 2010 or 2011 are dependant on reaching a settlement with our environmental insurance company, and approval of additional grant funds for the project. Ohio Machine Tool and D.A. Holt, Inc. currently occupy portions of the site.

Two environmental cleanup projects funded through the Mansfield Cleanup Revolving Loan Fund (MCRLF) totaling \$480,000 were completed during 2009. The projects included the environmental remediation of the former Empire and Woodville school properties. Developers plan to demolish the former Empire School building and construct a housing development on the 10 acre site. Developers plan to renovate the existing Woodville School building into a small strip mall for retail shops and food service companies. The developers of the two sites project a total investment of \$6,700,000 over the next two years.

Other 2009 project highlights are as follows:

- 1) Hyundai Ideal Electric completed construction of a 20,000 square foot addition for the purpose of expanding their manufacturing capacity. The project will create 20 new full-time jobs. The total project investment is \$6,500,000.
- 2) Jones Investments (Jones Potato Chips) purchased and renovated the former FKI building on Bowman Street to expand their manufacturing capacity. The project will create approximately eight to ten new jobs. The total project investment is \$1,200,000.
- 3) Energy Technologies was awarded their third grant from the Ohio Department of Development to further their research and development of a new fuel cell product. The company expects to break ground during 2010 on a 20,000 square foot manufacturing facility for the new product. The company will invest approximately \$5,000,000 in the new facility. The project is expected to create 150 jobs over the next two to three years.

- 4) Warren Rupp completed renovations to their North Main Street facility to accommodate the consolidation of a small operation from the Pittsburgh area to Mansfield. The project will create 40 jobs. The total project investment is \$500,000.

## MAJOR INITIATIVES

The revitalization of downtown will continue in 2010 through the City's participation in the U.S. Department of Housing and Urban Development's Neighborhood Stabilization Program (NSP). The City intends to allocate NSP funds to address abandoned and foreclosed properties through a program of demolition, rehabilitation and redevelopment. The City has approximately 60 to 80 uninhabitable properties identified for demolition. An additional 12 properties will be redeveloped and sold at a lower cost to the general public.

The City continues to rejuvenate an area adjacent to downtown known as the Chamber District by building new homes and developing a new park. In conjunction with a local non-profit, the City is building single family housing units in an effort to bring homeowners back to the downtown area with a mixture of low-to-moderate to upper income families.

North Central State College announced their plans to offer college courses and services in downtown Mansfield. The new Urban Higher Education Center will be housed in the main floors of 134 through 140 North Main Street in the Carrousel District. The \$1.2 million, 7,700 square foot downtown center, funded primarily by donors, will make higher education and career job training more accessible and attainable for many more in the community.

The City is currently utilizing funds made available from the American Recovery and Reinvestment Act of 2009 for improvement and enhancement of the downtown streetscape. The project includes 1.35 miles of downtown streetscape repair measured along the roadway curb line. Replacement of park benches, trees, street signs and lighting will have a dramatic impact on the appearance of the downtown area.

The City is currently extending Mansfield Lahm Airport Industrial Park West with funds made available from the American Recovery and Reinvestment Act of 2009. The \$1.3 million dollar project should encourage further industrial and commercial development in the area.

The City recently authorized the Service-Safety Director to execute a standard software license and services agreement with New World Systems Corporation to acquire an integrated public sector enterprise application suite software package. The new system will provide extensive self-service capabilities and online access to local government employees, citizens, vendors, and customers. The investment in a more efficient software system will provide significant cost savings to the City for the next several years.

## FINANCIAL INFORMATION

### Basis of Accounting

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

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

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

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

The City complies with GASB Statement Number 34, *Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments*. The government-wide financial statements, including governmental activities, in order to comply with GASB Statement Number 34, are presented on the full accrual basis of accounting. As part of this reporting model, management is responsible for preparing a management's discussion and analysis. This discussion follows the independent accountants' report, providing an assessment of the City's finances for 2009. Accounting policies are further explained in Note 2 to the basic financial statements.

#### Internal Controls

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

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

#### Budgetary Controls

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

#### INDEPENDENT AUDIT

An audit team from Auditor of State Mary Taylor's office has performed the City's 2009 audit. The results of their audit are disclosed in the Independent Accountants' Report included in the Financial Section. The Auditor of State has expressed an unqualified opinion on the Basic Financial Statements. The City also had a "single audit", which includes all federally funded programs administered by the City, performed for 2009 by the Auditor of State. Congressional legislation made the "single audit" program mandatory for most local governments, including the City of Mansfield. This mandate began in 1985 and was amended in 1996 as a requirement for federal funding eligibility. Information related to this audit, including the Schedule of Receipts and Expenditures of Federal Awards and the combined report on internal control and compliance, are published in a separate report package.

#### AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Mansfield, Ohio, for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2008. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR). The contents of this report must conform to program standards and must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

A Certificate of Achievement is valid for one year only. The City of Mansfield has received a Certificate of Achievement for the last twenty-four years (years ended 1985-2008). We believe our current report continues to conform to Certificate of Achievement program requirements, and we are submitting it to the Government Finance Officers Association of the United States and Canada (GFOA) to determine its eligibility for another certificate.

#### ACKNOWLEDGEMENTS

I would like to give a special thank you to Scott Arnett who prepared the CAFR for 2009. I would also like to thank all of the Finance and Income Tax office staff whose dedicated effort makes this report possible.

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

A handwritten signature in blue ink that reads "Kelly Blankenship". The signature is written in a cursive, flowing style.

Kelly Blankenship  
Finance Director

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Mansfield  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2008

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



President

Executive Director



# CITY OF MANSFIELD, OHIO

## PRINCIPAL OFFICIALS

DECEMBER 31, 2009

### ELECTED OFFICIALS

#### EXECUTIVE:

Mayor ..... Donald R. Culliver  
Director of Finance ..... Kelly G. Blankenship  
Director of Law ..... David L. Remy  
Municipal Court Judge ..... Jeff Payton  
Municipal Court Judge..... Jerry E. Ault  
Clerk of Court ..... Daniel F. Smith

#### LEGISLATIVE:

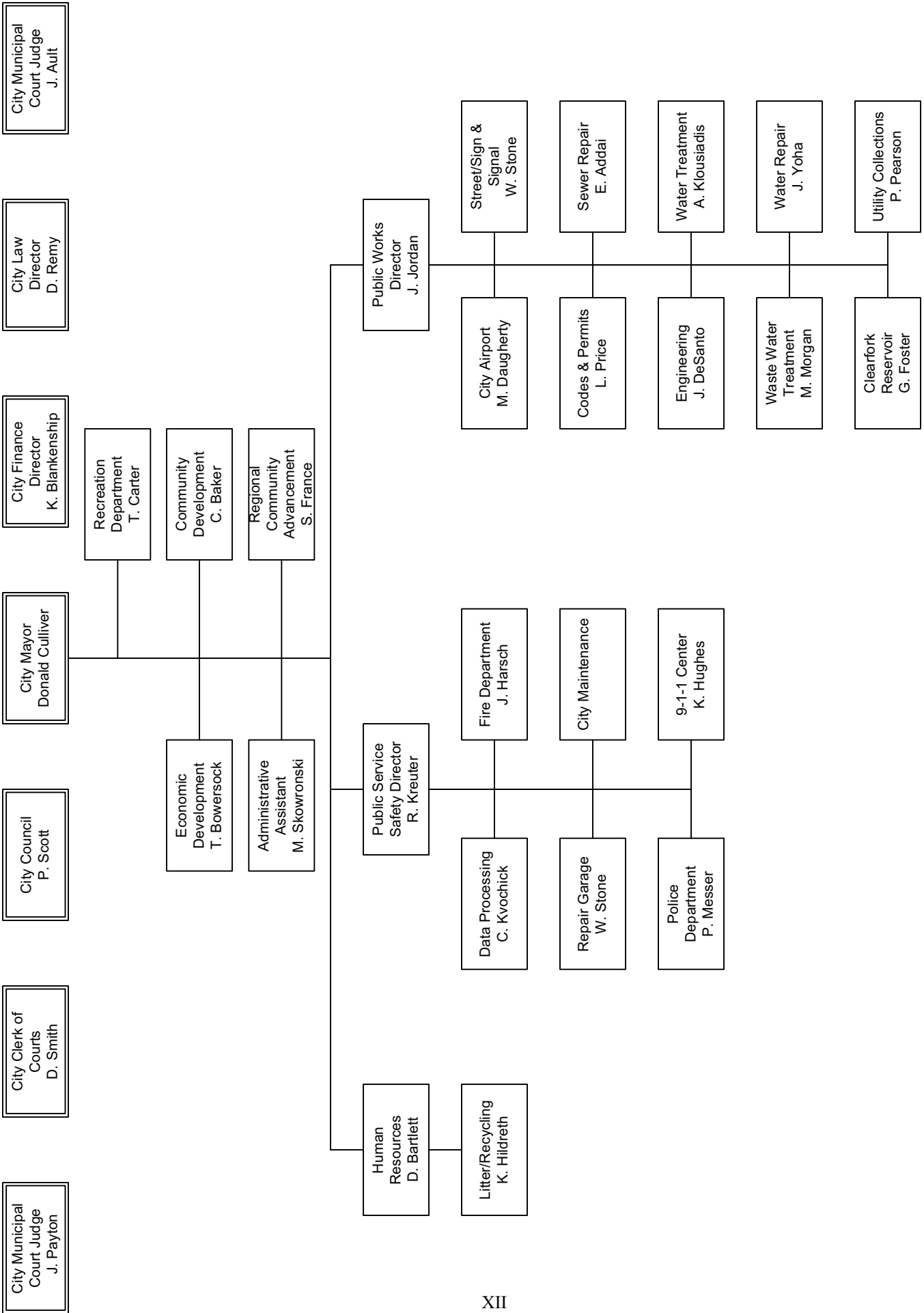
President of Council ..... Phillip E. Scott  
Council Members  
    Ward 1 ..... Michael N. Hill  
    Ward 2 ..... Jeffrey W. Rock  
    Ward 3 ..... Scott E. Hazen  
    Ward 4 ..... Walden A. Jefferson  
    Ward 5 ..... Ethel M. (Pat) Hightower  
    Ward 6 ..... Sandra G. Carmichael  
    At Large ..... Ellen K. Haring  
    At Large ..... Douglas P. Versaw

### APPOINTED OFFICIALS

Director of Service Safety..... Ronald S. Kreuter  
Director of Public Works..... John S. Jordan  
Director of Human Resources.....Donald R. Bartlett  
Director of Industrial Development..... Timothy R. Bowersock  
Director of Community Development..... Cynthia Baker  
Director of Regional Community Advancement..... Sherri R. France  
Chief of Police..... Philip Messer  
Chief of Fire..... John C. Harsch

The present terms of the executive branch and the President of Council will expire November 30, 2011. The present terms of the legislative branch will expire November 30, 2011, or November 30, 2013. All members of Council serve a four year term. All appointed officials serve at the pleasure of the Mayor.

# CITY OF MANSFIELD





# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

City of Mansfield  
Richland County  
30 North Diamond Street  
Mansfield, Ohio 44902

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Richland County, Ohio, (the City) as of and for the year ended December 31, 2009, which collectively comprise the City's basic financial statements as listed in the Table of Contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Mansfield, Richland County, Ohio, as of December 31, 2009, and the respective changes in financial position and where applicable, cash flows, thereof and the respective budgetary comparisons for the General, Community Development, Safety Services and Grant funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

As discussed in Note 22 to the basic financial statements, the City is experiencing certain financial difficulties. Note 22 describes management's plans to address these matters. The financial statements do not include any adjustments that might result from the outcome of this uncertainty.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 25, 2010, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining nonmajor fund statements and schedules, and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining nonmajor fund statements and schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical tables to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

A handwritten signature in cursive script that reads "Mary Taylor".

**Mary Taylor, CPA**  
Auditor of State

June 25, 2010

## CITY OF MANSFIELD, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 UNAUDITED

The discussion and analysis of the City of Mansfield's (the "City") financial statements provides an overall review of the City's financial activities for the year ended December 31, 2009. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the transmittal letter, the basic financial statements, and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

#### Financial Highlights

Key financial highlights for 2009 are as follows:

- The total net assets of the City decreased \$2,490,233. Net assets of governmental activities decreased \$1,426,023 or 2.38% from 2008 and net assets of business-type activities decreased \$1,064,210 or 2.13% from 2008.
- General revenues accounted for \$32,512,327 of total governmental activities revenue. Program specific revenues accounted for \$13,613,275 or 29.51% of total governmental activities revenue.
- The City had \$47,551,625 in expenses related to governmental activities; \$13,613,275 of these expenses were offset by program specific charges for services, grants or contributions. The remaining expenses of the governmental activities of \$33,938,350 were offset by general revenues (primarily property taxes, income taxes and unrestricted grants and entitlements) of \$32,512,327.
- The City's major governmental funds are the general fund, community development fund, safety services fund and grant fund. The general fund had revenues and other financing sources of \$8,728,229 in 2009. This represents a decrease of \$1,940,857 from 2008. The expenditures and other financing uses of the general fund, which totaled \$10,155,617 in 2009, decreased \$708,308 from 2008. The net decrease in fund balance for the general fund was \$1,427,388 or 100.18%.
- The community development fund had revenues and other financing sources of \$1,759,537 in 2009. The expenditures and other financing uses of the community development fund totaled \$2,077,351 in 2009. The net decrease in fund balance for the community development fund was \$317,814 or 15.38%.
- The safety services fund had revenues and other financing sources of \$20,451,916 in 2009. The expenditures and other financing uses for the safety services fund totaled \$21,573,075 in 2009. The net decrease in fund balance for the safety services fund was \$1,121,159.
- The grant fund had revenues and other financing sources of \$1,669,240 in 2009. The expenditures for the grant fund totaled \$1,645,346 in 2009. The net increase in fund balance for the grant fund was \$23,894 or 4.51%.
- Net assets for the business-type activities, which are made up of the water, sewer and airport operating enterprise funds, decreased in 2009 by \$1,064,210.
- In the general fund, the actual revenues came in \$54,981 higher than they were in the final budget and actual expenditures were \$140,190 less than the amount in the final budget. These positive variances are the result of the City's conservative revenue estimates and expenditure reductions. Budgeted revenues increased \$296,727 from the original to the final budget. Budgeted expenditures increased \$153,316 from the original to the final budget due to an increase in various types of budgetary needs.

**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
UNAUDITED**

**Using this Annual Financial Report**

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

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

**Reporting the City as a Whole**

*Statement of Net Assets and the Statement of Activities*

While this document contains the large number of funds used by the City to provide programs and activities, the view of the City as a whole looks at all financial transactions and asks the question, "How did we do financially during 2009?" The statement of net assets and the statement of activities answer this question. These statements include all assets and liabilities (except fiduciary funds) using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

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

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

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

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

**Reporting the City's Most Significant Funds**

*Fund Financial Statements*

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

Fund financial reports provide detailed information about the City's major funds. The City uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the City's most significant funds. The analysis of the City's major governmental and proprietary funds begins on page 10.

## CITY OF MANSFIELD, OHIO

### MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE YEAR ENDED DECEMBER 31, 2009 UNAUDITED

#### ***Governmental Funds***

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

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

The City maintains a multitude of individual governmental funds. The City has segregated these funds into major funds and nonmajor funds. The City's major governmental funds are the general fund, community development fund, safety services fund, and grant fund. Information for major funds is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances. Data from the other governmental funds are combined into a single, aggregated presentation. The basic governmental fund financial statements can be found on pages 20-30 of this report.

#### ***Proprietary Funds***

The City maintains two different types of proprietary funds, enterprise and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, and airport functions. The City's major enterprise funds are the water and sewer funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The basic proprietary fund financial statements can be found on pages 31-34 of this report.

#### ***Fiduciary Funds***

Fiduciary funds are used to account for resources held for the benefit of parties outside the City. Fiduciary funds are not reflected in the government-wide financial statement because the resources of those funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. Agency funds are the City's only fiduciary fund type. The basic fiduciary fund financial statements can be found on page 35 of this report.

#### ***Notes to the Basic Financial Statements***

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. These notes to the basic financial statements can be found on pages 37-70 of this report.

**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
UNAUDITED**

**Government-Wide Financial Analysis**

The table below provides a summary of the City's net assets for 2009 compared to 2008:

**Net Assets**

	Governmental Activities <u>2009</u>	Governmental Activities <u>2008</u>	Business-Type Activities <u>2009</u>	Business-Type Activities <u>2008</u>	Total <u>2009</u>	Total <u>2008</u>
<b><u>Assets</u></b>						
Current and other assets	\$ 24,897,808	\$ 25,611,681	\$ 12,728,122	\$ 14,975,664	\$ 37,625,930	\$ 40,587,345
Capital assets	<u>51,159,332</u>	<u>55,057,781</u>	<u>40,997,785</u>	<u>41,328,577</u>	<u>92,157,117</u>	<u>96,386,358</u>
Total assets	<u>76,057,140</u>	<u>80,669,462</u>	<u>53,725,907</u>	<u>56,304,241</u>	<u>129,783,047</u>	<u>136,973,703</u>
<b><u>Liabilities</u></b>						
Long-term liabilities	12,678,332	10,687,727	3,895,336	3,325,259	16,573,668	14,012,986
Other liabilities	<u>4,966,251</u>	<u>10,143,155</u>	<u>1,012,228</u>	<u>3,096,429</u>	<u>5,978,479</u>	<u>13,239,584</u>
Total liabilities	<u>17,644,583</u>	<u>20,830,882</u>	<u>4,907,564</u>	<u>6,421,688</u>	<u>22,552,147</u>	<u>27,252,570</u>
<b><u>Net Assets</u></b>						
Invested in capital assets, net of related debt	45,218,744	48,572,308	38,192,427	37,203,838	83,411,171	85,776,146
Restricted	8,528,084	7,647,351	2,998,376	4,040,936	11,526,460	11,688,287
Unrestricted	<u>4,665,729</u>	<u>3,618,921</u>	<u>7,627,540</u>	<u>8,637,779</u>	<u>12,293,269</u>	<u>12,256,700</u>
Total net assets	<u>\$ 58,412,557</u>	<u>\$ 59,838,580</u>	<u>\$ 48,818,343</u>	<u>\$ 49,882,553</u>	<u>\$ 107,230,900</u>	<u>\$ 109,721,133</u>

Over time, net assets can serve as a useful indicator of a government's financial position. At December 31, 2009, the City's assets exceeded liabilities by \$107,230,900. Net assets were \$58,412,557 and \$48,818,343 for the governmental activities and the business-type activities, respectively.

Capital assets reported on the government-wide statements represent the largest portion of the City's net assets. At year-end, capital assets represented 71.01% of total assets. Capital assets include land, buildings, improvements other than buildings (IOTB), machinery and equipment, construction in progress (CIP) and infrastructure. Capital assets, net of related debt to acquire the assets, were \$45,218,744 and \$38,192,427 in the governmental activities and business-type activities, respectively. These capital assets are used to provide services to citizens and are not available for future spending. Although the City's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

As of December 31, 2009, the City is able to report positive balances in all three categories of net assets for the business-type activities.

A portion of the City's net assets, \$11,526,460, represents resources that are subject to external restriction on how they may be used.



**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
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The next table shows the changes in net assets for fiscal year 2009 and 2008.

**Changes in Net Assets**

	Governmental Activities <u>2009</u>	Governmental Activities <u>2008</u>	Business-Type Activities <u>2009</u>	Business-Type Activities <u>2008</u>	Total <u>2009</u>	Total <u>2008</u>
<b>Revenues</b>						
Program revenues:						
Charges for services	\$ 5,380,553	\$ 5,502,880	\$ 14,968,295	\$ 16,068,864	\$ 20,348,848	\$ 21,571,744
Operating grants and contributions	6,807,761	11,077,411	-	-	6,807,761	11,077,411
Capital grants and contributions	<u>1,424,961</u>	<u>1,674,288</u>	<u>1,916,402</u>	<u>1,511,417</u>	<u>3,341,363</u>	<u>3,185,705</u>
Total program revenues	<u>13,613,275</u>	<u>18,254,579</u>	<u>16,884,697</u>	<u>17,580,281</u>	<u>30,497,972</u>	<u>35,834,860</u>
General revenues:						
Property taxes	2,304,037	2,542,431	-	-	2,304,037	2,542,431
Income taxes	21,463,776	25,241,393	263,384	604,380	21,727,160	25,845,773
Unrestricted grants and entitlements	8,094,480	3,972,491	73,888	73,888	8,168,368	4,046,379
Investment earnings	413,969	932,920	20,670	25,545	434,639	958,465
Gain on sale of capital assets	167,581	-	-	-	167,581	-
Miscellaneous	<u>68,484</u>	<u>97,270</u>	<u>34,337</u>	<u>15,063</u>	<u>102,821</u>	<u>112,333</u>
Total general revenues	<u>32,512,327</u>	<u>32,786,505</u>	<u>392,279</u>	<u>718,876</u>	<u>32,904,606</u>	<u>33,505,381</u>
Total revenues	<u>46,125,602</u>	<u>51,041,084</u>	<u>17,276,976</u>	<u>18,299,157</u>	<u>63,402,578</u>	<u>69,340,241</u>
Program expenses:						
General government	12,462,297	14,474,385	-	-	12,462,297	14,474,385
Public safety	23,263,250	23,624,982	-	-	23,263,250	23,624,982
Public health and welfare	110,876	128,164	-	-	110,876	128,164
Transportation	8,313,893	9,917,676	-	-	8,313,893	9,917,676
Community environment	2,623,592	1,669,302	-	-	2,623,592	1,669,302
Leisure time activities	500,889	879,341	-	-	500,889	879,341
Interest and fiscal charges	276,828	288,073	-	-	276,828	288,073
Water	-	-	7,759,063	7,604,723	7,759,063	7,604,723
Sewer	-	-	9,898,811	9,821,326	9,898,811	9,821,326
Airport operating	-	-	683,312	646,544	683,312	646,544
Parking garage	-	-	-	251,712	-	251,712
Total program expenses	<u>47,551,625</u>	<u>50,981,923</u>	<u>18,341,186</u>	<u>18,324,305</u>	<u>65,892,811</u>	<u>69,306,228</u>
Change in net assets	(1,426,023)	59,161	(1,064,210)	(25,148)	(2,490,233)	34,013
Net assets, January 1	<u>59,838,580</u>	<u>59,779,419</u>	<u>49,882,553</u>	<u>49,907,701</u>	<u>109,721,133</u>	<u>109,687,120</u>
Net assets, December 31	<u>\$ 58,412,557</u>	<u>\$ 59,838,580</u>	<u>\$ 48,818,343</u>	<u>\$ 49,882,553</u>	<u>\$ 107,230,900</u>	<u>\$ 109,721,133</u>

**CITY OF MANSFIELD, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**UNAUDITED**

**Governmental Activities**

Governmental activities net assets decreased \$1,426,023 in 2009. This decrease is the result of a higher decrease in overall revenues compared to overall expenses.

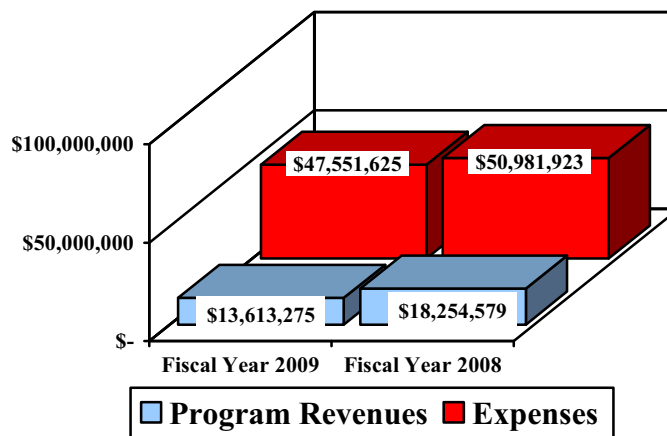
Public safety, which primarily supports the operations of the police and fire departments accounted for \$23,263,250 of the total expenses of the City. These expenses were partially funded by \$1,696,761 in direct charges to users of the services. Transportation expenses totaled \$8,313,893. Transportation expenses were partially funded by \$130,933 in direct charges to users of the services, \$2,609,351 in operating grants and contributions and \$1,424,961 in capital grants and contributions.

The state and federal government contributed to the City a total of \$6,807,761 in operating grants and contributions and \$1,424,961 in capital grants and contributions. These revenues are restricted to a particular program or purpose.

General revenues totaled \$32,512,327 and amounted to 70.49% of total governmental revenues. These revenues primarily consist of property and income tax revenue of \$23,767,813. The other primary source of general revenues is grants and entitlements not restricted to specific programs, including local government and local government revenue assistance, making up \$8,094,480.

The statement of activities shows the cost of program services and the charges for services and grants offsetting those services. The following table shows, for governmental activities, the total cost of services and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State and Federal grants and entitlements. As can be seen in the graph below, the City is highly dependent upon property and income taxes as well as unrestricted grants and entitlements to support its governmental activities.

**Governmental Activities – Program Revenues vs. Total Expenses**



**CITY OF MANSFIELD, OHIO**

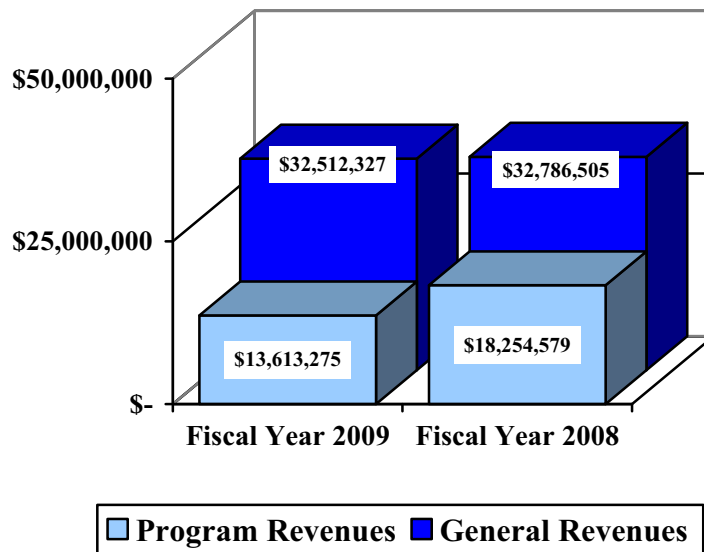
**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
UNAUDITED**

**Governmental Activities**

	Total Cost of Services <u>2009</u>	Net Cost of Services <u>2009</u>	Total Cost of Services <u>2008</u>	Net Cost of Services <u>2008</u>
Program Expenses:				
General government	\$ 12,462,297	\$ 7,696,470	\$ 14,474,385	\$ 5,469,011
Public safety	23,263,250	20,404,878	23,624,982	21,197,683
Public health and welfare	110,876	(13,159)	128,164	108,779
Transportation	8,313,893	4,148,648	9,917,676	4,482,823
Community environment	2,623,592	943,846	1,669,302	336,682
Leisure time activities	500,889	480,839	879,341	844,293
Interest and fiscal charges	<u>276,828</u>	<u>276,828</u>	<u>288,073</u>	<u>288,073</u>
<b>Total</b>	<b><u>\$ 47,551,625</u></b>	<b><u>\$ 33,938,350</u></b>	<b><u>\$ 50,981,923</u></b>	<b><u>\$ 32,727,344</u></b>

The dependence upon general revenues for governmental activities is apparent, with 68.37% of expenses supported through taxes and other general revenues.

**Governmental Activities – General and Program Revenues**

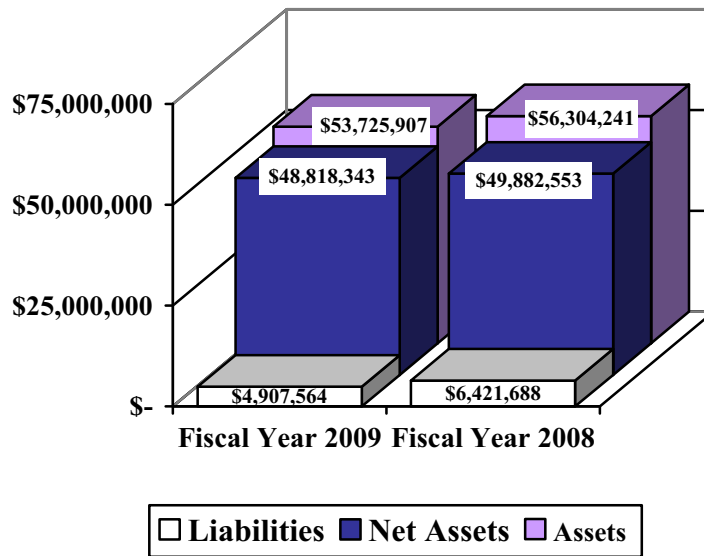


**CITY OF MANSFIELD, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
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**Business-Type Activities**

Business-type activities include the water, sewer, and airport enterprise funds. These programs had program revenues of \$16,884,697, general revenues of \$392,279 and expenses of \$18,341,186 for 2009. The graph below shows the business-type activities assets, liabilities and net assets at year-end.

**Net Assets in Business – Type Activities**



**Financial Analysis of the City's Funds**

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

**Governmental Funds**

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

The City's governmental funds (as presented on the balance sheet on page 20-21) reported a combined fund balance of \$7,282,837 which is \$717,634 above last year's total of \$6,565,203.

**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
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The schedule below indicates the fund balances and the total change in fund balances as of December 31, 2009 and December 31, 2008 for all major and nonmajor governmental funds.

	<u>Fund Balances</u> <u>12/31/09</u>	<u>Fund Balances</u> <u>12/31/08</u>	<u>Increase</u> <u>(Decrease)</u>
Major funds:			
General	\$ (8,006)	\$ 1,424,779	\$ (1,432,785)
Community development	1,747,798	2,065,860	(318,062)
Safety services	(1,047,214)	73,503	(1,120,717)
Grant fund	542,126	529,854	12,272
Other nonmajor governmental funds	<u>6,048,133</u>	<u>2,471,207</u>	<u>3,576,926</u>
Total	<u>\$ 7,282,837</u>	<u>\$ 6,565,203</u>	<u>\$ 717,634</u>

**General Fund**

The City's general fund balance decreased \$1,432,785, primarily due to a severe decrease in revenues. The following table assists in illustrating the revenues of the general fund.

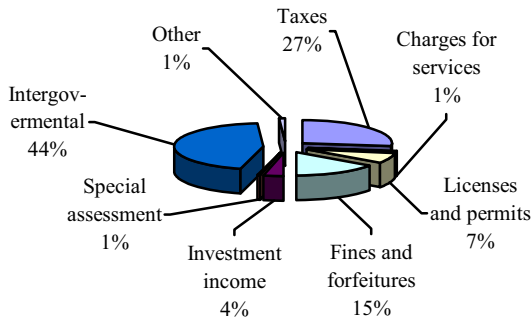
	<u>2009</u> <u>Amount</u>	<u>2008</u> <u>Amount</u>	<u>Percentage</u> <u>Change</u>
<b><u>Revenues</u></b>			
Taxes	\$ 2,345,761	\$ 2,453,948	(4.41) %
Charges for services	31,637	42,563	(25.67) %
Licenses, permits and fees	624,126	670,776	(6.95) %
Fines and forfeitures	1,317,272	1,333,223	(1.20) %
Investment income	321,491	834,170	(61.46) %
Special assessments	56,273	41,680	35.01 %
Intergovernmental	3,861,875	5,005,751	(22.85) %
Other	<u>90,264</u>	<u>72,008</u>	<u>25.35 %</u>
Total	<u>\$ 8,648,699</u>	<u>\$ 10,454,119</u>	<u>(17.27) %</u>

Tax revenue, which is a combination of property and income tax, represents 27.12% of all general fund revenue. Tax revenue decreased by 4.41% from the prior year because of a decrease in real estate tax receipts. The City no longer charges incarceration fees due to the closing of the City jail. As a result, charges for services declined 25.67%. Investment income dropped 61.46% from 2008 to 2009. This dramatic decrease is attributed to the City's smaller fund balance and lower interest rates. The interest rate at STAR Ohio fell from 1.41% in December 2008 to 0.10% in December 2009. Higher special assessment receipts are from an increase in delinquent assessment collections. Intergovernmental revenue, which represents 44.65% of all general fund revenue, dropped 22.85% because of a decline in local government receipts and estate and inheritance tax collections. All other revenue remained comparable to 2008.

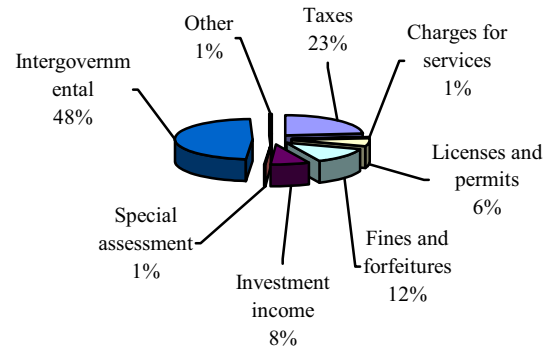
**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
UNAUDITED**

**Revenues – Fiscal Year 2009**



**Revenues – Fiscal Year 2008**

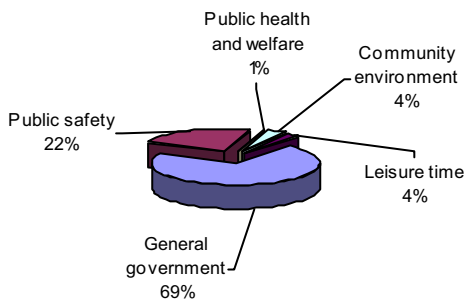


The following table assists in illustrating the expenditures of the general fund.

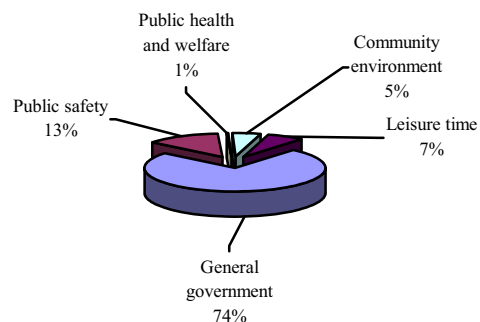
	<u>2009 Amount</u>	<u>2008 Amount</u>	<u>Percentage Change</u>
<b><u>Expenditures</u></b>			
General government	\$ 6,501,283	\$ 8,021,509	(18.95) %
Public safety	2,108,585	1,414,238	49.10 %
Public health and welfare	29,159	36,923	(21.03) %
Community environment	339,994	552,997	(38.52) %
Leisure time activities	418,129	704,192	(40.62) %
<b>Total</b>	<u>\$ 9,397,150</u>	<u>\$ 10,729,859</u>	<u>(12.42) %</u>

Public safety expenditures increased primarily because of the City's agreement with Richland County to house prisoners at the new County jail. All other expenditures dramatically declined due to staff and personnel cost reductions.

**Expenditures - Fiscal Year 2009**



**Expenditures - Fiscal Year 2008**



**CITY OF MANSFIELD, OHIO**

**MANAGEMENT'S DISCUSSION AND ANALYSIS  
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***Community Development Fund***

In 2009, the community development fund had revenues of \$1,684,983 and expenditures of \$1,827,351. The net decrease in fund balance of \$318,062 for the community development fund is attributable to the timing of receipts from the U.S. Department of Housing and Urban Development.

***Safety Services Fund***

The safety services fund had revenues of \$19,845,893 and expenditures of \$21,191,411 in 2009. The net decrease in fund balance for the safety services fund was \$1,120,717. The combination of a drastic decrease in income tax receipts and the City's responsibility to pay contractual obligations led to such a severe decline in the safety services fund balance.

***Grant Fund***

In 2009, the grant fund had revenues of \$1,422,966 and expenditures of \$1,645,346. The net increase in fund balance of \$12,272 for the grant fund is primarily due to the timing of receipts from the various federal awards and local matches.

***Proprietary Funds***

The City's proprietary funds provide the same type of information found in the government-wide financial statements for business-type activities, but in more detail. The only difference between the amounts reported as business-type activities and the amounts reported in the proprietary fund statements are interfund eliminations between proprietary funds and internal balances due to governmental activities for internal service activities. The only interfund activity reported in the government-wide financial statements are those between business-type activities and governmental activities (reported as internal balances and transfers) whereas interfund amounts between various enterprise funds are reported in the proprietary fund statements. The water enterprise fund had operating revenues of \$7,088,115, which was less than operating expenses of \$7,718,489 by \$630,374. The sewer enterprise fund had operating revenues of \$7,816,211, which was less than operating expenses of \$10,106,751 by \$2,290,540.

***Budgeting Highlights***

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

Budgetary information is presented for the general fund, community development fund, safety services fund, and grant fund. For the general fund, actual revenues of \$9,149,355 exceeded final budgeted revenues by \$54,981. Actual expenditures came in \$140,190 lower than the final budgeted amounts.

**Capital Assets and Debt Administration**

***Capital Assets***

As of December 31, 2009, the City had \$92,157,117 (net of accumulated depreciation) invested in land, buildings, improvements other than buildings (IOTB), machinery and equipment, infrastructure and construction in progress (CIP). Of this total, \$51,159,332 was reported in governmental activities and \$40,997,785 was reported in business-type activities. For additional information regarding capital assets, see Note 10. The following table shows fiscal 2009 balances compared to 2008:

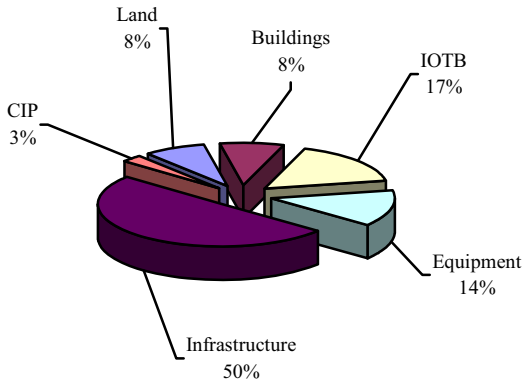
**CITY OF MANSFIELD, OHIO**  
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**Capital Assets at December 31**  
**(Net of Depreciation)**

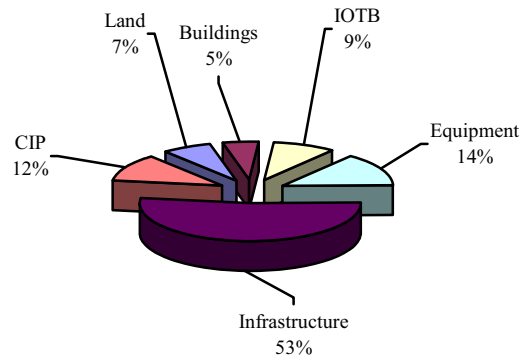
	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>	
	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>	<u>2009</u>	<u>2008</u>
Land	\$ 4,186,109	\$ 3,989,259	\$ 2,093,705	\$ 2,093,705	\$ 6,279,814	\$ 6,082,964
Buildings	4,142,450	2,862,683	2,471,783	2,756,378	6,614,233	5,619,061
IOTB	8,574,143	5,043,510	9,064,087	9,976,474	17,638,230	15,019,984
Machinery & Equipment	7,055,638	7,769,250	1,427,004	1,431,547	8,482,642	9,200,797
Infrastructure	25,847,784	29,002,055	25,941,206	24,292,159	51,788,990	53,294,214
CIP	1,353,208	6,391,024	-	778,314	1,353,208	7,169,338
Totals	<u>\$ 51,159,332</u>	<u>\$ 55,057,781</u>	<u>\$ 40,997,785</u>	<u>\$ 41,328,577</u>	<u>\$ 92,157,117</u>	<u>\$ 96,386,358</u>

The following graphs show the breakdown of governmental capital assets by category for 2009 and 2008.

**Capital Assets - Governmental Activities 2009**



**Capital Assets - Governmental Activities 2008**



The City's largest capital asset category is infrastructure which includes roads, bridges, and traffic signals. These items are immovable and of value only to the City, however, the annual cost of purchasing these items is quite significant. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 50% of the City's total governmental capital assets.

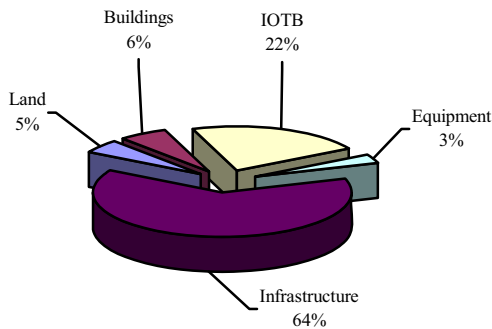
The following graphs show the breakdown of business-type capital assets by category for 2009 and 2008.



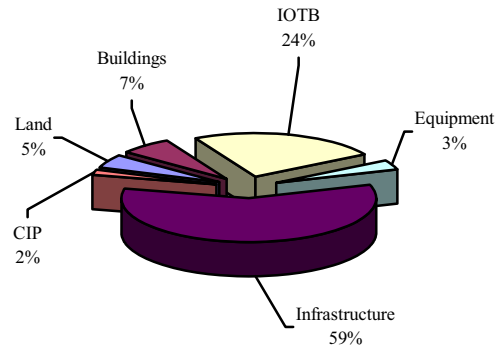
CITY OF MANSFIELD, OHIO

MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED DECEMBER 31, 2009  
UNAUDITED

Capital Assets - Business-Type Activities 2009



Capital Assets - Business-Type Activities 2008



The City's largest business-type capital asset category is infrastructure that primarily includes water lines, sanitary sewer lines, and storm sewers. These items play a vital role in the income producing ability of the business-type activities. The net book value of the City's infrastructure (cost less accumulated depreciation) represents approximately 64% of the City's total business-type capital assets.

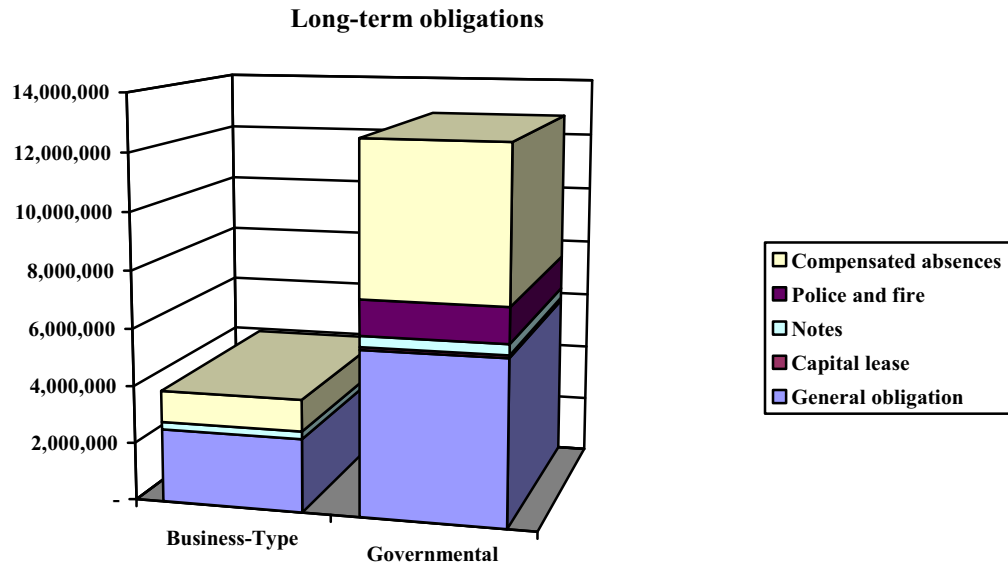
**Debt Administration**

The City had the following long-term obligations outstanding at December 31, 2009 and 2008:

	Governmental Activities	
	<u>2009</u>	<u>2008</u>
General obligation bonds	\$ 5,710,000	\$ 3,340,000
Notes payable	370,000	440,000
Police and fire pension liability	1,213,531	1,239,604
Capital lease obligation	100,000	20,473
Compensated absences	<u>5,284,801</u>	<u>5,647,650</u>
Total long-term obligations	<u>\$ 12,678,332</u>	<u>\$ 10,687,727</u>
	Business-type Activities	
	<u>2009</u>	<u>2008</u>
General obligation bonds	\$ 2,550,000	\$ 1,865,000
Compensated absences	1,089,978	1,185,520
Notes payable	<u>255,358</u>	<u>274,739</u>
Total long-term obligations	<u>\$ 3,895,336</u>	<u>\$ 3,325,259</u>

**CITY OF MANSFIELD, OHIO**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**  
**UNAUDITED**

A comparison of the long-term obligations by category is depicted in the chart below. For additional information regarding long-term obligations, see Note 14.



**Economic Factors and Next Year's Budgets and Rates**

The annual unemployment rate for the City in 2009 was 12.6%, which increased from an annual rate of 7.4% in 2008. This rate exceeds the state's average unemployment rate of 10.2% and the national average of 9.3%.

Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the City's budget for the 2010 fiscal year. At the end of the 2009 fiscal year, the cash basis fund balance of the general fund was a \$2,164,866 deficit. This balance takes into consideration encumbrances for 2009 activity.

**Contacting the City's Financial Management**

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

**CITY OF MANSFIELD, OHIO**

STATEMENT OF NET ASSETS  
DECEMBER 31, 2009

	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ 5,992,773	\$ 3,059,524	\$ 9,052,297
Cash and cash equivalents with fiscal agents . . . . .	53,113	-	53,113
Receivables (net of allowances for uncollectibles):			
Taxes . . . . .	6,564,066	75,333	6,639,399
Accounts . . . . .	185,467	2,967,107	3,152,574
Accrued interest . . . . .	231,683	-	231,683
Special assessments . . . . .	59,441	10,741	70,182
Loans . . . . .	2,505,852	-	2,505,852
Internal balances . . . . .	(3,049,510)	3,049,510	-
Due from other governments . . . . .	11,848,880	388,581	12,237,461
Materials and supplies inventory . . . . .	506,043	178,950	684,993
Restricted assets:			
Cash and cash equivalents with fiscal agents . . . . .	-	2,998,376	2,998,376
Capital assets:			
Land and construction in progress . . . . .	5,539,317	2,093,705	7,633,022
Depreciable capital assets, net . . . . .	45,620,015	38,904,080	84,524,095
Total capital assets, net . . . . .	51,159,332	40,997,785	92,157,117
<b>Total assets . . . . .</b>	<b>76,057,140</b>	<b>53,725,907</b>	<b>129,783,047</b>
<b>Liabilities:</b>			
Accounts payable . . . . .	778,990	350,836	1,129,826
Contracts payable . . . . .	104,110	324,984	429,094
Retainage payable . . . . .	53,113	-	53,113
Accrued wages and benefits . . . . .	416,985	95,334	512,319
Due to other governments . . . . .	1,709,936	232,183	1,942,119
Unearned revenue . . . . .	1,268,304	-	1,268,304
Accrued interest payable . . . . .	51,273	8,891	60,164
Claims payable . . . . .	583,540	-	583,540
Long-term liabilities:			
Due within one year . . . . .	1,888,010	983,944	2,871,954
Due in more than one year . . . . .	10,790,322	2,911,392	13,701,714
<b>Total liabilities . . . . .</b>	<b>17,644,583</b>	<b>4,907,564</b>	<b>22,552,147</b>
<b>Net assets:</b>			
Invested in capital assets, net of related debt . . . . .	45,218,744	38,192,427	83,411,171
Restricted for:			
Capital projects . . . . .	1,227,214	-	1,227,214
Community development . . . . .	4,792,730	-	4,792,730
Transportation projects . . . . .	854,822	-	854,822
Replacement and improvement . . . . .	-	2,998,376	2,998,376
Other purposes . . . . .	1,653,318	-	1,653,318
Unrestricted . . . . .	4,665,729	7,627,540	12,293,269
<b>Total net assets . . . . .</b>	<b>\$ 58,412,557</b>	<b>\$ 48,818,343</b>	<b>\$ 107,230,900</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Governmental Activities:</b>				
General government . . . . .	\$ 12,462,297	\$ 3,354,171	\$ 1,411,656	\$ -
Public safety . . . . .	23,263,250	1,696,761	1,161,611	-
Public health and welfare . . . . .	110,876	99,625	24,410	-
Transportation . . . . .	8,313,893	130,933	2,609,351	1,424,961
Community environment. . . . .	2,623,592	79,013	1,600,733	-
Leisure time activities . . . . .	500,889	20,050	-	-
Interest and fiscal charges . . . . .	276,828	-	-	-
Total governmental activities . . . . .	<u>47,551,625</u>	<u>5,380,553</u>	<u>6,807,761</u>	<u>1,424,961</u>
<b>Business-Type Activities:</b>				
Water . . . . .	7,759,063	7,088,115	-	789,598
Sewer . . . . .	9,898,811	7,816,211	-	1,126,804
Nonmajor:				
Airport operating . . . . .	683,312	63,969	-	-
Total business-type activities . . . . .	<u>18,341,186</u>	<u>14,968,295</u>	<u>-</u>	<u>1,916,402</u>
Total . . . . .	<u>\$ 65,892,811</u>	<u>\$ 20,348,848</u>	<u>\$ 6,807,761</u>	<u>\$ 3,341,363</u>

**General Revenues:**

Property taxes levied for:	
General purposes . . . . .	
Special purposes . . . . .	
Income taxes levied for:	
General purposes . . . . .	
Special purposes . . . . .	
Capital projects . . . . .	
Airport . . . . .	
Grants and entitlements not restricted to specific programs . . . . .	
Investment earnings . . . . .	
Gain on sale of capital assets. . . . .	
Miscellaneous . . . . .	
Total general revenues. . . . .	
Change in net assets. . . . .	
Net assets at beginning of year . . . . .	
Net assets at end of year . . . . .	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**Net (Expense) Revenue and Changes in Net Assets**

<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
\$ (7,696,470)	\$ -	\$ (7,696,470)
(20,404,878)	-	(20,404,878)
13,159	-	13,159
(4,148,648)	-	(4,148,648)
(943,846)	-	(943,846)
(480,839)	-	(480,839)
(276,828)	-	(276,828)
<u>(33,938,350)</u>	<u>-</u>	<u>(33,938,350)</u>
-	118,650	118,650
-	(955,796)	(955,796)
-	<u>(619,343)</u>	<u>(619,343)</u>
-	<u>(1,456,489)</u>	<u>(1,456,489)</u>
<u>(33,938,350)</u>	<u>(1,456,489)</u>	<u>(35,394,839)</u>
1,921,449	-	1,921,449
382,588	-	382,588
339,453	-	339,453
18,035,032	-	18,035,032
3,089,291	-	3,089,291
-	263,384	263,384
8,094,480	73,888	8,168,368
413,969	20,670	434,639
167,581	-	167,581
68,484	34,337	102,821
<u>32,512,327</u>	<u>392,279</u>	<u>32,904,606</u>
(1,426,023)	(1,064,210)	(2,490,233)
<u>59,838,580</u>	<u>49,882,553</u>	<u>109,721,133</u>
<u>\$ 58,412,557</u>	<u>\$ 48,818,343</u>	<u>\$ 107,230,900</u>

**CITY OF MANSFIELD, OHIO**

BALANCE SHEET  
GOVERNMENTAL FUNDS  
DECEMBER 31, 2009

	General	Community Development	Safety Services
<b>Assets:</b>			
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 320,479	\$ 367,096
Cash and cash equivalents with fiscal agent . . . . .	-	-	-
Receivables (net of allowance for uncollectibles):			
Taxes . . . . .	2,312,007	-	3,706,958
Accounts . . . . .	74,644	-	52,414
Accrued interest . . . . .	142,844	79,657	-
Loans . . . . .	-	1,371,578	-
Special assessments . . . . .	59,441	-	-
Due from other governments . . . . .	1,836,437	4,921,729	44,919
Loans to other funds . . . . .	2,199,191	-	-
Materials and supplies inventory . . . . .	43,071	937	46,452
Total assets . . . . .	\$ 6,667,635	\$ 6,694,380	\$ 4,217,839
<b>Liabilities:</b>			
Accounts payable . . . . .	\$ 83,557	\$ 15,497	\$ 33,285
Contracts payable . . . . .	-	7,700	-
Retainage payable . . . . .	-	-	-
Accrued wages and benefits . . . . .	61,587	4,070	282,664
Compensated absences . . . . .	43,598	2,293	38,515
Loans from other funds . . . . .	800,000	-	1,764,198
Due to other governments . . . . .	216,028	28,730	1,254,542
Interfund payable . . . . .	2,199,961	-	-
Deferred revenue . . . . .	3,270,910	4,888,292	1,891,849
Total liabilities . . . . .	6,675,641	4,946,582	5,265,053
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	42,430	13,089	23,713
Reserved for materials and supplies inventory . . . . .	43,071	937	46,452
Reserved for loans . . . . .	-	1,371,578	-
Reserved for loans to other funds . . . . .	2,199,191	-	-
Reserved for debt service . . . . .	-	-	-
Reserved for unclaimed monies . . . . .	21,864	-	-
Unreserved, undesignated, (deficit) reported in:			
General fund . . . . .	(2,314,562)	-	-
Special revenue funds . . . . .	-	362,194	(1,117,379)
Debt service fund . . . . .	-	-	-
Capital projects funds . . . . .	-	-	-
Total fund balances . . . . .	(8,006)	1,747,798	(1,047,214)
Total liabilities and fund balances . . . . .	\$ 6,667,635	\$ 6,694,380	\$ 4,217,839

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Grant Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 548,218	\$ 4,653,557	\$ 5,889,350
-	53,113	53,113
-	545,101	6,564,066
-	58,409	185,467
-	9,182	231,683
-	1,134,274	2,505,852
-	-	59,441
3,294,951	1,750,844	11,848,880
-	-	2,199,191
44,724	350,622	485,806
<u>\$ 3,887,893</u>	<u>\$ 8,555,102</u>	<u>\$ 30,022,849</u>
\$ 25,696	\$ 112,965	\$ 271,000
-	76,081	83,781
-	53,113	53,113
20,933	27,297	396,551
1,668	13,046	99,120
-	431,770	2,995,968
65,561	80,104	1,644,965
-	-	2,199,961
<u>3,231,909</u>	<u>1,712,593</u>	<u>14,995,553</u>
<u>3,345,767</u>	<u>2,506,969</u>	<u>22,740,012</u>
41,169	332,097	452,498
44,724	350,622	485,806
-	1,134,274	2,505,852
-	-	2,199,191
-	71,917	71,917
-	-	21,864
-	-	(2,314,562)
456,233	2,580,052	2,281,100
-	14,364	14,364
-	1,564,807	1,564,807
<u>542,126</u>	<u>6,048,133</u>	<u>7,282,837</u>
<u>\$ 3,887,893</u>	<u>\$ 8,555,102</u>	<u>\$ 30,022,849</u>

**CITY OF MANSFIELD, OHIO**

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO  
NET ASSETS OF GOVERNMENTAL ACTIVITIES  
DECEMBER 31, 2009

**Total governmental fund balances** \$ 7,282,837

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

Capital assets used in governmental activities (excluding internal service funds capital assets)  
are not financial resources and therefore are not reported in the funds. 50,734,490

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

Property taxes	562,096	
Income taxes	1,769,910	
Special assessments	59,441	
Intergovernmental revenues	<u>11,335,802</u>	
Total		13,727,249

Internal service funds are used by management to charge the costs of the repair garage,  
information technology, utility collections, health insurance, OML self-insurance, workers'  
compensation and benefit fund to individual funds. The assets and liabilities of the internal  
service funds are included in governmental activities on the statement of net assets. (907,619)

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

Accrued interest payable	(51,273)	
Capital lease obligation	(100,000)	
Notes payable	(370,000)	
Compensated absences	(4,979,596)	
Police and fire pension liability	(1,213,531)	
General obligation bonds	<u>(5,710,000)</u>	
Total		<u>(12,424,400)</u>

**Net assets of governmental activities** \$ 58,412,557

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



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**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>General</u>	<u>Community Development</u>	<u>Safety Services</u>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ 355,687	\$ -	\$ 17,762,549
Property and other taxes . . . . .	1,990,074	-	396,645
Charges for services . . . . .	31,637	-	1,254,549
Licenses, permits and fees . . . . .	624,126	-	99,418
Fines and forfeitures . . . . .	1,317,272	-	155,130
Intergovernmental . . . . .	3,861,875	1,600,733	143,917
Special assessments . . . . .	56,273	-	-
Investment income . . . . .	321,491	84,189	-
Other . . . . .	90,264	61	33,685
Total revenues . . . . .	<u>8,648,699</u>	<u>1,684,983</u>	<u>19,845,893</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	6,501,283	-	14,070
Public safety . . . . .	2,108,585	-	21,177,341
Public health and welfare . . . . .	29,159	-	-
Transportation . . . . .	-	-	-
Community environment . . . . .	339,994	1,827,351	-
Leisure time activities . . . . .	418,129	-	-
Capital outlay . . . . .	-	-	-
Debt service:			
Principal retirement . . . . .	-	-	-
Interest and fiscal charges . . . . .	-	-	-
Total expenditures . . . . .	<u>9,397,150</u>	<u>1,827,351</u>	<u>21,191,411</u>
Deficiency of revenues under expenditures . . . . .	<u>(748,451)</u>	<u>(142,368)</u>	<u>(1,345,518)</u>
<b>Other financing sources (uses):</b>			
Proceeds from sale of capital assets . . . . .	79,530	74,554	-
Proceeds of bonds . . . . .	-	-	-
Proceeds from sale of bond premium . . . . .	-	-	-
Capital lease . . . . .	-	-	-
Transfers in . . . . .	-	-	606,023
Transfers out . . . . .	(758,467)	(250,000)	(381,664)
Total other financing sources (uses) . . . . .	<u>(678,937)</u>	<u>(175,446)</u>	<u>224,359</u>
Net change in fund balances . . . . .	(1,427,388)	(317,814)	(1,121,159)
<b>Fund balances at beginning of year . . . . .</b>	1,424,779	2,065,860	73,503
<b>Increase (decrease) in reserve for inventory . . . . .</b>	(5,397)	(248)	442
<b>Fund balances (deficit) at end of year . . . . .</b>	<u>\$ (8,006)</u>	<u>\$ 1,747,798</u>	<u>\$ (1,047,214)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

<b>Grant Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 3,397,591	\$ 21,515,827
-	-	2,386,719
76,254	337,052	1,699,492
-	30,917	754,461
-	845,448	2,317,850
1,319,251	5,168,821	12,094,597
-	-	56,273
-	8,289	413,969
27,461	401,005	552,476
<u>1,422,966</u>	<u>10,189,123</u>	<u>41,791,664</u>
197,186	2,549,947	9,262,486
1,141,711	172,667	24,600,304
80,327	-	109,486
-	2,528,206	2,528,206
-	405,679	2,573,024
42,569	-	460,698
183,553	3,781,832	3,965,385
-	320,000	320,000
-	292,983	292,983
<u>1,645,346</u>	<u>10,051,314</u>	<u>44,112,572</u>
<u>(222,380)</u>	<u>137,809</u>	<u>(2,320,908)</u>
-	13,497	167,581
-	2,620,000	2,620,000
-	64,448	64,448
-	100,000	100,000
246,274	808,164	1,660,461
-	(270,330)	(1,660,461)
<u>246,274</u>	<u>3,335,779</u>	<u>2,952,029</u>
23,894	3,473,588	631,121
529,854	2,471,207	6,565,203
(11,622)	103,338	86,513
<u>\$ 542,126</u>	<u>\$ 6,048,133</u>	<u>\$ 7,282,837</u>

**CITY OF MANSFIELD, OHIO**

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES  
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE YEAR ENDED DECEMBER 31, 2009

<b>Net change in fund balances - total governmental funds</b>	\$ 631,121
<i>Amounts reported for governmental activities in the statement of activities are different because:</i>	
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets are allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense \$7,818,316 exceeded capital outlays \$5,973,030 in the current period. Both amounts are exclusive of internal service fund activity.	(1,845,286)
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, trade-ins and donations) is to decrease net assets.	(1,903,473)
Governmental funds report expenditures for inventory when purchased. However, in the statement of activities they are reported as an expense when consumed.	86,513
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	4,097,873
The issuance of long-term debt (i.e., bonds, leases) provides current financial resources to governmental funds, while the repayment of bonds, leases and police and fire pension liability principal consumes the current financial resources of governmental funds.	(2,353,454)
In the statement of activities, interest is accrued on outstanding bonds, notes and the police and fire pension liability, whereas in governmental funds, an interest expenditure is reported when due.	16,155
Some expenses reported in the statement of activities, such as compensated absences, do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These expenses are exclusive of internal service funds activity.	(55,662)
Internal service funds are used by management to charge the costs of the repair garage, information technology, utility collections, health insurance, OML self-insurance, workers' compensation and the benefit fund to individual funds and are not reported in the government-wide statement of activities. Governmental fund expenditures and the related internal service funds revenue are eliminated. The net revenue (expense) of the internal service funds are allocated among the governmental activities.	(99,810)
<b>Change in net assets of governmental activities</b>	<u>\$ (1,426,023)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 2,361,380	\$ 2,433,427	\$ 2,431,203	\$ (2,224)
Charges for services . . . . .	5,000	11,296	11,356	60
Licenses, permits and fees . . . . .	551,500	636,251	644,407	8,156
Fines and forfeitures . . . . .	1,223,692	1,321,041	1,324,164	3,123
Intergovernmental . . . . .	3,990,271	4,096,377	4,106,152	9,775
Special assessments . . . . .	22,000	56,273	56,273	-
Investment income . . . . .	642,512	458,551	454,004	(4,547)
Other . . . . .	1,292	81,158	121,796	40,638
<b>Total revenues . . . . .</b>	<b>8,797,647</b>	<b>9,094,374</b>	<b>9,149,355</b>	<b>54,981</b>
<b>Expenditures:</b>				
Current:				
Public safety . . . . .	2,068,915	2,115,569	2,108,585	6,984
Public health and welfare . . . . .	61,089	29,909	29,909	-
Community environment . . . . .	505,717	436,363	426,442	9,921
Leisure time activities . . . . .	737,035	623,792	609,965	13,827
General government . . . . .	6,697,837	7,018,276	6,908,818	109,458
<b>Total expenditures . . . . .</b>	<b>10,070,593</b>	<b>10,223,909</b>	<b>10,083,719</b>	<b>140,190</b>
Deficiency of revenues under expenditures . . . . .	(1,272,946)	(1,129,535)	(934,364)	195,171
<b>Other financing sources (uses):</b>				
Loan to other funds . . . . .	(2,199,191)	(2,199,191)	(2,199,191)	-
Payment on loan from other funds . . . . .	(260,000)	(260,000)	(260,000)	-
Repayment on loan to other funds . . . . .	281,580	281,580	281,580	-
Transfers out . . . . .	(195,231)	(774,077)	(758,467)	15,610
<b>Total other financing sources (uses) . . . . .</b>	<b>(2,372,842)</b>	<b>(2,951,688)</b>	<b>(2,936,078)</b>	<b>15,610</b>
Net change in fund balance . . . . .	(3,645,788)	(4,081,223)	(3,870,442)	210,781
<b>Fund balance at beginning of year . . . . .</b>	<b>1,592,127</b>	<b>1,592,127</b>	<b>1,592,127</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>113,449</b>	<b>113,449</b>	<b>113,449</b>	<b>-</b>
<b>Fund balance (deficit) at end of year . . . . .</b>	<b>\$ (1,940,212)</b>	<b>\$ (2,375,647)</b>	<b>\$ (2,164,866)</b>	<b>\$ 210,781</b>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 2,831,376	\$ 2,228,762	\$ 1,848,167	\$ (380,595)
Investment income . . . . .	90,000	79,845	67,019	(12,826)
Other . . . . .	370,446	340,859	225,701	(115,158)
Total revenues. . . . .	<u>3,291,822</u>	<u>2,649,466</u>	<u>2,140,887</u>	<u>(508,579)</u>
<b>Expenditures:</b>				
Current:				
Community environment . . . . .	3,296,751	2,643,825	1,846,176	797,649
Total expenditures . . . . .	<u>3,296,751</u>	<u>2,643,825</u>	<u>1,846,176</u>	<u>797,649</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	(4,929)	5,641	294,711	289,070
<b>Other financing sources (uses):</b>				
Sale of capital assets . . . . .	74,554	74,554	74,554	-
Transfers out . . . . .	(250,000)	(250,000)	(250,000)	-
Total other financing sources (uses) . . . . .	<u>(175,446)</u>	<u>(175,446)</u>	<u>(175,446)</u>	<u>-</u>
Net change in fund balance . . . . .	(180,375)	(169,805)	119,265	289,070
<b>Fund balance at beginning of year . . . . .</b>	93,819	93,819	93,819	-
<b>Prior year encumbrances appropriated . . . . .</b>	86,556	86,556	86,556	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ 10,570</u>	<u>\$ 299,640</u>	<u>\$ 289,070</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SAFETY SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other taxes . . . . .	\$ 17,851,070	\$ 17,818,635	\$ 17,818,139	\$ (496)
Licenses, permits and fees . . . . .	98,700	102,994	106,938	3,944
Charges for services . . . . .	1,152,120	1,170,767	1,254,549	83,782
Fines and forfeitures . . . . .	105,000	157,983	158,143	160
Intergovernmental . . . . .	18,981	115,854	115,854	-
Other . . . . .	45,461	25,408	33,965	8,557
Total revenues . . . . .	<u>19,271,332</u>	<u>19,391,641</u>	<u>19,487,588</u>	<u>95,947</u>
<b>Expenditures:</b>				
Current:				
Public safety . . . . .	20,066,509	19,829,635	21,859,394	(2,029,759)
Total expenditures . . . . .	<u>20,066,509</u>	<u>19,829,635</u>	<u>21,859,394</u>	<u>(2,029,759)</u>
Deficiency of revenues under expenditures . . . . .	(795,177)	(437,994)	(2,371,806)	(1,933,812)
<b>Other financing sources (uses):</b>				
Loan from other funds . . . . .	1,764,198	1,764,198	1,764,198	-
Transfers in . . . . .	77,435	440,854	606,023	165,169
Transfers out . . . . .	(381,664)	(381,664)	(381,664)	-
Total other financing sources (uses) . . . . .	<u>1,459,969</u>	<u>1,823,388</u>	<u>1,988,557</u>	<u>165,169</u>
Net change in fund balance . . . . .	664,792	1,385,394	(383,249)	(1,768,643)
<b>Fund balance at beginning of year . . . . .</b>	197,153	197,153	197,153	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>186,096</u>	<u>186,096</u>	<u>186,096</u>	<u>-</u>
<b>Fund balance at end of year. . . . .</b>	<u>\$ 1,048,041</u>	<u>\$ 1,768,643</u>	<u>\$ -</u>	<u>\$ (1,768,643)</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ -	\$ 75,414	\$ 75,414	\$ -
Intergovernmental . . . . .	1,831,843	2,268,565	1,334,704	(933,861)
Other . . . . .	-	21,823	27,460	5,637
<b>Total revenues . . . . .</b>	<u>1,831,843</u>	<u>2,365,802</u>	<u>1,437,578</u>	<u>(928,224)</u>
<b>Expenditures:</b>				
Current:				
Public safety . . . . .	1,248,573	2,004,679	1,084,870	919,809
Public health and welfare. . . . .	117,924	95,341	83,486	11,855
General government . . . . .	1,066,298	925,089	475,862	449,227
<b>Total expenditures . . . . .</b>	<u>2,432,795</u>	<u>3,025,109</u>	<u>1,644,218</u>	<u>1,380,891</u>
Deficiency of revenues under expenditures . . . . .	(600,952)	(659,307)	(206,640)	452,667
<b>Other financing sources:</b>				
Transfers in . . . . .	156,616	246,275	246,274	(1)
<b>Total other financing sources . . . . .</b>	<u>156,616</u>	<u>246,275</u>	<u>246,274</u>	<u>(1)</u>
Net change in fund balance . . . . .	(444,336)	(413,032)	39,634	452,666
<b>Fund balance at beginning of year . . . . .</b>	213,657	213,657	213,657	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>250,248</u>	<u>250,248</u>	<u>250,248</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 19,569</u>	<u>\$ 50,873</u>	<u>\$ 503,539</u>	<u>\$ 452,666</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS



CITY OF MANSFIELD, OHIO

STATEMENT OF NET ASSETS  
 PROPRIETARY FUNDS  
 DECEMBER 31, 2009

	Business-Type Activities -Enterprise Funds				Governmental Activities - Internal Service Funds
	Water	Sewer	Other Enterprise	Total	
<b>Assets:</b>					
Current assets:					
Equity in pooled cash and cash equivalents . . . . .	\$ 1,609,519	\$ 1,443,662	\$ 6,343	\$ 3,059,524	\$ 103,423
Receivables (net of allowance for uncollectibles)					
Accounts . . . . .	1,474,345	1,473,616	19,146	2,967,107	-
Special assessments . . . . .	-	10,741	-	10,741	-
Taxes . . . . .	-	-	75,333	75,333	-
Due from other governments . . . . .	2,792	385,789	-	388,581	-
Interfund receivable . . . . .	-	2,199,961	-	2,199,961	-
Loans to other funds . . . . .	-	800,000	-	800,000	-
Materials and supplies inventory . . . . .	118,958	27,078	32,914	178,950	20,237
Restricted Assets:					
Equity in pooled cash and cash equivalents . . . . .	-	2,998,376	-	2,998,376	-
Total current assets . . . . .	<u>3,205,614</u>	<u>9,339,223</u>	<u>133,736</u>	<u>12,678,573</u>	<u>123,660</u>
Noncurrent assets:					
Capital assets:					
Land and construction in progress . . . . .	393,853	206,223	1,493,629	2,093,705	-
Depreciable capital assets, net . . . . .	10,840,470	26,797,308	1,266,302	38,904,080	424,842
Total capital assets, net . . . . .	<u>11,234,323</u>	<u>27,003,531</u>	<u>2,759,931</u>	<u>40,997,785</u>	<u>424,842</u>
Total assets . . . . .	<u>14,439,937</u>	<u>36,342,754</u>	<u>2,893,667</u>	<u>53,676,358</u>	<u>548,502</u>
<b>Liabilities:</b>					
Current liabilities:					
Accounts payable . . . . .	166,030	182,292	2,514	350,836	507,989
Contracts payable . . . . .	14,802	310,182	-	324,984	20,329
Accrued wages and benefits . . . . .	49,474	42,342	3,518	95,334	20,434
Due to other governments . . . . .	116,194	108,568	7,421	232,183	64,971
Claims payable . . . . .	-	-	-	-	583,540
Loan from other funds . . . . .	-	-	3,223	3,223	-
Current portion of compensated absences . . . . .	282,250	219,217	27,786	529,253	-
Current portion of notes payable . . . . .	9,691	-	-	9,691	-
Current portion of bonds . . . . .	410,000	35,000	-	445,000	-
Accrued interest payable . . . . .	4,288	4,603	-	8,891	-
Total current liabilities . . . . .	<u>1,052,729</u>	<u>902,204</u>	<u>44,462</u>	<u>1,999,395</u>	<u>1,197,263</u>
Long-term liabilities					
General obligation bonds . . . . .	1,060,000	1,045,000	-	2,105,000	-
Notes payable . . . . .	245,667	-	-	245,667	-
Compensated absences . . . . .	299,010	232,238	29,477	560,725	206,086
Total long-term liabilities . . . . .	<u>1,604,677</u>	<u>1,277,238</u>	<u>29,477</u>	<u>2,911,392</u>	<u>206,086</u>
Total liabilities . . . . .	<u>2,657,406</u>	<u>2,179,442</u>	<u>73,939</u>	<u>4,910,787</u>	<u>1,403,349</u>
<b>Net assets:</b>					
Invested in capital assets, net of related debt . . . . .	9,508,965	25,923,531	2,759,931	38,192,427	424,842
Restricted for replacement and improvement . . . . .	-	2,998,376	-	2,998,376	-
Unrestricted (deficit) . . . . .	2,273,566	5,241,405	59,797	7,574,768	(1,279,689)
Total net assets (deficit) . . . . .	<u>\$ 11,782,531</u>	<u>\$ 34,163,312</u>	<u>\$ 2,819,728</u>	<u>48,765,571</u>	<u>\$ (854,847)</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds				52,772	
Net assets of business-type activities				<u>\$ 48,818,343</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise</b>	<b>Total</b>	<b>Activities - Internal Service Funds</b>
<b>Operating revenues:</b>					
Charges for services . . . . .	\$ 7,088,115	\$ 7,816,211	\$ 63,969	\$ 14,968,295	\$ 14,181,519
Total operating revenues . . . . .	<u>7,088,115</u>	<u>7,816,211</u>	<u>63,969</u>	<u>14,968,295</u>	<u>14,181,519</u>
<b>Operating expenses:</b>					
Personal services . . . . .	1,985,509	1,907,184	179,533	4,072,226	1,206,415
Fringe benefits . . . . .	52,750	25,049	1,624	79,423	31,649
Contractual services . . . . .	3,623,330	5,538,739	190,667	9,352,736	6,151,124
Materials and supplies . . . . .	716,480	182,165	30,820	929,465	751,218
Depreciation . . . . .	653,362	1,728,661	215,297	2,597,320	154,817
Utilities . . . . .	678,582	691,080	65,181	1,434,843	4,343
Claims expense . . . . .	-	-	-	-	5,981,763
Other . . . . .	8,476	33,873	-	42,349	-
Total operating expenses . . . . .	<u>7,718,489</u>	<u>10,106,751</u>	<u>683,122</u>	<u>18,508,362</u>	<u>14,281,329</u>
Operating loss . . . . .	<u>(630,374)</u>	<u>(2,290,540)</u>	<u>(619,153)</u>	<u>(3,540,067)</u>	<u>(99,810)</u>
<b>Nonoperating revenues (expenses):</b>					
Other nonoperating revenue . . . . .	3,639	782	7,064	11,485	4,036
Other nonoperating expenses . . . . .	-	-	(190)	(190)	-
Loss on disposal of assets . . . . .	(2,216)	-	-	(2,216)	-
Interest Income . . . . .	-	20,670	-	20,670	-
Municipal income tax . . . . .	-	-	263,384	263,384	-
Tap and license fees . . . . .	22,467	385	-	22,852	-
Intergovernmental . . . . .	-	-	73,888	73,888	-
Interest expense and fiscal changes . . . . .	(38,358)	(70,814)	-	(109,172)	-
Total nonoperating revenues (expenses) . . . . .	<u>(14,468)</u>	<u>(48,977)</u>	<u>344,146</u>	<u>280,701</u>	<u>4,036</u>
Loss before capital contributions . . . . .	(644,842)	(2,339,517)	(275,007)	(3,259,366)	(95,774)
Capital contributions . . . . .	<u>789,598</u>	<u>1,126,804</u>	<u>-</u>	<u>1,916,402</u>	<u>-</u>
Changes in net assets . . . . .	144,756	(1,212,713)	(275,007)	(1,342,964)	(95,774)
<b>Net assets (deficit) at beginning of year . . . . .</b>	<u>11,637,775</u>	<u>35,376,025</u>	<u>3,094,735</u>		<u>(759,073)</u>
<b>Net assets (deficit) at end of year . . . . .</b>	<u>\$ 11,782,531</u>	<u>\$ 34,163,312</u>	<u>\$ 2,819,728</u>		<u>\$ (854,847)</u>
Adjustment to reflect the consolidation of the internal service funds activities related to enterprise funds.				<u>278,754</u>	
Changes in net assets of business-type activities				<u>\$ (1,064,210)</u>	

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	<b>Business-Type Activities - Enterprise Funds</b>				<b>Governmental</b>
	<b>Water</b>	<b>Sewer</b>	<b>Other Enterprise</b>	<b>Total</b>	<b>Activities - Internal Service Funds</b>
<b>Cash flows from operating activities:</b>					
Cash received from customers . . . . .	\$ 6,895,433	\$ 7,915,591	\$ 63,508	\$ 14,874,532	\$ 14,181,519
Cash received from other operating revenues. . . . .	26,106	1,167	4,964	32,237	4,036
Cash payments to employees. . . . .	(2,275,507)	(1,843,165)	(183,534)	(4,302,206)	(1,360,647)
Cash payments to suppliers . . . . .	(5,009,646)	(6,392,658)	(284,471)	(11,686,775)	(6,451,832)
Cash payments for claims expense. . . . .	-	-	-	-	(6,402,474)
Cash payments for other operating expenses. . . . .	(47,289)	(49,031)	(5,518)	(101,838)	(31,197)
Net cash used for operating activities . . . . .	<u>(410,903)</u>	<u>(368,096)</u>	<u>(405,051)</u>	<u>(1,184,050)</u>	<u>(60,595)</u>
<b>Cash flows from noncapital financing activities:</b>					
Receipts on loans to other funds . . . . .	-	260,000	-	260,000	-
Loans to other funds . . . . .	-	(2,199,961)	-	(2,199,961)	-
Loans from other funds . . . . .	-	-	3,223	3,223	-
Intergovernmental . . . . .	-	-	73,888	73,888	-
Municipal income tax . . . . .	-	-	304,712	304,712	-
Net cash provided by noncapital financing activities . . . . .	<u>-</u>	<u>(1,939,961)</u>	<u>381,823</u>	<u>(1,558,138)</u>	<u>-</u>
<b>Cash flows from capital and related financing activities:</b>					
Acquisition of capital assets. . . . .	(170,669)	(194,927)	-	(365,596)	(5,127)
Proceeds from bonds . . . . .	-	1,080,000	-	1,080,000	-
Principal paid on general obligation debt . . . . .	(395,000)	-	-	(395,000)	-
Interest paid on general obligation debt. . . . .	(65,275)	(16,723)	-	(81,998)	-
Principal paid on notes . . . . .	(19,381)	(1,985,000)	-	(2,004,381)	-
Interest paid on notes. . . . .	-	(49,488)	-	(49,488)	-
Net cash used in capital and related financing activities . . . . .	<u>(650,325)</u>	<u>(1,166,138)</u>	<u>-</u>	<u>(1,816,463)</u>	<u>(5,127)</u>
<b>Cash flows from investing activities:</b>					
Cash received from interfund loan interest . . . . .	-	20,670	-	20,670	-
Net decrease in cash and cash equivalents . . . . .	(1,061,228)	(3,453,525)	(23,228)	(4,537,981)	(65,722)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>2,670,747</u>	<u>7,895,563</u>	<u>29,571</u>	<u>10,595,881</u>	<u>169,145</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 1,609,519</u>	<u>\$ 4,442,038</u>	<u>\$ 6,343</u>	<u>\$ 6,057,900</u>	<u>\$ 103,423</u>

(continued)

**CITY OF MANSFIELD, OHIO**

STATEMENT OF CASH FLOWS  
 PROPRIETARY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Business-Type Activities - Enterprise Funds</u>				<u>Governmental Activities - Internal Service Funds</u>
	<u>Water</u>	<u>Sewer</u>	<u>Other Enterprise</u>	<u>Total</u>	
<b>Reconciliation of operating loss to net cash used for operating activities:</b>					
Operating loss . . . . .	\$ (630,374)	\$ (2,290,540)	\$ (619,153)	\$ (3,540,067)	\$ (99,810)
Adjustments:					
Depreciation . . . . .	653,362	1,728,661	215,297	2,597,320	154,817
Other nonoperating expenses . . . . .	-	-	(190)	(190)	-
Other nonoperating revenues . . . . .	3,639	782	7,064	11,485	4,036
Tap and license fees . . . . .	22,467	385	-	22,852	-
Changes in assets and liabilities:					
(Increase) in accounts receivable . . . . .	(193,346)	(123,096)	(2,561)	(319,003)	-
Decrease in special assessments . . . . .	-	14,696	-	14,696	-
(Increase) decrease in inventory of supplies . . . . .	(33,193)	12,982	(201)	(20,412)	32,349
Decrease in due from other governments . . . . .	664	207,780	-	208,444	-
Increase (decrease) in accounts payable . . . . .	63,175	(267,976)	2,398	(202,403)	416,061
Increase (decrease) in contracts payable . . . . .	(23,262)	263,924	-	240,662	6,443
Decrease in accrued wages and benefits . . . . .	(61,021)	(63,435)	(9,982)	(134,438)	(48,306)
Increase (decrease) in due to other governments . . . . .	15,963	20,287	(3,704)	32,546	(1,254)
Increase (decrease) in compensated absences payable . . . . .	(228,977)	127,454	5,981	(95,542)	(104,220)
(Decrease) in claims payable . . . . .	-	-	-	-	(420,711)
Net cash used for operating activities . . . . .	<u>\$ (410,903)</u>	<u>\$ (368,096)</u>	<u>\$ (405,051)</u>	<u>\$ (1,184,050)</u>	<u>\$ (60,595)</u>

During the year, land developers contributed capital assets to the proprietary funds. The contribution of the related assets totaled \$1,916,402.

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

**CITY OF MANSFIELD, OHIO**

**STATEMENT OF ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
DECEMBER 31, 2009**

	<u>Agency</u>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 952,027
Cash and cash equivalents with fiscal agent . . . . .	874,558
Receivables:	
Taxes . . . . .	9,669
Accounts . . . . .	5,114
	<hr/>
Total assets. . . . .	<u>\$ 1,841,368</u>
<b>Liabilities:</b>	
Due to other governments . . . . .	\$ 498,185
Accounts payable . . . . .	191,668
Due to individuals . . . . .	516,401
Undistributed monies . . . . .	635,114
	<hr/>
Total liabilities . . . . .	<u>\$ 1,841,368</u>

SEE ACCOMPANYING NOTES TO THE BASIC FINANCIAL STATEMENTS

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## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 1 - DESCRIPTION OF THE CITY

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

#### NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The basic financial statements of the City have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and its proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has the option to also apply FASB Statements and Interpretations issued after November 30, 1989 to its business-type activities and enterprise funds, subject to this same limitation. The City has elected not to apply these FASB Statements and Interpretations. The City's significant accounting policies are described below.

##### A. Reporting Entity

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

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

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

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

**B. Basis of Presentation**

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

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

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

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

**C. Fund Accounting**

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

***Governmental Funds*** - Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and liabilities is reported as fund balance. The following are the City's major governmental funds:

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



**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

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

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

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

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

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

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

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

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

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

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

**Fiduciary Funds** - Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's only fiduciary funds are agency funds. They report on the assets and liabilities of Ohio State Patrol (OSP) fines, sewer and street openings, building security, payroll, municipal court, transient occupancy tax, internet auction, board of standards assessments, and utility deposits.

**D. Measurement Focus and Basis of Accounting**

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

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

***Fund Financial Statements*** - All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the financial statements for governmental funds.

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

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operation. The principal operating revenues of the City's proprietary funds are charges for services. Operating expenses for the enterprise funds include personnel and other expenses related to the operations of the enterprise activities and operating expenses for the internal service funds include personnel costs, claims and administrative expenses. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses.

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

#### **E. Basis of Accounting**

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

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

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

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

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

**Deferred Revenue** - Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Deferred revenue includes both, “unearned” and “earned, but unavailable” revenues.

Property taxes for which there is an enforceable legal claim as of December 31, 2009, but which were levied to finance fiscal year 2010 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. Allocations of cost, such as depreciation and amortization, are not recognized in governmental funds.

**F. Budgetary Process**

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

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

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

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount stated in the Certificate of Estimated Resources. On or about January 1, the Certificate is amended to include any unencumbered balances from the preceding year. The revised budget then serves as the basis for the appropriation measure. The Certificate of Estimated Resources may be further amended during the year if the Finance Director determines and the Budget Commission agrees that an estimate needs to be either increased or decreased. The amounts reported on the budgetary statements reflect the amounts from the original and final amended Certificates of Estimated Resources issued in 2009.

**Appropriations** - A temporary appropriation measure to control expenditures may be passed on or about January 1 of each year for the period from January 1 to March 31. The annual appropriation ordinance must be passed by Council by April 1 of each year for the period January 1 to December 31. The appropriation ordinance may be supplemented during the year only by action of Council as new information becomes available, but fund appropriations may not exceed estimated resources. Supplemental appropriation measures were legally enacted during 2009.

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

Only Council may alter amounts allocated to various departments and objects during the year as the need arises by adopting modifications to the appropriation measure. Amounts shown in the budgetary financial statements represent the original and final amounts appropriated for 2009.

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

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

**G. Cash and Cash Equivalents**

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

During 2009, investments were limited to STAR Ohio, U.S. Treasury securities, repurchase agreements, federal agency securities and certificates of deposit.

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

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

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

The City has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during 2009. STAR Ohio is an investment pool managed by the State Treasurer's Office that allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price which is the price the investment could be sold for on December 31, 2009.

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

Under existing Ohio Statutes, all investment earnings are assigned to the general fund unless statutorily required to be credited to a specific fund. Interest revenue credited to the general fund during 2009 amounted to \$321,491 which includes \$299,689 assigned from other City funds.

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

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

#### **H. Inventories of Materials and Supplies**

On the government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

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

On the governmental fund financial statements, recorded inventories are equally offset by a fund balance reserve, which indicates that they do not constitute "available spendable resources" even though they are a component of net current assets.

#### **I. Restricted Assets**

The City, in accordance with bond indentures, federal regulations, and state statutes, has restricted assets within enterprise funds for replacement and improvement of its capital assets. Monies which represent debt proceeds are also restricted for use in constructing enterprise fund assets. As of December 31, 2009, the total restricted cash in the enterprise funds was \$2,998,376. It is in the Sewer fund and is a result of the City receiving construction grant monies for the Wastewater Treatment Plant. A separate account was established to receive and disburse these monies for replacement and improvement purchases of major equipment at the Wastewater Treatment Plant. The funds can never be used to offset deficits or shortfalls in the sewer user charge system. Per the consulting engineer's estimate, the City has sufficient funds in the Reserved for Replacement and Improvement account to meet current needs.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

**J. Prepaids**

Amounts recorded for prepaid items represent the unamortized portion of insurance policies that expire in 2010 or later. Governmental funds use the purchase method of accounting whereby insurance is recognized as an expenditure when purchased. Proprietary funds recognize insurance expense as it is incurred. There were no material prepaid assets to report at December 31, 2009.

**K. Capital Assets**

General capital assets are those assets not specifically related to activities reported in the proprietary funds. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements. Capital assets utilized by the enterprise funds are reported both in the business-type activities column of the government-wide statement of net assets and in the respective funds.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and disposals during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of \$500. The City's governmental activities infrastructure consists of streets, bridges, and traffic signals. The City's business-type activities infrastructure consists of water lines, sanitary sewer lines, and storm sewer lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. Interest incurred during the construction of capital assets is also capitalized for business-type activities. During fiscal 2009, no interest capitalization occurred.

All reported capital assets are depreciated except for land and construction in progress. Improvements are depreciated over the remaining useful lives of the related capital assets. Useful lives for infrastructure were estimated based on the City's historical records of necessary improvements and replacement. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Governmental Activities Estimated Lives</u>	<u>Business-Type Activities Estimated Lives</u>
Buildings	25 years	25 years
Improvements other than buildings:		
Land improvements	7 - 25 years	7 - 25 years
Machinery and equipment	2 - 50 years	2 - 50 years
Infrastructure:		
Streets	34 years	-
Bridges	30 - 200 years	-
Traffic signals	5 - 12 years	-
Storm sewer	-	50 years
Water and sewer lines	-	30 - 50 years

**L. Compensated Absences**

Compensated absences of the City consist of vacation leave, sick leave, and compensatory time to the extent that payment to the employee for these absences are attributable to services already rendered and are not contingent on a specific event that is outside the control of the City and the employee.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

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

In conformity with GASB Statement No. 16, "Accounting for Compensated Absences", as interpreted by Interpretation No. 6 of the GASB, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements", vacation benefits are accrued as a liability as the benefits are earned if the employees' rights to receive compensation are attributable to services already rendered and it is probable that the City will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method. The liability is based on the sick leave accumulated at December 31 by those employees who are currently eligible to receive termination payments and by those employees for whom it is probable they will become eligible to receive termination benefits in the future. The liability includes the employees who are currently eligible to receive termination benefits and the employees who are at least 40 years old with at least 20 years of service and will reach full retirement eligibility in the future.

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

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

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

**M. Accrued Liabilities and Long-Term Obligations**

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from proprietary funds are reported on the proprietary fund financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources are reported as obligations of the funds. However, claims and judgments and compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current year.

**N. Interfund Balances**

On the fund financial statements, long-term interfund loans are classified as "loans to/from other funds" on the governmental balance sheet and proprietary statement of net assets. On the governmental fund financial statements, loans to other funds are equally offset by a fund balance reserve account, which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental and business-type activities columns of the statement of net assets, except for any net residual amounts due between governmental and business-type activities, which are presented as internal balances.

**CITY OF MANSFIELD, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

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

**O. Interfund Activity**

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the basic financial statements.

**P. Fund Balance Reserves**

On the governmental fund financial statements, reserved fund balances indicate that portion of fund equity which is not available for current appropriation or use. The unreserved portions of fund balance reflected on the governmental fund financial statements are available for use within the specific purposes of the funds.

The City reports a reservation of fund balance for amounts representing encumbrances outstanding, materials and supplies inventory, debt service, loans receivable, loans to other funds, and unclaimed monies in the governmental fund financial statements.

**Q. Estimates**

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

**R. Contributions of Capital**

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

**S. Net Assets**

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation, through external restrictions imposed by creditors, grantors or laws or regulations of other governments, or pursuant to bond indenture and federal grant requirements for replacement and improvement of facilities. The City's net assets restricted for other purposes include public safety and capital improvement projects limited by federal grant requirements and contractual obligations. The City applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.



**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 3 – ACCOUNTABILITY**

**Deficit Fund Balances/Net Assets**

The following funds had deficit fund balances/net assets at December 31, 2009:

	<u>Deficit Balance</u>
Governmental funds:	
Major	
General Fund	\$ 8,006
Safety-Services	1,047,214
Nonmajor	
Miller Park Project	431,770
Internal service funds:	
Utility Collections	54,330
Health Insurance	607,634
OML Self Insurance	449,980

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

**NOTE 4 – BUDGETARY BASIS OF ACCOUNTING**

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis) are presented in the basic financial statements for the General Fund and Major Special Revenue Funds. The major differences between the budget basis and GAAP basis are that:

- A. Revenues and other financing sources are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
- B. Expenditures and other financing uses are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
- C. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance for governmental fund types (GAAP basis).

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

	General	Community Development	Safety Services	Grant Fund
GAAP Basis	(\$1,427,388)	(\$317,814)	(\$1,121,159)	\$23,894
Adjustments:				
Revenue accruals	702,706	455,904	1,405,893	14,612
Expenditure accruals	(3,097,545)	1,964	(622,417)	45,682
Encumbrances	(48,215)	(20,789)	(45,566)	(44,554)
Budget Basis	(\$3,870,442)	\$119,265	(\$383,249)	\$39,634

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 5 - DEPOSITS AND INVESTMENTS

State statutes classify monies held by the City of Mansfield into three categories.

Active deposits are public deposits necessary to meet current demands on the City. Such monies must be maintained either as cash by the City, 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 Finance Director has identified as not required for use within the current five year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Interim monies to be deposited or invested shall be in accordance with the City's Investment Policy. This policy, in conjunction with the City Charter, and the ordinances adopted by the City Council, will govern the investments and the investment activities of the City. It is reviewed periodically for compliance and to assure the flexibility necessary to effectively manage the interim monies.

The interim monies to be deposited or invested will observe the following guidelines:

1. The City is permitted to invest in any security specifically authorized by the Ohio Revised Code including, but not limited to the following: the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Company, Government National Mortgage Association, and Student Loan Marketing Association.
2. Investments may only be made through specified dealers and institutions.
3. Investments in United States Treasury securities and those instruments completely guaranteed by the United States Treasury as to payment of principal and interest may be made in any dollar amount.
4. Investments in Repurchase Agreements and in Certificates of Deposit made in compliance with the Ohio Revised Code will not exceed fifty (50) percent of the total investment portfolio at the time of purchase in any one institution.
5. Investments may be made in the State Treasurer's investment pool (STAR Ohio).
6. No security will be purchased that has a remaining term to final maturity of more than five years.
7. Investments in eligible securities may be made in either coupon or discount instruments.
8. Investment portfolio liquidity is defined as the ability to sell a security on short notice near the par value of the security. To help retain desired liquidity, no issue shall be purchased that is likely to have few market makers or poor market bids. Additionally, total portfolio liquidity shall be assured by keeping an adequate amount of short term (usually 30 days or less) investments in the portfolio to accommodate unexpected cash needs of the City.

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by surety company bonds deposited with the City by the financial institution, or by a single collateral pool held by a financial institution securing all public funds on deposit with the specific depository institution.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 5 - DEPOSITS AND INVESTMENTS – (Continued)**

**A. Cash on Hand**

At year-end, the City had \$402,522 in undeposited cash on hand which is included on the financial statements of the City as part of “Equity in pooled cash and cash equivalents”.

**B. Deposits with Financial Institutions**

At December 31, 2009, the carrying amount of all City deposits, including certificate of deposits, was \$11,370,795. Based on the criteria described in GASB Statement No. 40 “Deposits and Investment Risk Disclosures”, as of December 31, 2009, \$10,992,857 of the City’s bank balance of \$11,493,009 was exposed to custodial risk as discussed below, while \$500,152 was covered by Federal Deposit Insurance Corporation.

Custodial credit risk is the risk that, in the event of bank failure, the City’s deposits may not be returned. All deposits are collateralized with eligible securities in the amounts equal to at least 105% of the carrying value of the deposits. Such collateral, as permitted by the Ohio Revised Code, is held in single financial institution collateral pools at Federal Reserve Banks, or at member banks of the federal reserve system, in the name of the respective depository and pledged as a pool of collateral against all of the public deposits it holds or as specified collateral held at the Federal Reserve Bank in the name of the City.

**C. Investments**

As of December 31, 2009, the City had the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities of Six Months or Less</u>
FHLMC	\$ 1,003,000	\$ 1,003,000
FHLB	1,011,600	1,011,600
REPO	62,323	62,323
STAR OHIO	80,131	80,131
Total	<u>\$ 2,157,054</u>	<u>\$ 2,157,054</u>

The weighted average maturity of investments is .26 years.

*Interest Rate Risk:* As a means of limiting its exposure to fair value losses arising from rising interest rates and according to state law, the City’s investment policy limits investment portfolio maturities to five years or less.

*Credit Risk:* The City’s investments were rated AAA and Aaa by Standard & Poor’s and Moody’s Investor Services, respectively. STAR Ohio carries a rating of AAAM by Standard and Poor’s. The City’s investment policy does not address credit risk.

*Custodial Credit Risk:* For an investment, custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The City’s investment policy does not address custodial credit risk.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 5 - DEPOSITS AND INVESTMENTS – (Continued)**

*Concentration of Credit Risk:* The City’s investment policy places no limit on the amount that may be invested in any one issuer. The following table includes the percentage of each investment type held by the City at December 31, 2009:

<u>Investment Type</u>	<u>Fair Value</u>	<u>% of Total</u>
FHLMC	\$ 1,003,000	46.50%
FHLB	1,011,600	46.90%
REPO	62,323	2.89%
STAR OHIO	<u>80,131</u>	<u>3.71%</u>
Total	<u>\$ 2,157,054</u>	<u>100.00%</u>

**D. Reconciliation of Cash and Investments to the Statement of Net Assets**

The following is a reconciliation of cash and investments as reported in the note above to cash and investments as reported on the Statement of Net Assets as of December 31, 2009.

<u>Cash and Investments per note</u>	
Carrying amount of deposits	\$ 11,370,795
Investments	2,157,054
Cash on hand	<u>402,522</u>
Total	<u>\$ 13,930,371</u>

<u>Cash and Investments per Statement of Net Assets</u>	
Governmental activities	\$ 6,045,886
Business-type activities	6,057,900
Agency funds	<u>1,826,585</u>
Total	<u>\$ 13,930,371</u>

**NOTE 6 - INTERFUND TRANSACTIONS**

**A. Interfund payable / receivable**

As of December 31, 2009 the General Fund had overdrawn its share of the City’s pooled cash by \$2,199,961. The overdraft was reflected as an interfund payable rather than a credit balance in the cash account (negative cash). The equivalent amount of this liability was reported as an interfund receivable in the Sewer Fund.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 6 - INTERFUND TRANSACTIONS – (Continued)**

**B. Interfund transfers**

Interfund transfers for the year ended December 31, 2009, consisted of the following, as reported in the fund financial statements:

<u>Transfers to</u>	<u>Transfers from</u>				<u>Total</u>
	<u>General</u>	<u>Community development</u>	<u>Safety services</u>	<u>Other governmental</u>	
Safety services	\$ 606,023	\$ -	\$ -	\$ -	\$ 606,023
Grant fund	27,445	-	218,829	-	246,274
Other governmental funds	<u>124,999</u>	<u>250,000</u>	<u>162,835</u>	<u>270,330</u>	<u>808,164</u>
Total	<u>\$ 758,467</u>	<u>\$ 250,000</u>	<u>\$ 381,664</u>	<u>\$ 270,330</u>	<u>\$ 1,660,461</u>

Transfers are used (1) to move receipts restricted to debt service from the funds collecting the receipts to the Debt Service Fund as debt service payments become due, (2) to move matching monies to finance the City’s share of grant expenses, and (3) to move unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations. In 2009, Mansfield Municipal Court Judge Jerry Ault declared a surplus in the Court Computerization Fund and thus transferred funds to the Court Costs Fund per Ohio Revised Code 1901.26.

**C. Interfund loans**

Loans to / from other funds consisted of the following at December 31, 2009, as reported in the fund financial statements:

<u>Loans to other funds</u>	<u>Loans from other funds</u>		
	<u>General</u>	<u>Sewer</u>	<u>Total</u>
General fund	\$ -	\$ 800,000	\$ 800,000
Safety services fund	1,764,198		1,764,198
Other governmental fund	431,770		431,770
Other enterprise fund	<u>3,223</u>	<u>-</u>	<u>3,223</u>
Total	<u>\$ 2,199,191</u>	<u>\$ 800,000</u>	<u>\$ 2,999,191</u>

In 2002, the City declared it necessary to issue internal bonds between the General Fund and the Sewer Fund for the purpose of providing temporary funds to the City’s General Fund. \$1,300,000 of internal bonds was issued to pay police officer and firefighter employer contributions to the Ohio Police and Fire Pension Fund. \$1,200,000 of internal bonds was issued to provide funds to pay the cost of the City’s self-insurance program for health care. These internal bonds were sold at par value to the Sewer Fund of the City using the restricted sewer replacement and improvement cash. They are due to mature in a period of at least five (5) years or a maximum of twenty (20) years bearing an interest rate of 1.95%. The City will appropriate annually from available income taxes the amount necessary to pay the debt on the internal bonds. The bonds will mature and be payable on December 1, 2022. Interest on the bonds shall be payable on June 1 and December 1 of each year. At December 31, 2009, the balance of this loan is \$800,000.

**CITY OF MANSFIELD, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 6 - INTERFUND TRANSACTIONS – (Continued)**

In order to cover annual operating expenses, the General Fund issued loans to the Safety Services Fund in the amount of \$1,764,198, and to the Airport Fund in the amount of \$3,223. These loans will be repaid in 2010. A loan totaling \$431,770 was issued to the Miller Park Fund to cover reimbursable grant expenses. This loan will be repaid in 2010 when grant monies are received.

**NOTE 7 - TAXES**

**A. Property Tax**

Property taxes include amounts levied against all real, public utility and tangible (used in business) property located in the City. Real property taxes received in 2009 are levied after October 1, 2008 on the assessed value listed as of January 1, 2008, the lien date. Assessed values are established by State laws at 35% of appraised market value. All property is required to be revalued every six years. 2009 real property taxes are collected in and intended to finance 2010. Public utility property taxes are assessed on tangible personal property at 100% of true (market) value and on land and improvements at 88% of true value. Public utilities property taxes received in 2009 became a lien December 31, 2007, were levied after October 1, 2008, and were collected in 2009 with real property taxes. The tangible personal property tax was phased out in 2009 – the assessment percentage for all property including inventory was zero for 2009. The assessed value upon which the 2009 taxes were collected was \$626,270,320. The full tax rate for all City operations for the fiscal year ended December 31, 2009 was \$3.60 per \$1,000 of assessed valuation.

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

The County Treasurer collects property tax on behalf of all taxing districts within the County. The County Auditor periodically remits the collections to the City. Property taxes receivables represent real and tangible personal property taxes, public utility taxes, and outstanding delinquencies which are measurable as of December 31, 2009. Although total property tax collections for the next fiscal year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31, nor are they intended to finance 2009 operations. The receivable is therefore offset by a credit to deferred revenue.

**B. City Income Tax**

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

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 7 – TAXES – (Continued)**

As of December 31, 2009, the City had income taxes receivable of \$3,863,223 from accrued employer withheld income taxes, individual income tax filings, and business income tax filings. \$405,271 of the income tax receivable was accrued from payment plans for delinquent income taxes. The income taxes receivable was divided between the General Fund, Safety Services Fund, Street Resurfacing Fund and Airport Fund.

**NOTE 8 - RECEIVABLES**

Receivables at December 31, 2009, consisted of taxes, accounts (billings for user charged services), special assessments, accrued interest, loans, and intergovernmental receivables arising from grants, entitlements, and shared revenue. All intergovernmental receivables have been classified as “Due from other governments” on the basic financial statements. Receivables have been recorded to the extent that they are both measurable and available at December 31, 2009, as well as intended to finance fiscal 2009 operations.

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

<u><b>Governmental Activities:</b></u>		<u><b>Business-Type Activities:</b></u>	
Taxes	\$ 6,564,066	Taxes	\$ 75,333
Accounts	185,467	Accounts	2,967,107
Special assessments	59,441	Special assessments	10,741
Accrued interest	231,683	Due from other governments	<u>388,581</u>
Loans	2,505,852	Total	<u><u>\$ 3,441,762</u></u>
Due from other governments	<u>11,848,880</u>		
Total	<u><u>\$ 21,395,389</u></u>		

Receivables have been disaggregated on the face of the basic financial statements. Intergovernmental receivables have been further disaggregated in Note 19. The only receivables not expected to be collected within the subsequent year are the special assessments and the loans. The special assessments are collected over the term of the assessment and the loans receivable will be collected annually for a varying number of years. Allowances for uncollectible accounts represent estimates of uncollectible receivables in the accounts classification. An allowance for uncollectible accounts in the amount of \$881,586 and \$29,718 has been reported in the governmental funds and enterprise funds, respectively. These allowances are reflected in the receivable amounts above.

**NOTE 9 – POLLUTION REMEDIATION ACTIVITIES**

Citation Corporation donated the former Mansfield Foundry property to the City of Mansfield in May of 2003. The Ohio Department of Development provided grant funds that have been used to complete Phase I and Phase II environmental assessments. Plans to begin voluntary environmental remediation are dependent upon reaching a settlement with our insurance company and the approval of grant funds. The total cost of this project has not been determined.

Environmental assessments were completed for the NextStep project in September 2008. The project includes the former Globe Steel and Tappan properties. Grant applications will be submitted for funds to conduct the identified environmental remediation of the properties with cleanup to begin in 2011. The total cost of this project has not been determined.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 10 - CAPITAL ASSETS**

Capital asset activity for the year ended December 31, 2009 was as follows:

<b><u>Governmental Activities:</u></b>	Balance 01/01/09	<u>Additions</u>	<u>Reductions</u>	Balance 12/31/09
<i>Capital assets, not being depreciated:</i>				
Land	\$ 3,989,259	\$ 196,850	\$ -	\$ 4,186,109
Construction in progress	<u>6,391,024</u>	<u>2,187,721</u>	<u>(7,225,537)</u>	<u>1,353,208</u>
Total capital assets, not being depreciated	<u>10,380,283</u>	<u>2,384,571</u>	<u>(7,225,537)</u>	<u>5,539,317</u>
<i>Capital assets, being depreciated:</i>				
Buildings	14,419,221	1,518,798	-	15,938,019
Improvements other than buildings	6,444,289	3,829,306	-	10,273,595
Machinery and equipment	23,704,950	711,769	(558,761)	23,857,958
Infrastructure	<u>115,770,972</u>	<u>4,759,250</u>	<u>(1,884,025)</u>	<u>118,646,197</u>
Total capital assets, being depreciated	<u>160,339,432</u>	<u>10,819,123</u>	<u>(2,442,786)</u>	<u>168,715,769</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(11,556,538)	(239,031)	-	(11,795,569)
Improvements other than buildings	(1,400,779)	(298,673)	-	(1,699,452)
Machinery and equipment	(15,935,700)	(1,405,933)	539,313	(16,802,320)
Infrastructure	<u>(86,768,917)</u>	<u>(6,029,496)</u>	<u>-</u>	<u>(92,798,413)</u>
Total accumulated depreciation	<u>(115,661,934)</u>	<u>(7,973,133)</u>	<u>539,313</u>	<u>(123,095,754)</u>
Total capital assets, being depreciated, net	<u>44,677,498</u>	<u>2,845,990</u>	<u>(1,903,473)</u>	<u>45,620,015</u>
Governmental activities capital assets, net	<u>\$ 55,057,781</u>	<u>\$ 5,230,561</u>	<u>\$ (9,129,010)</u>	<u>\$ 51,159,332</u>



**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 10 - CAPITAL ASSETS - (Continued)**

<b><u>Business-Type Activities:</u></b>	Balance <u>01/01/09</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/09</u>
<i>Capital assets, not being depreciated:</i>				
Land	\$ 2,093,705	\$ -	\$ -	\$ 2,093,705
Construction in progress	<u>778,314</u>	<u>133,110</u>	<u>(911,424)</u>	<u>-</u>
Total capital assets, not being depreciated	<u>2,872,019</u>	<u>133,110</u>	<u>(911,424)</u>	<u>2,093,705</u>
<i>Capital assets, being depreciated:</i>				
Buildings	13,379,012	-	-	13,379,012
Improvements other than buildings	30,895,303	-	-	30,895,303
Machinery and equipment	8,476,019	219,232	(25,209)	8,670,042
Infrastructure	<u>60,023,218</u>	<u>2,827,826</u>	<u>-</u>	<u>62,851,044</u>
Total capital assets, being depreciated	<u>112,773,552</u>	<u>3,047,058</u>	<u>(25,209)</u>	<u>115,795,401</u>
<i>Less: accumulated depreciation:</i>				
Buildings	(10,622,634)	(284,595)	-	(10,907,229)
Improvements other than buildings	(20,918,829)	(912,387)	-	(21,831,216)
Machinery and equipment	(7,044,472)	(221,559)	22,993	(7,243,038)
Infrastructure	<u>(35,731,059)</u>	<u>(1,178,779)</u>	<u>-</u>	<u>(36,909,838)</u>
Total accumulated depreciation	<u>(74,316,994)</u>	<u>(2,597,320)</u>	<u>22,993</u>	<u>(76,891,321)</u>
Total capital assets, being depreciated, net	<u>38,456,558</u>	<u>449,738</u>	<u>(2,216)</u>	<u>38,904,080</u>
Business-type activities capital assets, net	<u>\$ 41,328,577</u>	<u>\$ 582,848</u>	<u>\$ (913,640)</u>	<u>\$ 40,997,785</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 10 - CAPITAL ASSETS - (Continued)**

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

**Governmental activities:**

General government	\$ 825,621
Public safety	807,712
Public health and welfare	277
Transportation	6,081,275
Community environment	6,733
Leisure time activities	96,698

Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	154,817
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Total depreciation expense - governmental activities	\$ 7,973,133
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**Business -type activities:**

Water	\$ 653,362
Sewer	1,728,661
Other enterprise fund	215,297

Total depreciation expense - business-type activities	\$ 2,597,320
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**NOTE 11 - COMPENSATED ABSENCES**

**A. Accumulated Unpaid Vacation**

City employees earn vacation leave at varying rates based upon length of service. For sworn police and fire personnel, vacation leave is accrued on January 1 of every year regardless of employee's anniversary date. Vacation time valued at \$117,392 will accrue on January 1, 2010 and is not reflected in the financial statements. Under the current contract with the sworn police officers, vacation balances unused at December 31 can be carried over until May 31, upon request. This amount is reflected in the basic financial statements. Any unused prior year vacation balance at May 31 is lost. For all other City employees, vacation leave is accrued on their anniversary date and the vacation earned must be used in the next year. Any unused vacation is eliminated from the employee's vacation balance. Upon separation from the City, the employee (or their estate) is paid for their accumulated unused vacation leave balance.

**B. Accumulated Unpaid Sick Leave**

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

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 11 - COMPENSATED ABSENCES – (Continued)**

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

**NOTE 12 - CAPITAL LEASES - LESSEE DISCLOSURE**

In February 2009, the City entered into a \$100,000 capitalized lease for an equipped SWAT vehicle. This lease met the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13 “Accounting for Leases”, which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. The equipment acquired by the capital lease has been capitalized in the City’s governmental activities capital assets at the present value of the future minimum lease payments at lease inception. A corresponding liability has been reported in the governmental activities statement of net assets. Future minimum lease payments are as follows:

<u>Year Ended December 31</u>	<u>Amount</u>
2010	\$ 22,400
2011	22,400
2012	22,400
2013	22,399
2014	<u>22,399</u>
Total minimum payments required	111,998
Less: amount representing interest at 3.90%	<u>(11,998)</u>
Present value of future minimum lease payments	<u>\$ 100,000</u>

In December 2004, the City entered into a capitalized lease for police cruisers and equipment with costs totaling \$93,572. In 2009, the City made the final minimum lease payment of \$20,473.

**NOTE 13 - OPERATING LEASES**

The City is obligated under certain leases accounted for as operating leases. Operating leases do not give rise to property rights or lease obligations, and therefore the results of the lease agreements are not reflected in the City’s basic financial statements. Total costs for such leases were \$96,930 for the year ended December 31, 2009. The following is a schedule by year of future minimum rental payments required under operating leases that have initial or remaining noncancellable lease terms as of December 31, 2009:

<u>Year Ended December 31</u>	<u>Amount</u>
2010	\$ 63,628
2011	29,257
2012	<u>19,057</u>
Total minimum payments required	<u>\$ 111,942</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 14 - LONG-TERM OBLIGATIONS**

**A. Governmental activities long-term obligations**

During fiscal 2009, the following changes occurred in the City's long-term obligations:

<i>Governmental Activities:</i>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Balance 1/1/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/09</u>	<u>Due in One Year</u>
<u>General Obligation Bonds</u>							
Series 2002 Various Purpose Bonds	2.05 - 5.00%	2022	\$ 3,340,000	\$ -	\$ (250,000)	\$ 3,090,000	\$ 260,000
Series 2009 Various Purpose Bonds	4.00 - 6.00%	2029	<u>-</u>	<u>2,620,000</u>	<u>-</u>	<u>2,620,000</u>	<u>85,000</u>
Total general obligation bonds			<u>3,340,000</u>	<u>2,620,000</u>	<u>(250,000)</u>	<u>5,710,000</u>	<u>345,000</u>
<u>Other Long-Term Obligations</u>							
Notes payable	0.00 - 4.50%	2009-2015	440,000	-	(70,000)	370,000	70,000
Capital lease obligation			20,473	100,000	(20,473)	100,000	18,659
Police and Fire Pension Liability	4.30%	2035	1,239,604	-	(26,073)	1,213,531	27,193
Compensated absences			<u>5,647,650</u>	<u>1,219,021</u>	<u>(1,581,870)</u>	<u>5,284,801</u>	<u>1,427,158</u>
Total other long-term obligations			<u>7,347,727</u>	<u>1,319,021</u>	<u>(1,698,416)</u>	<u>6,968,332</u>	<u>1,543,010</u>
Total governmental activities long-term obligations			<u>\$ 10,687,727</u>	<u>\$ 3,939,021</u>	<u>\$ (1,948,416)</u>	<u>\$ 12,678,332</u>	<u>\$ 1,888,010</u>

The voted general obligation bond issues will be paid through the debt service fund from general property tax revenue. The unvoted general obligation bond issues will be paid from available income tax revenue and community development block grant revenue. The police and fire pension liability is paid through the police and fire special revenue fund using unvoted general property tax revenue. The compensated absences liability will be paid from the fund in which the employees' salaries are paid.

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

The Various Purpose Bonds issued in 2009 in the amount of \$2,620,000 were to pay the costs of issuance and to pay and retire outstanding notes issued in anticipation of bonds for the following purposes: constructing, furnishing and equipping the new fire station and improving the City's courtroom security system. These bonds are being repaid from the safety services and court costs funds. On December 31, 2009, \$227,391 of the original issue remained unspent due to the related costs of equipping the new fire station, and \$12,021 remained unspent due to the related costs of improving courtroom security.

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

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

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2009 are as follows:

<u>Year Ended</u> <u>December 31,</u>	<u>Police and Fire Pension Liability</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 27,193	\$ 51,289	\$ 78,482
2011	28,361	50,121	78,482
2012	29,579	48,903	78,482
2013	30,849	47,633	78,482
2014	32,174	46,308	78,482
2015 - 2019	182,827	209,583	392,410
2020 - 2024	225,611	166,798	392,409
2025 - 2029	278,407	114,002	392,409
2030 - 2034	343,559	48,851	392,410
2035	34,971	743	35,714
Total	<u>\$ 1,213,531</u>	<u>\$ 784,231</u>	<u>\$ 1,997,762</u>

<u>Year Ended</u> <u>December 31,</u>	<u>General Obligation Bonds</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 345,000	\$ 278,305	\$ 623,305
2011	355,000	264,504	619,504
2012	375,000	250,035	625,035
2013	270,000	234,463	504,463
2014	285,000	223,125	508,125
2015 - 2019	1,645,000	914,425	2,559,425
2020 - 2024	1,515,000	467,687	1,982,687
2025 - 2029	920,000	157,300	1,077,300
Total	<u>\$ 5,710,000</u>	<u>\$ 2,789,844</u>	<u>\$ 8,499,844</u>

<u>Year Ended</u> <u>December 31,</u>	<u>Notes Payable</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2010	\$ 70,000	\$ 28,211	\$ 98,211
2011	70,000	22,997	92,997
2012	70,000	17,748	87,748
2013	70,000	12,395	82,395
2014	70,000	6,992	76,992
2015	20,000	1,562	21,562
Total	<u>\$ 370,000</u>	<u>\$ 89,905</u>	<u>\$ 459,905</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

At December 31, 2009, the City's legal voted and unvoted debt margin was \$60,134,665 and \$28,821,149, respectively.

**B. Business-Type activities long-term obligations**

The following changes occurred in the City's business-type activities long-term obligations during fiscal 2009:

<i>Business-Type Activities:</i>	<u>Interest</u> <u>Rate</u>	<u>Maturity</u> <u>Date</u>	<u>Balance</u> <u>1/1/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/09</u>	<u>Due in</u> <u>One Year</u>
<u>General Obligation Bonds:</u>							
Series 2008 Waterworks Refunding	3.50%	2013	\$ 1,865,000	\$ -	\$ (395,000)	\$ 1,470,000	\$ 410,000
Series 2009 Various Purpose Bonds	4.00 - 6.00%	2029	-	1,080,000	-	1,080,000	35,000
Total general obligation bonds			<u>1,865,000</u>	<u>1,080,000</u>	<u>(395,000)</u>	<u>2,550,000</u>	<u>445,000</u>
<u>Other long-term obligations:</u>							
Notes payable	0.00%	2017	274,739	-	(19,381)	255,358	9,691
Compensated absences			<u>1,185,520</u>	<u>379,780</u>	<u>(475,322)</u>	<u>1,089,978</u>	<u>529,253</u>
Total other long-term obligations			<u>1,460,259</u>	<u>379,780</u>	<u>(494,703)</u>	<u>1,345,336</u>	<u>538,944</u>
Total business-type activities long-term obligations			<u>\$ 3,325,259</u>	<u>\$ 1,459,780</u>	<u>\$ (889,703)</u>	<u>\$ 3,895,336</u>	<u>\$ 983,944</u>

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

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

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

Principal and interest requirements to retire the long-term obligations outstanding at December 31, 2009 are as follows:

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 14 - LONG-TERM OBLIGATIONS - (Continued)**

Year Ended December 31,	General Obligation Bonds		
	Principal	Interest	Total
2010	\$ 445,000	\$ 106,681	\$ 551,681
2011	455,000	90,931	545,931
2012	450,000	74,831	524,831
2013	265,000	58,906	323,906
2014	40,000	49,431	89,431
2015 - 2019	225,000	221,564	446,564
2020 - 2024	290,000	158,800	448,800
2025 - 2029	<u>380,000</u>	<u>64,900</u>	<u>444,900</u>
Total	<u>\$ 2,550,000</u>	<u>\$ 826,044</u>	<u>\$ 3,376,044</u>

Year Ended December 31,	Notes Payable		
	Principal	Interest	Total
2010	\$ 9,691	\$ -	\$ 9,691
2011	19,381	-	19,381
2012	19,381	-	19,381
2013	19,381	-	19,381
2014	19,381	-	19,381
2015 - 2019	78,143	-	78,143
2020 - 2024	50,000	-	50,000
2025 - 2028	<u>40,000</u>	<u>-</u>	<u>40,000</u>
Total	<u>\$ 255,358</u>	<u>\$ -</u>	<u>\$ 255,358</u>

**NOTE 15 - RISK MANAGEMENT**

The City is a participant in the Ohio Municipal League Joint Self-Insurance Pool (the "Pool"). The Pool was established in 1987 and is administered under contract by the Ohio Municipal League to provide a program of property and casualty self-insurance for its member organizations throughout the State of Ohio. The Pool's general objectives are to formulate, develop, and administer a program of self-insurance, to obtain lower costs for coverage, and to develop a comprehensive loss control program on behalf of the member political subdivisions. Political subdivisions joining the Pool may withdraw at the end of any coverage period upon 60 days prior written notice to the Pool. Under agreement, members who terminate participation in the Pool, as well as current members, are subject to a supplemental assessment or a refund, at the discretion of the board of trustees, depending on the ultimate loss experience of all the entities it insures for each coverage year. To date, there have been no assessments or refunds.

The City obtained insurance coverage from the Pool for general liability, public officials' error and omissions, law enforcement liability, property, automobile liability, inland marine, boiler and machinery, and EMS liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. There has not been a reduction in coverage.

Each participant makes an annual "contribution" to the Pool for the coverage they are provided, based on rates established by the Pool, using anticipated and actual results of operations for the various coverages provided. Participants are also charged for a "surplus contribution" that is used to build the Pool's retained earning account to fund the activities of the Pool. During 2008 and 2009, the City made contributions in the amounts

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 15 - RISK MANAGEMENT - (Continued)**

of \$395,113 and \$435,752, and surplus contributions to the Pool in the amounts of \$43,901 and \$48,417, respectively.

In the ordinary course of business, the Pool grants a portion of its exposure to other insurers. These arrangements limit the Pool's maximum net loss on individual risks. Treaty basis casualty excess of loss contracts in force at December 31, 2001 currently protect the Pool against individual losses over \$150,000.

Additionally, treaty basis property coverage protects the Pool against losses subject to a deductible of \$50,000 per occurrence. Previously the deductible was the lesser of \$50,000 per location or \$100,000 per occurrence.

The Pool is, and ultimately the participants are, contingently liable should any reinsurer become unable to meet its obligations under the reinsurance agreements.

The aviation liability is purchased from a commercial insurance company.

A review board of City Council members analyzes all accidents such as damage to mailboxes, sewer backups, and personal injury on City property claims for determination of City liability before payments are made or claims filed.

The City pays the Workers' Compensation System a premium based on accident history and administrative costs.

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

Medical and Dental insurance is provided through a self-insured program. An internal service fund was established to account for and finance this program. This plan provides medical coverage with a \$200 single deductible, \$400 family deductible, and a dental plan that pays 100% preventive maintenance costs for employees only. A third party administrator, E.S. Beveridge & Associates, Inc., reviews all claims which are paid by the City. The City pays into the self-insurance internal service fund an amount equal to \$549 single coverage and \$1,334 family coverage per employee per month. A portion of the amount paid into the self-insurance internal service fund is paid by the employees through payroll deduction. The amount depends on the employee's type of coverage. Each fund is billed monthly based upon the number of eligible employees receiving health and dental benefits with adjustments made for prior claims and administrative costs.

The liability for unpaid claims costs of \$583,540 reported in the internal service fund at December 31, 2009 is based on the requirements of GASB Statement No. 10. This statement requires that a liability for claims be reported if information prior to the issuance of the combined financial statements indicates that it is probable that a liability has been incurred at the date of the combined financial statements and the amount of the loss can be reasonably estimated. Estimates for unpaid claims are based on available information.

Changes in the self-insurance fund's claims liability amount for 2008 and 2009 were as follows:



**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 15 - RISK MANAGEMENT - (Continued)**

	<u>Balance at Beginning of Year</u>	<u>Current Year Claims</u>	<u>Claim Payments</u>	<u>Balance at End of Year</u>
2009	\$ 1,004,251	\$ 5,981,763	\$ (6,402,474)	\$ 583,540
2008	\$ 556,587	\$ 5,963,022	\$ (5,515,358)	\$ 1,004,251

**NOTE 16 - DEFINED BENEFIT PENSION PLANS**

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

**A. Ohio Public Employees Retirement System**

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

OPERS administers three separate pension plans as described below:

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

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

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

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

The Ohio Revised Code provides statutory authority for member and employer contributions. For 2009, member and employer contribution rates were consistent across all three plans. Members in the state and local divisions may participate in all three plans. The 2009 member contribution rates were 10.00% for members in state and local classifications. The 2009 employer contribution rates were 14.00% of covered payroll.

The City's contributions to OPERS for the years ending December 31, 2009, 2008 and 2007 were \$1,863,328, \$2,139,557, and \$2,091,055, respectively. The full amount has been contributed for

**CITY OF MANSFIELD, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 16 - DEFINED BENEFIT PENSION PLANS – (Continued)**

2007 and 2008, and 93.03% has been contributed for 2009 with the remainder being reported as a liability in the respective funds.

**B. Ohio Police and Fire Pension Fund**

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

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

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

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

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

Contributions by the City to the OP&F for police officers for the year ended December 31, 2009, 2008, and 2007 were \$1,001,762, \$1,051,960, and \$944,845, respectively, and for firefighters the contributions were \$1,449,014, \$1,493,992, and \$1,385,917, respectively. The full amount has been contributed for 2007 and 2008. For police officers and firefighters, 71.21% and 66.33%, respectively, have been contributed for 2009 with the remainder being reported as a liability in the respective funds.

In addition to current contributions, the City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police officers and firefighters in 1967. As of December 31, 2009, the unfunded liability of the City was \$1,213,531 payable in semi-annual payments through the year 2035. This is an accounting liability of the City which will not vary. The liability is reported as a component of governmental activities long-term obligations.

**NOTE 17 - POSTEMPLOYMENT BENEFIT PLANS**

In addition to the pension benefits described previously, both OPERS and OP&F provide post-retirement health care coverage commonly referred to as OPEB. The health care coverage provided is considered an OPEB under GASB Statement No. 12, *Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Government Employers* (GASB 12). For both systems, the Ohio Revised Code provides the authority for public employers to fund post-retirement health care through their contributions.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### NOTE 17 - POSTEMPLOYMENT BENEFIT PLANS – (Continued)

##### A. Ohio Public Employees Retirement System

A portion of each employer's contribution to OPERS is set aside for the funding of post-retirement health care. The Ohio Revised Code provides statutory authority for employer contributions. For local government employer units, the rate is 14.00% of covered payroll, of which 7.00% was used to fund health care from January 1 through March 31, 2009 and 5.5% from April 1 through December 31, 2009.

OPERS provides post-retirement health care benefits to qualifying members of both the Traditional Pension and Combined Plans; however, health care benefits are not statutorily guaranteed. Members of the Member-Directed Plan do not qualify for ancillary benefits, including postemployment health care coverage. In order to qualify for post-retirement health care coverage, age and service retirees, under the Traditional Pension and the Combined Plans, must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability recipients and qualified primary survivor benefit recipients is available and meets the definition of an OPEB as described in GASB 12.

##### Summary of Assumptions

- Actuarial Review: The assumptions and calculations below were based on OPERS' latest actuarial review performed as of December 31, 2008.
- Funding Method: The individual entry age actuarial cost method of valuation is used in determining the present value of OPEB. The difference between assumed and actual experience (actuarial gains and losses) becomes part of unfunded actuarial accrued liability.
- Assets Valuation Method – All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Under this approach, assets are adjusted to reflect 25% of unrealized market appreciation or depreciation on investment assets annually, not to exceed a 12% corridor.
- Investment Return – The investment assumption rate for 2008 was 6.50%.
- Active Employee Total Payroll - An annual increase of 4.00%, compounded annually, is the base portion of the individual pay increase assumption. This assumes no change in the number of active employees. In addition, annual pay increases over and above the 4.00% base increase, were assumed to range from 0.50% to 6.30%.
- Health Care – Health care costs were assumed to increase at the projected wage inflation rate plus an additional factor ranging from 0.50% to 3% for the next six years. In subsequent years, (seven and beyond) health care costs were assumed to increase at 4%.

OPEB is advance-funded on actuarially determined basis. The following disclosures are required:

- The Traditional Pension and Combined Plans had 357,584 active contributing participants as of December 31, 2009. The number of active contributing participants for both plans used in the December 31, 2008, actuarial valuation was 356,388.
- The City's total contributions to OPERS for the year ending December 31, 2009, 2008, and 2007 were \$1,863,328, \$2,139,557, and \$2,091,055 respectively, of which \$931,664, \$1,069,779, and \$832,392 respectively, was allocated to the healthcare plan.
- The amount of \$10.7 billion represents the actuarial funding value of OPERS' net assets available for OPEB at December 31, 2008.
- Based on the actuarial cost method used, the Actuarial Valuation as of December 31, 2008, reported the actuarially accrued liability and the unfunded actuarially accrued liability for OPEB at \$29.6 billion and \$18.9 billion, respectively.

## CITY OF MANSFIELD, OHIO

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2009

#### **NOTE 17 - POSTEMPLOYMENT BENEFIT PLANS – (Continued)**

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008, which allowed additional funds to be allocated to the health care plan.

#### **B. Ohio Police and Fire Pension Fund**

OP&F provides access to post-retirement health care coverage for any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under age of 18 whether or not the child is attending school or under the age of 22, if attending school full-time or on a 2/3 basis. The health care coverage provided by the retirement system is considered an OPEB as described in GASB Statement No. 12.

The Ohio Revised Code provides that health care cost paid from the funds of OP&F shall be included in the employer's contribution rate. The total police employer contribution rate is 19.5% of covered payroll and the total firefighter employer contribution rate is 24% of covered payroll.

Health care funding and accounting is on a pay-as-you go basis. A percentage of covered payroll, as defined by the Board, is used to pay retiree health care expenses. The Board defined allocation was 6.75% of covered payroll in 2008 and 6.75% of covered payroll in 2009. In addition, since July 1, 1992, most retirees and survivors were required to contribute a portion of the cost of their healthcare coverage through a deduction from their monthly health care contributions.

The number of participants eligible to receive health care benefits as of December 31, 2008, the date of the last actuarial valuation available, are 14,567 for police and 10,750 for firefighters. The total health care expense for the year ending December 31, 2008 was \$96,472,398, which was net of member contributions of \$56,948,977.

The City contributes to the OP&F sponsored health care program, a cost-sharing multiple-employer defined postemployment health care plan administered by the OP&F. OP&F provides healthcare benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium and long term care to retirees, qualifying benefit recipients and their eligible dependents.

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

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. The amount of employer contributions allocated to

**CITY OF MANSFIELD, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 17 - POSTEMPLOYMENT BENEFIT PLANS – (Continued)**

the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Section 115 and 401(h).

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

Contributions by the City to the OP&F for police officers for the year ended December 31, 2009, 2008, and 2007 were \$1,001,762, \$1,051,960, and \$944,845 respectively, of which \$346,610, \$363,978, and \$355,161 was allocated to the healthcare plan. Total contributions by the City to the OP&F for firefighters for the year ended December 31, 2009, 2008, and 2007 were \$1,449,014, \$1,493,992, and \$1,385,917, respectively, of which \$407,173, \$419,812, and \$397,247, respectively, was allocated to the healthcare plan.

**NOTE 18 - CONTINGENCIES**

**A. Grants**

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

**B. Litigation**

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

**NOTE 19 - INTERGOVERNMENTAL RECEIVABLES**

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

Water fund:	
County water samples	<u>\$ 2,792</u>
Total Water fund	<u>\$ 2,792</u>
Sewer fund:	
City of Ontario sewer agreement	\$ 178,632
Richland County sewer agreement	<u>207,157</u>
Total Sewer fund	<u>\$ 385,789</u>

**CITY OF MANSFIELD, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
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**NOTE 19 - INTERGOVERNMENTAL RECEIVABLES – (Continued)**

Community Development fund:	
CDBG and HOME grants	<u>\$ 4,921,729</u>
Total Community Development fund	<u>\$ 4,921,729</u>
General fund:	
Cigarette settlement	\$ 2,069
Court apportionment	22,113
Estate and inheritance tax	125,116
Homestead/Rollback	117,822
Local government funds	1,222,993
Public defenders reimbursement	51,070
Richland County share of judge's salary	240,140
State liquor permit fees	<u>55,114</u>
Total General fund	<u>\$ 1,836,437</u>
Safety Services fund:	
Homestead/Rollback	\$ 23,569
Police fees	<u>21,350</u>
Total Safety Services fund	<u>\$ 44,919</u>
Grant fund:	
Bulletproof vest grant	\$ 4,685
Byrne grants	410,080
Community corrections grant	56,624
Community policing grant	5,112
COPS hiring recovery grant	1,098,205
COPS officer retention grant	658,197
Coverdell forensic grant	19,130
Crime victims grant	34,525
DNA Backlog grants	240,573
Drug taskforce grant	13,417
EMS grant	2,970
FAA grant	20,330
Family violence grant	128,573
High visability grant	39,014
Metrich grant	249,980
Metrich retention grant	<u>313,536</u>
Total Grant fund	<u>\$ 3,294,951</u>

**CITY OF MANSFIELD, OHIO**

NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009

**NOTE 19 - INTERGOVERNMENTAL RECEIVABLES – (Continued)**

Other Governmental funds:	
Gasoline tax	\$ 757,163
Indigent drivers treatment	11,808
Local solicitation grant	28,860
Motor vehicle registration	155,805
Nutrition grant	45,856
Ohio Department of Development grants	303,566
Permissive sales tax	367,260
Regional Community Advancement contracts	<u>80,526</u>
Total Other Governmental funds	<u>\$ 1,750,844</u>

**NOTE 20 – SHORT-TERM OBLIGATIONS**

The following changes occurred in the City’s short-term obligations during 2009:

	Balance <u>1/1/09</u>	<u>Additions</u>	<u>Reductions</u>	Balance <u>12/31/09</u>
<u>Governmental Funds</u>				
Vehicle/Equipment Note	\$ 255,000	\$ -	\$ (255,000)	\$ -
New Fire Station Note	2,125,000	-	(2,125,000)	-
Courtroom Security Note	<u>305,000</u>	<u>-</u>	<u>(305,000)</u>	<u>-</u>
Total Governmental Notes	<u>2,685,000</u>	<u>-</u>	<u>(2,685,000)</u>	<u>-</u>
<u>Business-Type Funds</u>				
Sewer Improvement Note	<u>1,985,000</u>	<u>-</u>	<u>(1,985,000)</u>	<u>-</u>
Total Business-Type Notes	<u>1,985,000</u>	<u>-</u>	<u>(1,985,000)</u>	<u>-</u>
Total Short-Term Obligations	<u>\$ 4,670,000</u>	<u>\$ -</u>	<u>\$ (4,670,000)</u>	<u>\$ -</u>

The 2009 Various Purpose Bonds in the amount of \$3,700,000 were to pay the cost of issuance and to pay and retire all of the City’s 2008 notes issued in anticipation of bonds (note 14).

**NOTE 21 – BUDGETARY NONCOMPLIANCE**

At December 31, 2009, contrary to Ohio Revised Code Section 5705.10(H), the City had a deficit cash balance in its General fund in the amount of \$2,164,866.

At December 31, 2009, contrary to Ohio Revised Code Section 5705.39, original and final appropriations exceeded estimated resources in the General fund by \$1,940,212 and \$2,375,647, respectively.

At December 31, 2009, contrary to Ohio Revised Code Section 5705.41(B), the City had actual expenditures exceed appropriations in the Safety services fund by \$2,029,759.

**CITY OF MANSFIELD, OHIO**

**NOTES TO THE BASIC FINANCIAL STATEMENTS  
FOR THE YEAR ENDED DECEMBER 31, 2009**

**NOTE 22 – FISCAL WATCH**

On December 15, 2009, the City was declared in fiscal watch by Ohio Auditor of State Mary Taylor due to projected deficits. The City will continue an emergency only spending plan along with additional reductions in staff until an additional income tax levy can be passed. The Auditor of State continues to monitor the City's financial activity.



**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

FUND DESCRIPTIONS

**Nonmajor Special Revenue Funds**

The special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specific purposes. The following are the nonmajor special revenue funds which the City of Mansfield operates:

***Street Construction, Maintenance and Repair:***

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

***State Highway:***

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

***Regional Community Advancement:***

To account for grants and other miscellaneous contracts used in the operation of the City's Regional Community Advancement building on Bowman Street. Individual programs are controlled by separate program numbers.

***Drug Law Enforcement:***

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

***Law Enforcement:***

To account for monies collected from the sale of contraband.

***Permissive Sales Tax:***

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

***Industrial Development:***

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

***Indigent Drivers Alcohol Treatment:***

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

***Court Computerization:***

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

***Local Law Enforcement Block Grant:***

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

***Probation Services:***

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

***Court Costs:***

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

**Nonmajor Debt Service Fund**

***Debt Service:***

To account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENTS - NONMAJOR GOVERNMENTAL FUNDS

FUND DESCRIPTIONS

**Nonmajor Capital Projects Funds**

Capital projects funds are used to account for the financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by the proprietary or permanent funds. The following is a description of all the City's nonmajor capital projects funds:

***Street Resurfacing:***

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

***Issue II Improvement:***

To account for the construction and improvement of projects which have been granted State Issue II monies.

***Section 108 Improvement:***

To account for monies collected for the construction of a new fire station, expansion of the Central Fire Station, and infrastructure improvements for the City's industrial parks.

***Fixed Asset Acquisition:***

To account for a motor pool of non-safety motor vehicles owned by the City with the operation under the control of the Repair Garage Division.

***2005 Service Fleet:***

To account for proceeds from a bond note sale to acquire vehicles and ancillary equipment for street maintenance.

***Miller Park Project:***

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

CITY OF MANSFIELD, OHIO

COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS  
DECEMBER 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 2,573,846	\$ 86,281	\$ 1,993,430	\$ 4,653,557
Cash and cash equivalents with fiscal agent . . . . .	14,590	-	38,523	53,113
Receivables (net of allowances of uncollectibles):				
Taxes . . . . .	-	-	545,101	545,101
Accounts . . . . .	50,541	-	7,868	58,409
Accrued interest . . . . .	9,182	-	-	9,182
Loans . . . . .	1,134,274	-	-	1,134,274
Due from other governments . . . . .	1,447,278	-	303,566	1,750,844
Materials and supplies inventory . . . . .	350,622	-	-	350,622
Total assets . . . . .	<u>\$ 5,580,333</u>	<u>\$ 86,281</u>	<u>\$ 2,888,488</u>	<u>\$ 8,555,102</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 96,986	\$ -	\$ 15,979	\$ 112,965
Contracts payable . . . . .	17,613	-	58,468	76,081
Retainage payable . . . . .	14,590	-	38,523	53,113
Accrued wages and benefits . . . . .	27,297	-	-	27,297
Compensated absences . . . . .	13,046	-	-	13,046
Loans from other funds . . . . .	-	-	431,770	431,770
Due to other governments . . . . .	80,104	-	-	80,104
Deferred revenue . . . . .	1,154,326	-	558,267	1,712,593
Total liabilities . . . . .	<u>1,403,962</u>	<u>-</u>	<u>1,103,007</u>	<u>2,506,969</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	111,423	-	220,674	332,097
Reserved for materials and supplies inventory . . . . .	350,622	-	-	350,622
Reserved for loans . . . . .	1,134,274	-	-	1,134,274
Reserved for debt service . . . . .	-	71,917	-	71,917
Unreserved, undesignated, reported in:				
Special revenue funds . . . . .	2,580,052	-	-	2,580,052
Debt service fund . . . . .	-	14,364	-	14,364
Capital projects funds . . . . .	-	-	1,564,807	1,564,807
Total fund balances . . . . .	<u>4,176,371</u>	<u>86,281</u>	<u>1,785,481</u>	<u>6,048,133</u>
Total liabilities and fund balances . . . . .	<u>\$ 5,580,333</u>	<u>\$ 86,281</u>	<u>\$ 2,888,488</u>	<u>\$ 8,555,102</u>

**CITY OF MANSFIELD, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS  
DECEMBER 31, 2009

	<b>Street Construction Maintenance and Repair</b>	<b>State Highway</b>	<b>Regional Community Advancement</b>	<b>Drug Law Enforcement</b>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 330,058	\$ 40,835	\$ 121,831	\$ 32,520
Cash and cash equivalents with fiscal agent . . . . .	-	-	-	-
Receivables (net of allowances of uncollectibles):				
Accounts . . . . .	-	-	-	-
Accrued interest. . . . .	-	-	-	-
Loans . . . . .	-	-	-	-
Due from other governments . . . . .	843,996	68,972	126,382	-
Materials and supplies inventory . . . . .	342,644	-	-	-
Total assets. . . . .	<u>\$ 1,516,698</u>	<u>\$ 109,807</u>	<u>\$ 248,213</u>	<u>\$ 32,520</u>
<b>Liabilities:</b>				
Accounts payable. . . . .	\$ 78,558	\$ 1,892	\$ 7,184	\$ -
Contracts payable . . . . .	-	-	-	-
Retainage payable . . . . .	-	-	-	-
Accrued wages and benefits . . . . .	16,481	-	7,812	-
Compensated absences . . . . .	7,538	-	2,827	-
Due to other governments . . . . .	34,156	-	29,694	-
Deferred revenue . . . . .	696,604	57,022	68,255	-
Total liabilities. . . . .	<u>833,337</u>	<u>58,914</u>	<u>115,772</u>	<u>-</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	25,592	-	206	-
Reserved for materials and supplies inventory . . . . .	342,644	-	-	-
Reserved for loans . . . . .	-	-	-	-
Unreserved, undesignated . . . . .	315,125	50,893	132,235	32,520
Total fund balances . . . . .	<u>683,361</u>	<u>50,893</u>	<u>132,441</u>	<u>32,520</u>
Total liabilities and fund balances . . . . .	<u>\$ 1,516,698</u>	<u>\$ 109,807</u>	<u>\$ 248,213</u>	<u>\$ 32,520</u>

<b>Law Enforcement</b>	<b>Permissive Sales Tax</b>	<b>Industrial Development</b>	<b>Indigent Drivers Alcohol Treatment</b>	<b>Court Computerization</b>	<b>Local Law Enforcement Block Grant</b>
\$ 181,027	\$ 689,345	\$ 190,872	\$ 51,930	\$ 430,717	\$ 143,562
-	14,590	-	-	-	-
-	-	-	853	4,806	-
-	-	9,182	-	-	-
-	-	1,134,274	-	-	-
-	367,260	-	11,808	-	28,860
-	-	-	-	5,439	-
<u>\$ 181,027</u>	<u>\$ 1,071,195</u>	<u>\$ 1,334,328</u>	<u>\$ 64,591</u>	<u>\$ 440,962</u>	<u>\$ 172,422</u>
\$ 178	\$ -	\$ 269	\$ -	\$ 1,324	\$ 4,000
-	17,613	-	-	-	-
-	14,590	-	-	-	-
-	-	804	-	714	-
-	-	2,681	-	-	-
3,459	-	9,002	-	610	-
-	291,777	-	11,808	-	28,860
<u>3,637</u>	<u>323,980</u>	<u>12,756</u>	<u>11,808</u>	<u>2,648</u>	<u>32,860</u>
300	80,003	-	-	2,600	-
-	-	-	-	5,439	-
-	-	1,134,274	-	-	-
<u>177,090</u>	<u>667,212</u>	<u>187,298</u>	<u>52,783</u>	<u>430,275</u>	<u>139,562</u>
<u>177,390</u>	<u>747,215</u>	<u>1,321,572</u>	<u>52,783</u>	<u>438,314</u>	<u>139,562</u>
<u>\$ 181,027</u>	<u>\$ 1,071,195</u>	<u>\$ 1,334,328</u>	<u>\$ 64,591</u>	<u>\$ 440,962</u>	<u>\$ 172,422</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING BALANCE SHEET  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
DECEMBER 31, 2009

	<u>Probation Services</u>	<u>Court Costs</u>	<u>Total</u>
<b>Assets:</b>			
Equity in pooled cash and cash equivalents. . . . .	\$ 64,581	\$ 296,568	\$ 2,573,846
Cash and cash equivalents with fiscal agent . . . . .	-	-	14,590
Receivables (net of allowances of uncollectibles):			
Accounts . . . . .	5,376	39,506	50,541
Accrued interest. . . . .	-	-	9,182
Loans . . . . .	-	-	1,134,274
Due from other governments . . . . .	-	-	1,447,278
Materials and supplies inventory . . . . .	2,539	-	350,622
Total assets. . . . .	<u>\$ 72,496</u>	<u>\$ 336,074</u>	<u>\$ 5,580,333</u>
<b>Liabilities:</b>			
Accounts payable. . . . .	\$ 3,033	\$ 548	\$ 96,986
Contracts payable . . . . .	-	-	17,613
Retainage payable . . . . .	-	-	14,590
Accrued wages and benefits . . . . .	-	1,486	27,297
Compensated absences . . . . .	-	-	13,046
Due to other governments . . . . .	-	3,183	80,104
Deferred revenue . . . . .	-	-	1,154,326
Total liabilities. . . . .	<u>3,033</u>	<u>5,217</u>	<u>1,403,962</u>
<b>Fund Balances:</b>			
Reserved for encumbrances . . . . .	969	1,753	111,423
Reserved for materials and supplies inventory . . . . .	2,539	-	350,622
Reserved for loans . . . . .	-	-	1,134,274
Unreserved, undesignated . . . . .	65,955	329,104	2,580,052
Total fund balances . . . . .	<u>69,463</u>	<u>330,857</u>	<u>4,176,371</u>
Total liabilities and fund balances . . . . .	<u>\$ 72,496</u>	<u>\$ 336,074</u>	<u>\$ 5,580,333</u>

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**CITY OF MANSFIELD, OHIO**  
**COMBINING BALANCE SHEET**  
**NONMAJOR CAPITAL PROJECTS FUNDS**  
**DECEMBER 31, 2009**

	<u>Street Resurfacing</u>	<u>Section 108 Improvement</u>	<u>Fixed Asset Acquisition</u>	<u>Miller Park Project</u>
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ 1,002,747	\$ 227,393	\$ 763,290	\$ -
Cash and cash equivalents with fiscal agent . . . . .	38,523	-	-	-
Receivables (net of allowances of uncollectibles):				
Taxes . . . . .	545,101	-	-	-
Accounts . . . . .	7,868	-	-	-
Due from other governments . . . . .	-	-	-	303,566
Total assets . . . . .	<u>\$ 1,594,239</u>	<u>\$ 227,393</u>	<u>\$ 763,290</u>	<u>\$ 303,566</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ -	\$ 15,979	\$ -	\$ -
Contracts payable . . . . .	58,468	-	-	-
Retainage payable . . . . .	38,523	-	-	-
Loans from other funds . . . . .	-	-	-	431,770
Deferred revenue . . . . .	254,701	-	-	303,566
Total liabilities . . . . .	<u>351,692</u>	<u>15,979</u>	<u>-</u>	<u>735,336</u>
<b>Fund Balances:</b>				
Reserved for encumbrances . . . . .	210,077	10,597	-	-
Unreserved, undesignated (deficit) . . . . .	<u>1,032,470</u>	<u>200,817</u>	<u>763,290</u>	<u>(431,770)</u>
Total fund balances (deficit) . . . . .	<u>1,242,547</u>	<u>211,414</u>	<u>763,290</u>	<u>(431,770)</u>
Total liabilities and fund balances . . . . .	<u>\$ 1,594,239</u>	<u>\$ 227,393</u>	<u>\$ 763,290</u>	<u>\$ 303,566</u>



**Total**

\$ 1,993,430  
38,523  
545,101  
7,868  
303,566  
\$ 2,888,488

\$ 15,979  
58,468  
38,523  
431,770  
558,267  
1,103,007

220,674  
1,564,807  
1,785,481  
\$ 2,888,488

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**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR GOVERNMENTAL FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 282,208	\$ -	\$ 3,115,383	\$ 3,397,591
Charges for services . . . . .	337,052	-	-	337,052
Licenses, permits and fees . . . . .	30,917	-	-	30,917
Fines and forfeitures . . . . .	845,448	-	-	845,448
Intergovernmental . . . . .	3,743,860	-	1,424,961	5,168,821
Investment income . . . . .	8,273	16	-	8,289
Other . . . . .	401,005	-	-	401,005
Total revenues. . . . .	<u>5,648,763</u>	<u>16</u>	<u>4,540,344</u>	<u>10,189,123</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	2,420,685	129,262	-	2,549,947
Public safety . . . . .	172,667	-	-	172,667
Transportation . . . . .	2,528,206	-	-	2,528,206
Community environment . . . . .	405,679	-	-	405,679
Capital outlay . . . . .	188,798	-	3,593,034	3,781,832
Debt service:				
Principal retirement . . . . .	-	320,000	-	320,000
Interest and fiscal charges. . . . .	16,728	186,946	89,309	292,983
Total expenditures. . . . .	<u>5,732,763</u>	<u>636,208</u>	<u>3,682,343</u>	<u>10,051,314</u>
Excess (deficiency) of revenues over (under) expenditures. . . . .	<u>(84,000)</u>	<u>(636,192)</u>	<u>858,001</u>	<u>137,809</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets . . . . .	13,497	-	-	13,497
Sale of bond premium . . . . .	-	64,448	-	64,448
Bond proceeds . . . . .	300,000	88,750	2,231,250	2,620,000
Capital lease . . . . .	100,000	-	-	100,000
Transfers in . . . . .	310,806	497,358	-	808,164
Transfers out . . . . .	(270,330)	-	-	(270,330)
Total other financing sources (uses) . . . . .	<u>453,973</u>	<u>650,556</u>	<u>2,231,250</u>	<u>3,335,779</u>
Net change in fund balances . . . . .	369,973	14,364	3,089,251	3,473,588
<b>Fund balances (deficit) at beginning of year . .</b>	3,703,060	71,917	(1,303,770)	2,471,207
<b>Increase (decrease) in reserve for inventory</b>	103,338	-	-	103,338
<b>Fund balances at end of year. . . . .</b>	<u>\$ 4,176,371</u>	<u>\$ 86,281</u>	<u>\$ 1,785,481</u>	<u>\$ 6,048,133</u>

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Street Construction Maintenance and Repair</b>	<b>State Highway</b>	<b>Regional Community Advancement</b>	<b>Drug Law Enforcement</b>
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 42,208	\$ -	\$ -	\$ -
Charges for services . . . . .	130,933	-	48,640	-
Licenses, permits and fees . . . . .	-	-	-	-
Fines and forfeitures . . . . .	-	-	-	3,834
Intergovernmental . . . . .	1,824,663	147,864	902,638	-
Investment income . . . . .	171	470	-	-
Other . . . . .	-	-	986	-
Total revenues . . . . .	<u>1,997,975</u>	<u>148,334</u>	<u>952,264</u>	<u>3,834</u>
<b>Expenditures:</b>				
Current:				
General government . . . . .	-	-	983,951	-
Public safety . . . . .	-	-	-	7,194
Community environment . . . . .	-	-	-	-
Transportation . . . . .	1,741,628	128,318	-	-
Capital outlay . . . . .	-	-	-	-
Debt service:				
Interest and fiscal charges . . . . .	-	-	-	-
Total expenditures . . . . .	<u>1,741,628</u>	<u>128,318</u>	<u>983,951</u>	<u>7,194</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>256,347</u>	<u>20,016</u>	<u>(31,687)</u>	<u>(3,360)</u>
<b>Other financing sources (uses):</b>				
Proceeds from sale of capital assets . . . . .	7,065	-	-	-
Bond proceeds . . . . .	-	-	-	-
Capital lease . . . . .	-	-	-	-
Transfers in . . . . .	-	-	124,999	-
Transfers out . . . . .	(84,523)	-	-	-
Total other financing sources (uses): . . . . .	<u>(77,458)</u>	<u>-</u>	<u>124,999</u>	<u>-</u>
Net change in fund balances . . . . .	178,889	20,016	93,312	(3,360)
<b>Fund balances (deficit) at beginning of year . .</b>	391,279	30,877	40,341	35,880
<b>Increase (decrease) in reserve for inventory . .</b>	<u>113,193</u>	<u>-</u>	<u>(1,212)</u>	<u>-</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 683,361</u>	<u>\$ 50,893</u>	<u>\$ 132,441</u>	<u>\$ 32,520</u>

<b>Law Enforcement</b>	<b>Permissive Sales Tax</b>	<b>Industrial Development</b>	<b>Indigent Drivers Alcohol Treatment</b>	<b>Court Computerization</b>	<b>Local Law Enforcement Block Grant</b>
\$ -	\$ -	\$ 240,000	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
126,554	-	-	23,591	158,371	-
-	636,824	48,334	27,319	-	156,218
50	-	7,139	-	-	443
-	-	400,019	-	-	-
<u>126,604</u>	<u>636,824</u>	<u>695,492</u>	<u>50,910</u>	<u>158,371</u>	<u>156,661</u>
-	-	382,702	-	240,911	-
56,077	-	-	1,300	-	108,096
-	-	405,679	-	-	-
-	658,260	-	-	-	-
188,798	-	-	-	-	-
-	-	-	-	-	-
<u>244,875</u>	<u>658,260</u>	<u>788,381</u>	<u>1,300</u>	<u>240,911</u>	<u>108,096</u>
<u>(118,271)</u>	<u>(21,436)</u>	<u>(92,889)</u>	<u>49,610</u>	<u>(82,540)</u>	<u>48,565</u>
-	-	6,432	-	-	-
-	-	-	-	-	-
100,000	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	(185,807)	-
<u>100,000</u>	<u>-</u>	<u>6,432</u>	<u>-</u>	<u>(185,807)</u>	<u>-</u>
(18,271)	(21,436)	(86,457)	49,610	(268,347)	48,565
195,661	768,651	1,408,029	3,173	712,272	90,997
-	-	-	-	(5,611)	-
<u>\$ 177,390</u>	<u>\$ 747,215</u>	<u>\$ 1,321,572</u>	<u>\$ 52,783</u>	<u>\$ 438,314</u>	<u>\$ 139,562</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR SPECIAL REVENUE FUNDS (CONTINUED)  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Probation Services</u>	<u>Court Costs</u>	<u>Total</u>
<b>Revenues:</b>			
Municipal income taxes . . . . .	\$ -	\$ -	\$ 282,208
Charges for services . . . . .	157,479	-	337,052
Licenses, permits and fees . . . . .	5,376	25,541	30,917
Fines and forfeitures . . . . .	-	533,098	845,448
Intergovernmental . . . . .	-	-	3,743,860
Investment income . . . . .	-	-	8,273
Other . . . . .	-	-	401,005
Total revenues . . . . .	<u>162,855</u>	<u>558,639</u>	<u>5,648,763</u>
<b>Expenditures:</b>			
Current:			
General government . . . . .	120,188	692,933	2,420,685
Public safety . . . . .	-	-	172,667
Community environment . . . . .	-	-	405,679
Transportation . . . . .	-	-	2,528,206
Capital outlay . . . . .	-	-	188,798
Debt service:			
Interest and fiscal charges . . . . .	-	16,728	16,728
Total expenditures . . . . .	<u>120,188</u>	<u>709,661</u>	<u>5,732,763</u>
Excess (deficiency) of revenues over (under) expenditures . . . . .	<u>42,667</u>	<u>(151,022)</u>	<u>(84,000)</u>
<b>Other financing sources:</b>			
Proceeds from sale of capital assets . . . . .	-	-	13,497
Bond proceeds . . . . .	-	300,000	300,000
Capital lease . . . . .	-	-	100,000
Transfers in . . . . .	-	185,807	310,806
Transfers out . . . . .	-	-	(270,330)
Total other financing sources (uses): . . . . .	<u>-</u>	<u>485,807</u>	<u>453,973</u>
Net change in fund balances . . . . .	42,667	334,785	369,973
<b>Fund balances (deficit) at beginning of year . .</b>	29,828	(3,928)	3,703,060
<b>Increase (decrease) in reserve for inventory . .</b>	<u>(3,032)</u>	<u>-</u>	<u>103,338</u>
<b>Fund balances at end of year . . . . .</b>	<u>\$ 69,463</u>	<u>\$ 330,857</u>	<u>\$ 4,176,371</u>

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**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
NONMAJOR CAPITAL PROJECTS FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Street Resurfacing</b>	<b>Issue II Improvement</b>	<b>Section 108 Improvement</b>	<b>Fixed Asset Acquisition</b>
<b>Revenues:</b>				
Municipal income taxes . . . . .	\$ 3,115,383	\$ -	\$ -	\$ -
Intergovernmental . . . . .	-	425,000	-	49,790
<b>Total revenues . . . . .</b>	<b>3,115,383</b>	<b>425,000</b>	<b>-</b>	<b>49,790</b>
<b>Expenditures:</b>				
Capital outlay . . . . .	2,706,462	425,000	270,284	-
Debt service:				
Interest and fiscal charges . . . . .	-	-	88,077	-
<b>Total expenditures . . . . .</b>	<b>2,706,462</b>	<b>425,000</b>	<b>358,361</b>	<b>-</b>
Excess (deficiency) of revenues over (under) expenditures. . . . .	408,921	-	(358,361)	49,790
<b>Other financing sources:</b>				
Bond proceeds . . . . .	-	-	2,231,250	-
<b>Total other financing sources: . . . . .</b>	<b>-</b>	<b>-</b>	<b>2,231,250</b>	<b>-</b>
<b>Net change in fund balances . . . . .</b>	<b>408,921</b>	<b>-</b>	<b>1,872,889</b>	<b>49,790</b>
<b>Fund balances (deficit) at beginning of year . . .</b>	<b>833,626</b>	<b>-</b>	<b>(1,661,475)</b>	<b>713,500</b>
<b>Fund balances (deficit) at end of year . . . . .</b>	<b>\$ 1,242,547</b>	<b>\$ -</b>	<b>\$ 211,414</b>	<b>\$ 763,290</b>



<b>2005 Service Fleet</b>	<b>Miller Park Project</b>	<b>Total</b>
\$ -	\$ -	\$ 3,115,383
256,232	693,939	1,424,961
<u>256,232</u>	<u>693,939</u>	<u>4,540,344</u>
-	191,288	3,593,034
1,232	-	89,309
<u>1,232</u>	<u>191,288</u>	<u>3,682,343</u>
255,000	502,651	858,001
-	-	2,231,250
-	-	2,231,250
255,000	502,651	3,089,251
<u>(255,000)</u>	<u>(934,421)</u>	<u>(1,303,770)</u>
<u>\$ -</u>	<u>\$ (431,770)</u>	<u>\$ 1,785,481</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 2,361,380	\$ 2,433,427	\$ 2,431,203	\$ (2,224)
Charges for services . . . . .	5,000	11,296	11,356	60
Licenses, permits and fees . . . . .	551,500	636,251	644,407	8,156
Fines and forfeitures . . . . .	1,223,692	1,321,041	1,324,164	3,123
Intergovernmental . . . . .	3,990,271	4,096,377	4,106,152	9,775
Special assessments . . . . .	22,000	56,273	56,273	-
Investment income . . . . .	642,512	458,551	454,004	(4,547)
Other . . . . .	1,292	81,158	121,796	40,638
<b>Total revenues . . . . .</b>	<b>8,797,647</b>	<b>9,094,374</b>	<b>9,149,355</b>	<b>54,981</b>
<b>Expenditures:</b>				
Current:				
Public safety				
Safety town				
Personal services . . . . .	11,334	11,334	9,835	1,499
Materials and supplies . . . . .	2,143	2,143	1,697	446
Street lighting				
Contractual services . . . . .	630,219	688,115	688,115	-
Housing of prisoners				
Contractual services . . . . .	1,425,219	1,413,977	1,408,938	5,039
<b>Total public safety . . . . .</b>	<b>2,068,915</b>	<b>2,115,569</b>	<b>2,108,585</b>	<b>6,984</b>
Public health and welfare				
Human relations				
Other . . . . .	21,589	500	500	-
Humane society				
Other . . . . .	8,750	5,000	5,000	-
Indigent burial				
Other . . . . .	8,250	9,409	9,409	-
Dog warden				
Other . . . . .	22,500	15,000	15,000	-
<b>Total public health and welfare . . . . .</b>	<b>61,089</b>	<b>29,909</b>	<b>29,909</b>	<b>-</b>
Leisure time activities				
Parks				
Personal services . . . . .	398,065	401,694	401,674	20
Capital outlay . . . . .	2,000	-	-	-
Materials and supplies . . . . .	31,013	29,013	23,565	5,448
Contractual services . . . . .	214,448	111,707	108,943	2,764
Adopt-a-park				
Other . . . . .	4,769	4,769	650	4,119
Recreation				
Personal services . . . . .	57,948	54,217	54,217	-
Materials and supplies . . . . .	2,041	21,732	20,256	1,476
Contractual services . . . . .	26,751	660	660	-
<b>Total leisure time activities . . . . .</b>	<b>737,035</b>	<b>623,792</b>	<b>609,965</b>	<b>13,827</b>

(continued)

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Community environment				
Codes and permits				
Personal services. . . . .	262,369	274,540	274,540	-
Materials and supplies . . . . .	8,200	5,210	5,202	8
Contractual services . . . . .	159,238	121,201	121,201	-
Other. . . . .	1,436	938	938	-
Regional planning	-	-	-	-
Other. . . . .	24,100	24,100	24,100	-
Chamber district				
Other. . . . .	4,431	4,431	288	4,143
Sub-division fees				
Other. . . . .	45,943	5,943	173	5,770
<b>Total community environment . . . . .</b>	<b>505,717</b>	<b>436,363</b>	<b>426,442</b>	<b>9,921</b>
General government				
Council				
Personal services. . . . .	148,525	153,050	153,050	-
Contractual services . . . . .	28,239	28,239	28,239	-
Materials and supplies . . . . .	670	627	627	-
Other. . . . .	1,673	3,482	3,482	-
Human resource director				
Personal services. . . . .	152,679	156,486	156,486	-
Materials and supplies . . . . .	4,000	3,287	3,287	-
Contractual services . . . . .	80,630	86,967	85,467	1,500
Other. . . . .	3,689	1,158	1,158	-
Mayor				
Personal services. . . . .	136,961	132,228	132,228	-
Materials and supplies . . . . .	2,685	1,460	1,460	-
Contractual services . . . . .	38,205	104,906	104,906	-
Other. . . . .	7,471	6,269	6,269	-
Finance director				
Personal services. . . . .	480,802	577,340	577,340	-
Materials and supplies . . . . .	8,771	11,485	11,485	-
Contractual services . . . . .	299,696	332,427	332,427	-
Other. . . . .	-	60	60	-
Law director				
Personal services. . . . .	348,698	474,765	474,765	-
Materials and supplies . . . . .	18,534	37,135	37,135	-
Contractual services . . . . .	104,188	86,307	86,307	-
Other. . . . .	42,128	16,901	16,901	-
Municipal court				
Personal services. . . . .	626,414	603,010	603,010	-
Materials and supplies . . . . .	13,350	10,419	10,419	-
Contractual services . . . . .	616,235	521,063	521,063	-
Other. . . . .	3,000	1,087	1,087	-
Clerk of court				
Personal services. . . . .	646,670	985,889	985,889	-
Materials and supplies . . . . .	49,782	66,759	66,759	-
Contractual services . . . . .	230,564	130,564	130,564	-
Other . . . . .	2,038	2,220	2,220	-

(continued)

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Civil service commission				
Personal services. . . . .	19,380	19,380	19,380	-
Contractual services . . . . .	31,478	10,763	10,763	-
Safety/service director				
Personal services. . . . .	141,175	128,762	128,762	-
Materials and supplies . . . . .	1,173	1,146	1,146	-
Contractual services . . . . .	35,494	32,950	32,950	-
Other. . . . .	575	571	571	-
Engineering				
Personal services. . . . .	244,823	194,520	194,520	-
Materials and supplies . . . . .	4,145	2,850	2,850	-
Contractual services . . . . .	123,658	159,118	159,118	-
Other. . . . .	1,060	1,185	1,185	-
City building and public lands				
Personal services. . . . .	231,803	229,207	229,207	-
Materials and supplies . . . . .	42,853	52,853	37,238	15,615
Contractual services . . . . .	469,814	559,351	537,705	21,646
Income tax administration				
Personal services. . . . .	340,941	394,807	394,807	-
Materials and supplies . . . . .	52,511	54,988	53,846	1,142
Capital outlay . . . . .	1,049	1,809	785	1,024
Contractual services . . . . .	79,449	88,117	88,117	-
Miscellaneous				
Fringe benefits. . . . .	115,010	71,038	71,038	-
Contractual services . . . . .	588,613	408,223	383,517	24,706
Festivals . . . . .	25,000	20,000	20,000	-
Other. . . . .	1,373	1,496	1,496	-
Unclaimed money				
Other. . . . .	44,316	44,316	3,050	41,266
Special assessments				
Other. . . . .	5,847	5,236	2,677	2,559
<b>Total general government . . . . .</b>	<b>6,697,837</b>	<b>7,018,276</b>	<b>6,908,818</b>	<b>109,458</b>

(continued)

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GENERAL FUND (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Total expenditures . . . . .	10,070,593	10,223,909	10,083,719	140,190
Deficiency of revenues under expenditures . . . . .	(1,272,946)	(1,129,535)	(934,364)	195,171
<b>Other financing sources (uses):</b>				
Loan to other funds . . . . .	(2,199,191)	(2,199,191)	(2,199,191)	-
Payment on loan from other funds . . . . .	(260,000)	(260,000)	(260,000)	-
Repayment of loan to other funds . . . . .	281,580	281,580	281,580	-
Transfers out . . . . .	(195,231)	(774,077)	(758,467)	15,610
Total other financing sources (uses) . . . . .	(2,372,842)	(2,951,688)	(2,936,078)	15,610
Net change in fund balance . . . . .	(3,645,788)	(4,081,223)	(3,870,442)	210,781
<b>Fund balance at beginning of year . . . . .</b>	1,592,127	1,592,127	1,592,127	-
<b>Prior year encumbrances appropriated . . . . .</b>	113,449	113,449	113,449	-
<b>Fund balance (deficit) at end of year . . . . .</b>	<u>\$ (1,940,212)</u>	<u>\$ (2,375,647)</u>	<u>\$ (2,164,866)</u>	<u>\$ 210,781</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COMMUNITY DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 2,831,376	\$ 2,228,762	\$ 1,848,167	\$ (380,595)
Investment income . . . . .	90,000	79,845	67,019	(12,826)
Other . . . . .	370,446	340,859	225,701	(115,158)
<b>Total revenues . . . . .</b>	<u>3,291,822</u>	<u>2,649,466</u>	<u>2,140,887</u>	<u>(508,579)</u>
<b>Expenditures:</b>				
Current:				
Community environment				
Personal services . . . . .	249,809	258,532	250,260	8,272
Materials and supplies . . . . .	16,110	24,188	17,392	6,796
Contractual services . . . . .	3,020,832	2,356,459	1,574,219	782,240
Other . . . . .	10,000	4,646	4,305	341
<b>Total expenditures . . . . .</b>	<u>3,296,751</u>	<u>2,643,825</u>	<u>1,846,176</u>	<u>797,649</u>
Excess (deficiency) of revenues over (under) expenses . . . . .	<u>(4,929)</u>	<u>5,641</u>	<u>294,711</u>	<u>289,070</u>
<b>Other financing sources (uses):</b>				
Sale of capital assets . . . . .	74,554	74,554	74,554	-
Transfers out . . . . .	(250,000)	(250,000)	(250,000)	-
<b>Total other financing sources (uses) . . . . .</b>	<u>(175,446)</u>	<u>(175,446)</u>	<u>(175,446)</u>	<u>-</u>
<b>Net change in fund balance . . . . .</b>	<u>(180,375)</u>	<u>(169,805)</u>	<u>119,265</u>	<u>289,070</u>
<b>Fund balance at beginning of year . . . . .</b>	93,819	93,819	93,819	-
<b>Prior year encumbrances appropriated . . . . .</b>	86,556	86,556	86,556	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ 10,570</u>	<u>\$ 299,640</u>	<u>\$ 289,070</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SAFETY SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 17,851,070	\$ 17,818,635	\$ 17,818,139	\$ (496)
Charges for services . . . . .	1,152,120	1,170,767	1,254,549	83,782
Licenses, permits and fees. . . . .	98,700	102,994	106,938	3,944
Fines and forfeitures. . . . .	105,000	157,983	158,143	160
Intergovernmental . . . . .	18,981	115,854	115,854	-
Other . . . . .	45,461	25,408	33,965	8,557
<b>Total revenues . . . . .</b>	<b>19,271,332</b>	<b>19,391,641</b>	<b>19,487,588</b>	<b>95,947</b>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services. . . . .	12,231,777	12,117,003	13,477,144	(1,360,141)
Fringe benefits. . . . .	3,557,910	3,092,317	3,194,616	(102,299)
Materials and supplies . . . . .	389,785	444,543	355,449	89,094
Contractual services . . . . .	3,611,639	3,976,568	4,632,981	(656,413)
Capital outlay . . . . .	197,553	155,588	155,588	-
Other. . . . .	77,845	43,616	43,616	-
<b>Total expenditures . . . . .</b>	<b>20,066,509</b>	<b>19,829,635</b>	<b>21,859,394</b>	<b>(2,029,759)</b>
Deficiency of revenues under expenditures . . .	(795,177)	(437,994)	(2,371,806)	(1,933,812)
<b>Other financing sources (uses):</b>				
Loans from other funds . . . . .	1,764,198	1,764,198	1,764,198	-
Transfers in . . . . .	77,435	440,854	606,023	165,169
Transfers out . . . . .	(381,664)	(381,664)	(381,664)	-
<b>Total other financing sources (uses) . . . . .</b>	<b>1,459,969</b>	<b>1,823,388</b>	<b>1,988,557</b>	<b>165,169</b>
Net change in fund balance . . . . .	664,792	1,385,394	(383,249)	(1,768,643)
<b>Fund balance at beginning of year . . . . .</b>	<b>197,153</b>	<b>197,153</b>	<b>197,153</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>186,096</b>	<b>186,096</b>	<b>186,096</b>	<b>-</b>
<b>Fund balance at end of year. . . . .</b>	<b>\$ 1,048,041</b>	<b>\$ 1,768,643</b>	<b>\$ -</b>	<b>\$ (1,768,643)</b>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,831,843	\$ 2,268,565	\$ 1,334,704	\$ (933,861)
Charges for services . . . . .	-	75,414	75,414	-
Other . . . . .	-	21,823	27,460	5,637
	<hr/>	<hr/>	<hr/>	<hr/>
Total revenues . . . . .	1,831,843	2,365,802	1,437,578	(928,224)
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	556,317	931,509	508,086	423,423
Fringe benefits . . . . .	-	90,723	25,918	64,805
Materials and supplies . . . . .	122,236	123,386	22,813	100,573
Contractual services . . . . .	147,391	419,631	228,945	190,686
Capital outlay . . . . .	144,109	170,552	159,918	10,634
Other . . . . .	278,520	268,878	139,190	129,688
Total public safety . . . . .	<hr/> 1,248,573	<hr/> 2,004,679	<hr/> 1,084,870	<hr/> 919,809
Public health and welfare				
Personal services . . . . .	58,352	53,769	47,493	6,276
Materials and supplies . . . . .	17,179	17,179	11,600	5,579
Contractual services . . . . .	42,393	24,393	24,393	-
Total public health and welfare . . . . .	<hr/> 117,924	<hr/> 95,341	<hr/> 83,486	<hr/> 11,855
General government				
Personal services . . . . .	109,532	173,266	170,723	2,543
Materials and supplies . . . . .	3,842	8,023	4,421	3,602
Capital outlay . . . . .	2,698	2,263	-	2,263
Contractual services . . . . .	950,226	741,537	300,718	440,819
Total general government . . . . .	<hr/> 1,066,298	<hr/> 925,089	<hr/> 475,862	<hr/> 449,227
Total expenditures . . . . .	<hr/> 2,432,795	<hr/> 3,025,109	<hr/> 1,644,218	<hr/> 1,380,891
Deficiency of revenues under expenses . . . . .	<hr/> (600,952)	<hr/> (659,307)	<hr/> (206,640)	<hr/> 452,667
<b>Other financing sources:</b>				
Transfers in . . . . .	<hr/> 156,616	<hr/> 246,275	<hr/> 246,274	<hr/> (1)
Total other financing sources . . . . .	<hr/> 156,616	<hr/> 246,275	<hr/> 246,274	<hr/> (1)
Net change in fund balance . . . . .	(444,336)	(413,032)	39,634	452,666
<b>Fund balance at beginning of year . . . . .</b>	213,657	213,657	213,657	-
<b>Prior year encumbrances appropriated . . . . .</b>	<hr/> 250,248	<hr/> 250,248	<hr/> 250,248	<hr/> -
<b>Fund balance at end of year . . . . .</b>	<hr/> <u>\$ 19,569</u>	<hr/> <u>\$ 50,873</u>	<hr/> <u>\$ 503,539</u>	<hr/> <u>\$ 452,666</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STREET CONSTRUCTION MAINTENANCE AND REPAIR FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>		<u>Final Budget</u>
				<u>Positive</u>
				<u>(Negative)</u>
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 42,208	\$ 42,208	\$ 42,208	\$ -
Intergovernmental . . . . .	1,826,000	1,826,000	1,833,171	7,171
Charges for services . . . . .	395,238	130,933	130,933	-
Investment income . . . . .	3,000	500	171	(329)
Other . . . . .	114,770	52,211	7,064	(45,147)
<b>Total revenues . . . . .</b>	<b>2,381,216</b>	<b>2,051,852</b>	<b>2,013,547</b>	<b>(38,305)</b>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services . . . . .	1,125,715	991,862	943,657	48,205
Fringe benefits . . . . .	117,702	5,611	3,950	1,661
Materials and supplies . . . . .	493,446	598,014	553,045	44,969
Contractual services . . . . .	549,374	615,375	435,521	179,854
<b>Total expenditures . . . . .</b>	<b>2,286,237</b>	<b>2,210,862</b>	<b>1,936,173</b>	<b>274,689</b>
Excess (deficiency) of revenues over (under) expenses . . . . .	94,979	(159,010)	77,374	236,384
<b>Other financing uses:</b>				
Transfers out . . . . .	(84,523)	(84,523)	(84,523)	-
<b>Total other financing uses . . . . .</b>	<b>(84,523)</b>	<b>(84,523)</b>	<b>(84,523)</b>	<b>-</b>
Net change in fund balance . . . . .	10,456	(243,533)	(7,149)	236,384
<b>Fund balance at beginning of year . . . . .</b>	<b>105,525</b>	<b>105,525</b>	<b>105,525</b>	<b>-</b>
<b>Prior year encumbrances appropriated . . . . .</b>	<b>138,013</b>	<b>138,013</b>	<b>138,013</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 253,994</b>	<b>\$ 5</b>	<b>\$ 236,389</b>	<b>\$ 236,384</b>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STATE HIGHWAY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 150,000	\$ 150,001	\$ 148,554	\$ (1,447)
Investment income . . . . .	1,200	1,200	470	(730)
Total revenues . . . . .	<u>151,200</u>	<u>151,201</u>	<u>149,024</u>	<u>(2,177)</u>
<b>Expenditures:</b>				
Current:				
Transportation				
Personal services . . . . .	120,000	120,000	120,000	-
Materials and supplies . . . . .	49,437	49,437	8,319	41,118
Total expenditures . . . . .	<u>169,437</u>	<u>169,437</u>	<u>128,319</u>	<u>41,118</u>
Net change in fund balance . . . . .	(18,237)	(18,236)	20,705	38,941
<b>Fund balance at beginning of year . . . . .</b>	<u>18,238</u>	<u>18,238</u>	<u>18,238</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 38,943</u>	<u>\$ 38,941</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 REGIONAL COMMUNITY ADVANCEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 502,434	\$ 855,489	\$ 924,805	69,316
Charges for services . . . . .	54,567	54,567	48,640	(5,927)
Other . . . . .	-	-	986	986
Total revenues . . . . .	<u>557,001</u>	<u>910,056</u>	<u>974,431</u>	<u>64,375</u>
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	431,499	667,190	644,020	23,170
Materials and supplies . . . . .	50,245	70,089	64,862	5,227
Contractual services . . . . .	176,508	237,549	225,818	11,731
Other . . . . .	45,370	74,037	69,128	4,909
Total expenditures . . . . .	<u>703,622</u>	<u>1,048,865</u>	<u>1,003,828</u>	<u>45,037</u>
Deficiency of revenues under expenditures . . . . .	<u>(146,621)</u>	<u>(138,809)</u>	<u>(29,397)</u>	<u>109,412</u>
<b>Other financing sources:</b>				
Transfers in . . . . .	<u>129,031</u>	<u>128,636</u>	<u>124,999</u>	<u>(3,637)</u>
Total other financing sources . . . . .	<u>129,031</u>	<u>128,636</u>	<u>124,999</u>	<u>(3,637)</u>
Net change in fund balance . . . . .	(17,590)	(10,173)	95,602	105,775
<b>Fund balance at beginning of year . . . . .</b>	23,671	23,671	23,671	-
<b>Prior year encumbrances appropriated . . . . .</b>	756	756	756	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 6,837</u>	<u>\$ 14,254</u>	<u>\$ 120,029</u>	<u>\$ 105,775</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DRUG LAW ENFORCEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 5,000	\$ 5,001	\$ 3,834	\$ (1,167)
Total revenues . . . . .	5,000	5,001	3,834	(1,167)
<b>Expenditures:</b>				
Current:				
Public safety				
Other . . . . .	40,880	40,880	7,195	33,685
Total expenditures . . . . .	40,880	40,880	7,195	33,685
Net change in fund balance . . . . .	(35,880)	(35,879)	(3,361)	32,518
<b>Fund balance at beginning of year . . . . .</b>	<u>35,881</u>	<u>35,881</u>	<u>35,881</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 32,520</u>	<u>\$ 32,518</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LAW ENFORCEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 50,000	\$ 63,711	\$ 126,554	\$ 62,843
Investment income . . . . .	1,127	1,127	50	(1,077)
Other . . . . .	751	751	-	(751)
	<u>51,878</u>	<u>65,589</u>	<u>126,604</u>	<u>61,015</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Contractual services . . . . .	-	24,893	-	24,893
Capital outlay . . . . .	213,698	188,798	188,798	-
Other . . . . .	113,822	113,822	57,384	56,438
	<u>327,520</u>	<u>327,513</u>	<u>246,182</u>	<u>81,331</u>
Total expenditures . . . . .				
Deficiency of revenues under expenses . . . . .	<u>(275,642)</u>	<u>(261,924)</u>	<u>(119,578)</u>	<u>142,346</u>
<b>Other financing sources:</b>				
Capital lease . . . . .	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Total other financing sources . . . . .	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net change in fund balance . . . . .	(175,642)	(161,924)	(19,578)	142,346
<b>Fund balance at beginning of year . . . . .</b>	11,607	11,607	11,607	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>188,698</u>	<u>188,698</u>	<u>188,698</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 24,663</u>	<u>\$ 38,381</u>	<u>\$ 180,727</u>	<u>\$ 142,346</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PERMISSIVE SALES TAX FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 682,250	\$ 636,251	\$ 640,430	\$ 4,179
Total revenues . . . . .	682,250	636,251	640,430	4,179
<b>Expenditures:</b>				
Current:				
Transportation				
Contractual services . . . . .	1,413,924	1,367,924	765,783	602,141
Total expenditures . . . . .	1,413,924	1,367,924	765,783	602,141
Net change in fund balance . . . . .	(731,674)	(731,673)	(125,353)	606,320
<b>Fund balance at beginning of year . . . . .</b>	108,962	108,962	108,962	-
<b>Prior year encumbrances appropriated . . . . .</b>	622,714	622,714	622,714	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 2</u>	<u>\$ 3</u>	<u>\$ 606,323</u>	<u>\$ 606,320</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDUSTRIAL DEVELOPMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 240,000	\$ 240,000	\$ 240,000	\$ -
Intergovernmental . . . . .	65,870	65,871	48,334	(17,537)
Investment income . . . . .	21,505	10,000	10,243	243
Other . . . . .	174,803	48,185	20,412	(27,773)
	<u>502,178</u>	<u>364,056</u>	<u>318,989</u>	<u>(45,067)</u>
Total revenues . . . . .				
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	77,170	70,039	70,039	-
Materials and supplies . . . . .	45,000	44,768	11,131	33,637
Contractual services . . . . .	938,166	938,166	739,546	198,620
	<u>1,060,336</u>	<u>1,052,973</u>	<u>820,716</u>	<u>232,257</u>
Total expenditures . . . . .				
Net change in fund balance . . . . .	(558,158)	(688,917)	(501,727)	187,190
<b>Fund balance at beginning of year . . . . .</b>	215,576	215,576	215,576	-
<b>Prior year encumbrances appropriated . . . . .</b>	477,022	477,022	477,022	-
	<u>692,600</u>	<u>692,600</u>	<u>692,600</u>	<u>0</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 134,440</u>	<u>\$ 3,681</u>	<u>\$ 190,871</u>	<u>\$ 187,190</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INDIGENT DRIVERS ALCOHOL TREATMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 27,319	\$ 27,319	\$ 27,319	\$ -
Fines and forfeitures . . . . .	7,682	7,682	23,150	15,468
Total revenues . . . . .	<u>35,001</u>	<u>35,001</u>	<u>50,469</u>	<u>15,468</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Other . . . . .	<u>38,261</u>	<u>38,261</u>	<u>1,800</u>	<u>36,461</u>
Total expenditures . . . . .	<u>38,261</u>	<u>38,261</u>	<u>1,800</u>	<u>36,461</u>
Net change in fund balance . . . . .	(3,260)	(3,260)	48,669	51,929
<b>Fund balance at beginning of year . . . . .</b>	<u>3,260</u>	<u>3,260</u>	<u>3,260</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,929</u>	<u>\$ 51,929</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT COMPUTERIZATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 237,906	\$ 167,907	\$ 172,248	\$ 4,341
Total revenues . . . . .	237,906	167,907	172,248	4,341
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	85,702	56,212	54,360	1,852
Materials and supplies . . . . .	340,476	506,124	130,273	375,851
Contractual services . . . . .	312,607	106,450	61,702	44,748
Total expenditures . . . . .	738,785	668,786	246,335	422,451
Deficiency of revenues under expenditures . . .	(500,879)	(500,879)	(74,087)	426,792
<b>Other financing uses:</b>				
Transfers out . . . . .	(185,807)	(185,807)	(185,807)	-
Total other financing uses . . . . .	(185,807)	(185,807)	(185,807)	-
Net change in fund balance . . . . .	(686,686)	(686,686)	(259,894)	426,792
<b>Fund balance at beginning of year . . . . .</b>	638,692	638,692	638,692	-
<b>Prior year encumbrances appropriated . . . . .</b>	47,994	47,994	47,994	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 426,792</u>	<u>\$ 426,792</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 LOCAL LAW ENFORCEMENT BLOCK GRANT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 165,218	\$ 156,218	\$ 156,218	\$ -
Other . . . . .	-	400	444	44
Total revenues . . . . .	<u>165,218</u>	<u>156,618</u>	<u>156,662</u>	<u>44</u>
<b>Expenditures:</b>				
Current:				
Public safety				
Personal services . . . . .	166,218	166,218	82,036	84,182
Capital outlay . . . . .	65,997	65,997	26,059	39,938
Other . . . . .	15,000	15,000	-	15,000
Total expenditures . . . . .	<u>247,215</u>	<u>247,215</u>	<u>108,095</u>	<u>139,120</u>
Net change in fund balance . . . . .	(81,997)	(90,597)	48,567	139,164
<b>Fund balance at beginning of year . . . . .</b>	90,878	90,878	90,878	-
<b>Prior year encumbrances appropriated . . . . .</b>	117	117	117	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 8,998</u>	<u>\$ 398</u>	<u>\$ 139,562</u>	<u>\$ 139,164</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 PROBATION SERVICES FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Licenses, permits and fees . . . . .	\$ 122,601	\$ 122,601	\$ 164,625	\$ 42,024
Total revenues . . . . .	122,601	122,601	164,625	42,024
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	77,724	77,724	77,528	196
Contractual services . . . . .	36,242	36,242	21,178	15,064
Materials and supplies . . . . .	30,027	30,027	26,734	3,293
Total expenditures . . . . .	143,993	143,993	125,440	18,553
Net change in fund balance . . . . .	(21,392)	(21,392)	39,185	60,577
<b>Fund balance at beginning of year . . . . .</b>	21,365	21,365	21,365	-
<b>Prior year encumbrances appropriated . . . . .</b>	27	27	27	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 60,577</u>	<u>\$ 60,577</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 COURT COSTS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Fines and forfeitures . . . . .	\$ 380,000	\$ 560,000	\$ 533,099	\$ (26,901)
Total revenues . . . . .	380,000	560,000	533,099	(26,901)
<b>Expenditures:</b>				
Current:				
General government				
Personal services . . . . .	350,369	385,523	374,227	11,296
Contractual services . . . . .	300,000	469,788	339,846	129,942
Materials and supplies . . . . .	17,500	-	-	-
Debt service				
Principal retirement . . . . .	305,000	305,000	305,000	-
Interest and fiscal charges . . . . .	14,030	16,728	16,728	-
Total expenditures . . . . .	986,899	1,177,039	1,035,801	141,238
Deficiency of revenues under expenses . . . . .	(606,899)	(617,039)	(502,702)	114,337
<b>Other financing sources:</b>				
Transfers in . . . . .	185,807	185,807	185,807	-
Bond proceeds . . . . .	300,000	300,000	300,000	-
Total other financing sources . . . . .	485,807	485,807	485,807	-
Net change in fund balance . . . . .	(121,092)	(131,232)	(16,895)	114,337
<b>Fund balance at beginning of year . . . . .</b>	<u>311,233</u>	<u>311,233</u>	<u>311,233</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 190,141</u>	<u>\$ 180,001</u>	<u>\$ 294,338</u>	<u>\$ 114,337</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 CHAMBER DISTRICT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Other . . . . .	\$ 200,000	\$ -	\$ -	\$ -
Total revenues . . . . .	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Expenditures:</b>				
Current:				
General government				
Contractual services . . . . .	200,000	-	-	-
Debt service				
Principal retirement . . . . .	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures . . . . .	<u>400,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deficiency of revenues under expenses . . . . .	<u>(200,000)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Other financing sources:</b>				
Note proceeds . . . . .	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources . . . . .	<u>200,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 DEBT SERVICE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Investment income . . . . .	\$ 16	\$ 16	\$ 16	\$ -
Total revenues . . . . .	16	16	16	-
<b>Expenditures:</b>				
Current:				
Debt service				
Principal retirement . . . . .	320,000	320,000	320,000	-
Interest and fiscal charges . . . . .	186,948	186,948	186,946	2
Other. . . . .	22	129,253	129,253	-
Total expenditures . . . . .	506,970	636,201	636,199	2
Deficiency of revenues under expenditures . . .	(506,954)	(636,185)	(636,183)	2
<b>Other financing sources:</b>				
Bond proceeds . . . . .	102,573	64,792	88,750	23,958
Sale of bond premium . . . . .	64,448	64,448	64,448	-
Transfers in . . . . .	497,360	497,360	497,358	(2)
Total other financing sources . . . . .	664,381	626,600	650,556	23,956
Net change in fund balance . . . . .	157,427	(9,585)	14,373	23,958
<b>Fund balance at beginning of year . . . . .</b>	<b>71,908</b>	<b>71,908</b>	<b>71,908</b>	<b>-</b>
<b>Fund balance at end of year . . . . .</b>	<b>\$ 229,335</b>	<b>\$ 62,323</b>	<b>\$ 86,281</b>	<b>\$ 23,958</b>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 STREET RESURFACING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 3,242,857	\$ 3,242,858	\$ 3,083,309	\$ (159,549)
Total revenues . . . . .	<u>3,242,857</u>	<u>3,242,858</u>	<u>3,083,309</u>	<u>(159,549)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>3,976,413</u>	<u>3,976,413</u>	<u>3,105,248</u>	<u>871,165</u>
Total expenditures . . . . .	<u>3,976,413</u>	<u>3,976,413</u>	<u>3,105,248</u>	<u>871,165</u>
Net change in fund balance . . . . .	<u>(733,556)</u>	<u>(733,555)</u>	<u>(21,939)</u>	<u>711,616</u>
<b>Fund balance at beginning of year . . . . .</b>	671,557	671,557	671,557	-
<b>Prior year encumbrances appropriated . . . . .</b>	<u>107,414</u>	<u>107,414</u>	<u>107,414</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 45,415</u>	<u>\$ 45,416</u>	<u>\$ 757,032</u>	<u>\$ 711,616</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 ISSUE II IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 1,925,000	\$ 680,000	\$ 425,000	\$ (255,000)
Total revenues . . . . .	<u>1,925,000</u>	<u>680,000</u>	<u>425,000</u>	<u>(255,000)</u>
<b>Expenditures:</b>				
Capital outlay . . . . .	<u>1,925,000</u>	<u>680,000</u>	<u>425,000</u>	<u>255,000</u>
Total expenditures . . . . .	<u>1,925,000</u>	<u>680,000</u>	<u>425,000</u>	<u>255,000</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SECTION 108 IMPROVEMENT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Investment income . . . . .	\$ 2,969	\$ 2,969	\$ -	\$ (2,969)
Total revenues . . . . .	2,969	2,969	-	(2,969)
<b>Expenditures:</b>				
Capital outlay . . . . .	480,427	480,427	343,416	137,011
Debt service				
Principal retirement . . . . .	2,150,000	2,150,000	2,125,000	25,000
Interest and fiscal charges . . . . .	106,250	106,250	88,077	18,173
Total expenditures . . . . .	2,736,677	2,736,677	2,556,493	180,184
Deficiency of revenues under expenditures . . . . .	(2,733,708)	(2,733,708)	(2,556,493)	177,215
<b>Other financing sources:</b>				
Bond proceeds . . . . .	2,228,250	2,228,250	2,231,250	3,000
Total other financing sources . . . . .	2,228,250	2,228,250	2,231,250	3,000
Net change in fund balance . . . . .	(505,458)	(505,458)	(325,243)	180,215
<b>Fund balance at beginning of year . . . . .</b>	413,481	413,481	413,481	-
<b>Prior year encumbrances appropriated . . . . .</b>	112,860	112,860	112,860	-
<b>Fund balance at end of year . . . . .</b>	<u>\$ 20,883</u>	<u>\$ 20,883</u>	<u>\$ 201,098</u>	<u>\$ 180,215</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 FIXED ASSET ACQUISITION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 70,836	\$ 49,790	\$ 49,790	\$ -
Total revenues . . . . .	70,836	49,790	49,790	-
<b>Expenditures:</b>				
Capital outlay . . . . .	784,336	-	-	-
Total expenditures . . . . .	784,336	-	-	-
Net change in fund balance . . . . .	(713,500)	49,790	49,790	-
<b>Fund balance at beginning of year . . . . .</b>	459,219	459,219	459,219	-
<b>Prior year encumbrances appropriated . . . . .</b>	254,281	254,281	254,281	-
<b>Fund balance at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ 763,290</u>	<u>\$ 763,290</u>	<u>\$ -</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 2005 SERVICE FLEET FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 256,232	\$ 256,232	\$ 256,232	\$ -
Total revenues . . . . .	<u>256,232</u>	<u>256,232</u>	<u>256,232</u>	<u>-</u>
<b>Expenditures:</b>				
Debt service				
Principal retirement . . . . .	255,000	255,000	255,000	-
Interest and fiscal charges . . . . .	<u>1,232</u>	<u>1,232</u>	<u>1,232</u>	<u>-</u>
Total expenditures . . . . .	<u>256,232</u>	<u>256,232</u>	<u>256,232</u>	<u>-</u>
Net change in fund balance . . . . .	-	-	-	-
<b>Fund balance at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN  
 FUND BALANCE - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 MILLER PARK FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Intergovernmental . . . . .	\$ 2,795,745	\$ 1,154,547	\$ 693,938	\$ (460,609)
Total revenues . . . . .	2,795,745	1,154,547	693,938	(460,609)
<b>Expenditures:</b>				
Capital outlay . . . . .	2,513,569	872,371	872,369	2
Total expenditures . . . . .	2,513,569	872,371	872,369	2
Excess (deficiency) of revenues over (under) expenses . . . . .	282,176	282,176	(178,431)	(460,607)
<b>Other financing sources (uses):</b>				
Repayment of loan from other funds . . . . .	(281,580)	(281,580)	(281,580)	-
Loans from other funds . . . . .	431,770	431,770	431,770	-
Total other financing sources (uses) . . . . .	150,190	150,190	150,190	-
Net change in fund balance . . . . .	432,366	432,366	(28,241)	(460,607)
<b>Fund balance at beginning of year . . . . .</b>	<u>28,241</u>	<u>28,241</u>	<u>28,241</u>	<u>-</u>
<b>Fund balance at end of year . . . . .</b>	<u>\$ 460,607</u>	<u>\$ 460,607</u>	<u>\$ -</u>	<u>\$ (460,607)</u>

**CITY OF MANSFIELD, OHIO**

STATEMENT - NONMAJOR ENTERPRISE FUND

FUND DESCRIPTION

**Nonmajor Enterprise Fund**

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

***Airport Operating:***

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

**CITY OF MANSFIELD, OHIO**

STATEMENT OF NET ASSETS  
NONMAJOR ENTERPRISE FUND  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<b>Airport Operating</b>
<b>Assets:</b>	
Equity in pooled cash and cash equivalents . . . . .	\$ 6,343
Receivables (net of allowances of uncollectibles):	
Taxes . . . . .	75,333
Accounts . . . . .	19,146
Materials and supplies inventory . . . . .	32,914
Total current assets . . . . .	133,736
Noncurrent assets:	
Capital assets:	
Land and construction in progress . . . . .	1,493,629
Depreciable capital assets, net . . . . .	1,266,302
Total capital assets . . . . .	2,759,931
Total assets . . . . .	2,893,667
 <b>Liabilities:</b>	
Current liabilities:	
Accounts payable . . . . .	2,514
Accrued wages and benefits . . . . .	3,518
Loans from other funds . . . . .	3,223
Due to other governments . . . . .	7,421
Total current liabilities . . . . .	16,676
Long-term liabilities:	
Compensated absences . . . . .	57,263
Total long-term liabilities . . . . .	57,263
Total liabilities . . . . .	73,939
 <b>Net assets:</b>	
Invested in capital assets, net of related debt . . . . .	2,759,931
Unrestricted . . . . .	59,797
Total net assets . . . . .	\$ 2,819,728

**CITY OF MANSFIELD, OHIO**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**NONMAJOR ENTERPRISE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	<b>Airport Operating</b>
<b>Operating revenues:</b>	
Charges for services . . . . .	\$ 63,969
Total operating revenues . . . . .	63,969
<b>Operating expenses:</b>	
Personal services . . . . .	179,533
Fringe benefits . . . . .	1,624
Contractual services. . . . .	190,667
Materials and supplies . . . . .	30,820
Depreciation . . . . .	215,297
Utilities . . . . .	65,181
Total operating expenses . . . . .	683,122
Operating loss . . . . .	(619,153)
<b>Nonoperating revenues (expenses):</b>	
Other nonoperating revenue . . . . .	7,064
Other nonoperating expenses . . . . .	(190)
Intergovernmental . . . . .	73,888
Municipal income tax . . . . .	263,384
Total nonoperating revenues (expenses) . . . . .	344,146
Changes in net assets . . . . .	(275,007)
<b>Net assets at beginning of year . . . . .</b>	<b>3,094,735</b>
<b>Net assets at end of year . . . . .</b>	<b>\$ 2,819,728</b>

**CITY OF MANSFIELD, OHIO**  
**STATEMENT OF CASH FLOWS**  
**NONMAJOR ENTERPRISE FUND**  
**FOR THE YEAR ENDED DECEMBER 31, 2009**

	<b>Airport Operating</b>
<b>Cash flows from operating activities:</b>	
Cash received from customers . . . . .	\$ 63,508
Cash received from other operating revenues . . . . .	4,964
Cash payments to employees . . . . .	(183,534)
Cash payments to suppliers . . . . .	(284,471)
Cash payments for other operating expenses . . . . .	(5,518)
	(405,051)
<b>Net cash used in operating activities . . . . .</b>	<b>(405,051)</b>
<b>Cash flows from noncapital financing activities:</b>	
Intergovernmental . . . . .	73,888
Loans from other funds . . . . .	3,223
Municipal income tax . . . . .	304,712
	381,823
<b>Net cash provided by non-capital financing activities . . . . .</b>	<b>381,823</b>
Net decrease in cash and cash equivalents . . . . .	(23,228)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<b>29,571</b>
<b>Cash and cash equivalents at end of year . . . . .</b>	<b>\$ 6,343</b>
<b>Reconciliation of operating loss to net cash used in operating activities:</b>	
Operating loss . . . . .	\$ (619,153)
Adjustments to reconcile operating loss to net cash used in operating activities:	
Depreciation . . . . .	215,297
Other non-operating expenses . . . . .	(190)
Other non-operating revenues . . . . .	7,064
Changes in assets and liabilities:	
(Increase) in accounts receivable . . . . .	(2,561)
(Increase) in inventory of supplies . . . . .	(201)
Increase in accounts payable . . . . .	2,398
(Decrease) in accrued wages and benefits . . . . .	(9,982)
(Decrease) in due to other governments . . . . .	(3,704)
Increase in compensated absences payable . . . . .	5,981
	5,981
<b>Net cash used in operating activities . . . . .</b>	<b>\$ (405,051)</b>



**CITY OF MANSFIELD, OHIO**

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

FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with Final Budget Positive (Negative)</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 7,893,135	\$ 6,693,135	\$ 6,901,270	\$ 208,135
Tap and license fees . . . . .	50,000	50,000	16,630	(33,370)
Other . . . . .	4,284	4,284	3,640	(644)
<b>Total revenues.</b> . . . .	<u>7,947,419</u>	<u>6,747,419</u>	<u>6,921,540</u>	<u>174,121</u>
<b>Expenses:</b>				
Personal services. . . . .	2,247,163	2,289,234	2,277,482	11,752
Fringe benefits. . . . .	177,189	49,779	42,571	7,208
Materials and supplies . . . . .	940,200	902,404	844,116	58,288
Contractual services . . . . .	4,064,627	4,679,237	4,358,363	320,874
Utilities . . . . .	1,450,154	746,900	598,881	148,019
Capital outlay . . . . .	69,520	69,520	69,520	-
Other . . . . .	32,249	12,867	3,640	9,227
<b>Total expenses</b> . . . . .	<u>8,981,102</u>	<u>8,749,941</u>	<u>8,194,573</u>	<u>555,368</u>
<b>Net change in fund equity</b> . . . . .	<u>(1,033,683)</u>	<u>(2,002,522)</u>	<u>(1,273,033)</u>	<u>729,489</u>
<b>Fund equity at beginning of year</b> . . . . .	2,756,370	2,756,370	2,756,370	-
<b>Prior year encumbrances appropriated</b> . . . . .	331,617	331,617	331,617	-
<b>Fund equity at end of year.</b> . . . .	<u>\$ 2,054,304</u>	<u>\$ 1,085,465</u>	<u>\$ 1,814,954</u>	<u>\$ 729,489</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 SEWER FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<b>Variance with</b>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<b>Final Budget Positive (Negative)</b>
<b>Revenues:</b>				
Charges for services . . . . .	\$ 7,380,496	\$ 7,617,567	\$ 7,915,590	\$ 298,023
Tap and license fees . . . . .	-	1,299	385	(914)
Investment earnings . . . . .	-	20,670	20,670	-
Other . . . . .	782	1,742	782	(960)
<b>Total revenues.</b> . . . .	<u>7,381,278</u>	<u>7,641,278</u>	<u>7,937,427</u>	<u>296,149</u>
<b>Expenses:</b>				
Personal services. . . . .	1,760,164	1,863,333	1,843,165	20,168
Fringe benefits. . . . .	157,428	24,972	24,972	-
Materials and supplies . . . . .	323,803	373,803	321,455	52,348
Contractual services . . . . .	8,634,916	8,783,213	7,231,206	1,552,007
Utilities . . . . .	803,000	803,000	695,085	107,915
Capital Outlay . . . . .	115,367	115,367	115,367	-
Other . . . . .	20,305	17,761	8,441	9,320
Debt service Interest and fiscal charges . . . . .	99,250	99,250	66,211	33,039
<b>Total expenses</b> . . . . .	<u>11,914,233</u>	<u>12,080,699</u>	<u>10,305,902</u>	<u>1,774,797</u>
Deficiency of revenues under expenditures . . . .	<u>(4,532,955)</u>	<u>(4,439,421)</u>	<u>(2,368,475)</u>	<u>2,070,946</u>
Proceeds from the sale of bonds . . . . .	1,080,000	1,080,000	1,080,000	-
Payment on notes payable . . . . .	(1,985,000)	(1,985,000)	(1,985,000)	-
Payment on loan to other funds . . . . .	260,000	260,000	260,000	-
<b>Net change in fund equity</b> . . . . .	<u>(5,177,955)</u>	<u>(5,084,421)</u>	<u>(3,013,475)</u>	<u>2,070,946</u>
<b>Fund equity at beginning of year</b> . . . . .	7,326,378	7,326,378	7,326,378	-
<b>Prior year encumbrances appropriated</b> . . . . .	396,531	396,531	396,531	-
<b>Fund equity at end of year.</b> . . . .	<u>\$ 2,544,954</u>	<u>\$ 2,638,488</u>	<u>\$ 4,709,434</u>	<u>\$ 2,070,946</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 AIRPORT OPERATING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Property and other local taxes . . . . .	\$ 306,518	\$ 296,605	\$ 296,605	\$ -
Charges for services . . . . .	70,835	69,467	63,508	(5,959)
Intergovernmental . . . . .	73,000	73,888	73,888	-
Other . . . . .	200	7,679	7,679	-
	<u>450,553</u>	<u>447,639</u>	<u>441,680</u>	<u>(5,959)</u>
<b>Expenses:</b>				
Personal services . . . . .	182,227	183,534	183,534	-
Fringe benefits . . . . .	13,078	6,278	6,278	-
Materials and supplies . . . . .	33,517	21,020	18,586	2,434
Contractual services . . . . .	184,406	203,168	203,168	-
Utilities . . . . .	50,000	62,719	62,719	-
Other . . . . .	450	440	190	250
	<u>463,678</u>	<u>477,159</u>	<u>474,475</u>	<u>2,684</u>
Deficiency of revenues under expenditures . . . . .	(13,125)	(29,520)	(32,795)	(3,275)
Loans from other funds . . . . .	3,223	3,223	3,223	-
Net change in fund equity . . . . .	(9,902)	(26,297)	(29,572)	(3,275)
<b>Fund equity at beginning of year . . . . .</b>	25,540	25,540	25,540	-
<b>Prior year encumbrances appropriated . . . . .</b>	4,032	4,032	4,032	-
	<u>\$ 19,670</u>	<u>\$ 3,275</u>	<u>\$ -</u>	<u>\$ (3,275)</u>

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**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENTS - INTERNAL SERVICE FUNDS

FUND DESCRIPTIONS

**Internal Service Funds**

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

***Gargage Operating:***

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

***Information Technology:***

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

***Utility Collections:***

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

***Health Insurance:***

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

***OML Self Insurance:***

To account for the expenses incurred in the activity of liability insurance as a member of the Ohio Municipal League Joint Self-Insurance Pool.

***Workers' Compensation:***

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

***Benefit Fund:***

To account for the city share of medicare, life insurance and OPERS (Ohio Public Employees Retirement System) contributions for employees.

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF NET ASSETS  
INTERNAL SERVICE FUNDS  
DECEMBER 31, 2009

	<u>Garage Operating</u>	<u>Information Technology</u>	<u>Utility Collections</u>
<b>Assets:</b>			
Current assets:			
Equity in pooled cash and cash equivalents . . . . .	\$ 41,002	\$ 2,411	\$ 16,659
Materials and supplies inventory . . . . .	<u>4,042</u>	<u>8,577</u>	<u>7,618</u>
Total current assets. . . . .	<u>45,044</u>	<u>10,988</u>	<u>24,277</u>
Noncurrent assets:			
Capital assets:			
Depreciable capital assets, net . . . . .	<u>307,023</u>	<u>61,978</u>	<u>55,841</u>
Total capital assets . . . . .	<u>307,023</u>	<u>61,978</u>	<u>55,841</u>
Total assets . . . . .	<u>352,067</u>	<u>72,966</u>	<u>80,118</u>
<b>Liabilities:</b>			
Current liabilities:			
Accounts payable. . . . .	9,269	1,311	3,934
Contracts payable. . . . .	20,329	-	-
Accrued wages and benefits . . . . .	5,390	2,527	12,517
Due to other governments . . . . .	15,852	7,951	41,168
Claims payable. . . . .	<u>-</u>	<u>-</u>	<u>-</u>
Total current liabilities. . . . .	<u>50,840</u>	<u>11,789</u>	<u>57,619</u>
Long-term liabilities:			
Compensated absences . . . . .	<u>70,594</u>	<u>58,663</u>	<u>76,829</u>
Total long-term liabilities. . . . .	<u>70,594</u>	<u>58,663</u>	<u>76,829</u>
Total liabilities . . . . .	<u>121,434</u>	<u>70,452</u>	<u>134,448</u>
<b>Net assets:</b>			
Invested in capital assets, net of related debt. . . . .	307,023	61,978	55,841
Unrestricted (deficit). . . . .	<u>(76,390)</u>	<u>(59,464)</u>	<u>(110,171)</u>
Total net assets (deficit). . . . .	<u>\$ 230,633</u>	<u>\$ 2,514</u>	<u>\$ (54,330)</u>

<u>Health Insurance</u>	<u>OML Self Insurance</u>	<u>Workers' Compensation</u>	<u>Total</u>
\$ 19,401	\$ -	\$ 23,950	\$ 103,423
<u>-</u>	<u>-</u>	<u>-</u>	<u>20,237</u>
<u>19,401</u>	<u>-</u>	<u>23,950</u>	<u>123,660</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>424,842</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>424,842</u>
<u>19,401</u>	<u>-</u>	<u>23,950</u>	<u>548,502</u>
43,495	449,980	-	507,989
-	-	-	20,329
-	-	-	20,434
-	-	-	64,971
<u>583,540</u>	<u>-</u>	<u>-</u>	<u>583,540</u>
<u>627,035</u>	<u>449,980</u>	<u>-</u>	<u>1,197,263</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>206,086</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>206,086</u>
<u>627,035</u>	<u>449,980</u>	<u>-</u>	<u>1,403,349</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>424,842</u>
<u>(607,634)</u>	<u>(449,980)</u>	<u>23,950</u>	<u>(1,279,689)</u>
<u>\$ (607,634)</u>	<u>\$ (449,980)</u>	<u>\$ 23,950</u>	<u>\$ (854,847)</u>

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Garage Operating</u>	<u>Information Technology</u>	<u>Utility Collections</u>
<b>Operating revenues:</b>			
Charges for services . . . . .	\$ 1,252,134	\$ 378,651	\$ 1,649,403
Total operating revenues . . . . .	<u>1,252,134</u>	<u>378,651</u>	<u>1,649,403</u>
<b>Operating expenses:</b>			
Personal services . . . . .	281,942	214,452	710,021
Fringe benefits . . . . .	-	-	31,649
Contractual services . . . . .	287,000	231,962	706,852
Materials and supplies. . . . .	567,145	13,981	170,092
Depreciation. . . . .	109,367	28,843	16,607
Utilities . . . . .	-	-	4,343
Claims expense . . . . .	-	-	-
Total operating expenses . . . . .	<u>1,245,454</u>	<u>489,238</u>	<u>1,639,564</u>
Operating income (loss) . . . . .	<u>6,680</u>	<u>(110,587)</u>	<u>9,839</u>
<b>Nonoperating revenues:</b>			
Other nonoperating revenue . . . . .	<u>916</u>	<u>-</u>	<u>3,120</u>
Total nonoperating revenues . . . . .	<u>916</u>	<u>-</u>	<u>3,120</u>
Changes in net assets . . . . .	7,596	(110,587)	12,959
<b>Net assets (deficit) at beginning of year . . . . .</b>	<u>223,037</u>	<u>113,101</u>	<u>(67,289)</u>
<b>Net assets (deficit) at end of year . . . . .</b>	<u>\$ 230,633</u>	<u>\$ 2,514</u>	<u>\$ (54,330)</u>



<b>Health Insurance</b>	<b>OML Self Insurance</b>	<b>Workers' Compensation</b>	<b>Benefit Fund</b>	<b>Total</b>
\$ 6,825,273	\$ 484,169	\$ 833,909	\$ 2,757,980	\$ 14,181,519
6,825,273	484,169	833,909	2,757,980	14,181,519
-	-	-	-	1,206,415
-	-	-	-	31,649
374,439	934,149	858,742	2,757,980	6,151,124
-	-	-	-	751,218
-	-	-	-	154,817
-	-	-	-	4,343
5,981,763	-	-	-	5,981,763
6,356,202	934,149	858,742	2,757,980	14,281,329
469,071	(449,980)	(24,833)	-	(99,810)
-	-	-	-	4,036
-	-	-	-	4,036
469,071	(449,980)	(24,833)	-	(95,774)
(1,076,705)	-	48,783	-	(759,073)
\$ (607,634)	\$ (449,980)	\$ 23,950	\$ -	\$ (854,847)

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CASH FLOWS  
INTERNAL SERVICE FUNDS  
FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Garage Operating</u>	<u>Information Technology</u>	<u>Utility Collections</u>
<b>Cash flows from operating activities:</b>			
Cash received from customers . . . . .	\$ 1,252,134	\$ 378,651	\$ 1,649,403
Cash received from other operating revenues . . . . .	916	-	3,120
Cash payments to employees . . . . .	(389,024)	(186,073)	(785,550)
Cash payments for suppliers . . . . .	(842,719)	(247,280)	(857,544)
Cash payments for claims expense . . . . .	-	-	-
Cash payments for other operating expenses . . . . .	(5,200)	-	(25,997)
Net cash provided by (used in) operating activities . . . . .	<u>16,107</u>	<u>(54,702)</u>	<u>(16,568)</u>
<b>Cash flows from capital and related financing activities:</b>			
Acquisition of capital assets . . . . .	-	(5,127)	-
Net cash used in capital and related financing activities . . . . .	<u>-</u>	<u>(5,127)</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents . . . . .	16,107	(59,829)	(16,568)
<b>Cash and cash equivalents at beginning of year . . . . .</b>	<u>24,895</u>	<u>62,240</u>	<u>33,227</u>
<b>Cash and cash equivalents at end of year. . . . .</b>	<u>\$ 41,002</u>	<u>\$ 2,411</u>	<u>\$ 16,659</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>			
Operating income (loss) . . . . .	\$ 6,680	\$ (110,587)	\$ 9,839
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:			
Depreciation . . . . .	109,367	28,843	16,607
Other nonoperating revenues . . . . .	916	-	3,120
Changes in assets and liabilities:			
Decrease in inventory of supplies . . . . .	3,392	1,610	27,347
Increase (decrease) in accounts payable . . . . .	1,591	(2,947)	(3,604)
Increase in contracts payable . . . . .	6,443	-	-
(Decrease) in accrued wages and benefits . . . . .	(18,283)	(6,584)	(23,439)
Increase (decrease) in due to other governments . . . . .	(6,445)	(461)	5,652
Increase (decrease) in compensated absences payable (Decrease) in claims payable . . . . .	(87,554) -	35,424 -	(52,090) -
Net cash provided by (used in) operating activities . . . . .	<u>\$ 16,107</u>	<u>\$ (54,702)</u>	<u>\$ (16,568)</u>

<u>Health Insurance</u>	<u>OML Self Insurance</u>	<u>Workers' Compensation</u>	<u>Benefit Fund</u>	<u>Total</u>
\$ 6,825,273	\$ 484,169	\$ 833,909	\$ 2,757,980	\$ 14,181,519
-	-	-	-	4,036
-	-	-	-	(1,360,647)
(403,398)	(484,169)	(858,742)	(2,757,980)	(6,451,832)
(6,402,474)	-	-	-	(6,402,474)
-	-	-	-	(31,197)
<u>19,401</u>	<u>-</u>	<u>(24,833)</u>	<u>-</u>	<u>(60,595)</u>
-	-	-	-	(5,127)
-	-	-	-	(5,127)
19,401	-	(24,833)	-	(65,722)
-	-	48,783	-	169,145
<u>\$ 19,401</u>	<u>\$ -</u>	<u>\$ 23,950</u>	<u>\$ -</u>	<u>\$ 103,423</u>
\$ 469,071	\$ (449,980)	\$ (24,833)	\$ -	\$ (99,810)
-	-	-	-	154,817
-	-	-	-	4,036
-	-	-	-	32,349
(28,959)	449,980	-	-	416,061
-	-	-	-	6,443
-	-	-	-	(48,306)
-	-	-	-	(1,254)
-	-	-	-	(104,220)
<u>(420,711)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(420,711)</u>
<u>\$ 19,401</u>	<u>\$ -</u>	<u>\$ (24,833)</u>	<u>\$ -</u>	<u>\$ (60,595)</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 GARAGE OPERATING FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
<b>Revenues:</b>				
Charges for services . . . . .	\$ 1,894,473	\$ 1,409,231	\$ 1,252,134	\$ (157,097)
Other . . . . .	14,200	1,001	916	(85)
Total revenues. . . . .	<u>1,908,673</u>	<u>1,410,232</u>	<u>1,253,050</u>	<u>(157,182)</u>
<b>Expenses:</b>				
Personal services. . . . .	313,434	389,667	389,024	643
Fringe benefits . . . . .	52,312	7,812	5,800	2,012
Materials and supplies . . . . .	788,745	723,545	592,235	131,310
Contractual services . . . . .	256,404	299,098	288,260	10,838
Total expenses . . . . .	<u>1,410,895</u>	<u>1,420,122</u>	<u>1,275,319</u>	<u>144,803</u>
Net change in fund equity . . . . .	497,778	(9,890)	(22,269)	(12,379)
Fund equity at beginning of year . . . . .	23,747	23,747	23,747	-
Prior year encumbrances appropriated . . . . .	1,144	1,144	1,144	-
Fund equity at end of year. . . . .	<u>\$ 522,669</u>	<u>\$ 15,001</u>	<u>\$ 2,622</u>	<u>\$ (12,379)</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 INFORMATION TECHNOLOGY FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 399,005	\$ 400,711	\$ 378,651	\$ (22,060)
Total revenues. . . . .	<u>399,005</u>	<u>400,711</u>	<u>378,651</u>	<u>(22,060)</u>
<b>Expenses:</b>				
Personal services. . . . .	188,078	192,313	186,073	6,240
Materials and supplies . . . . .	15,327	15,327	14,305	1,022
Contractual services . . . . .	201,069	221,187	211,679	9,508
Capital outlay . . . . .	28,031	28,531	28,443	88
Other . . . . .	551	551	-	551
Total expenses . . . . .	<u>433,056</u>	<u>457,909</u>	<u>440,500</u>	<u>17,409</u>
Net change in fund equity . . . . .	(34,051)	(57,198)	(61,849)	(4,651)
Fund equity at beginning of year . . . . .	22,231	22,231	22,231	-
Prior year encumbrances appropriated . . . . .	40,010	40,010	40,010	-
Fund equity at end of year. . . . .	<u>\$ 28,190</u>	<u>\$ 5,043</u>	<u>\$ 392</u>	<u>\$ (4,651)</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 UTILITY COLLECTIONS FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 1,510,617	\$ 1,722,477	\$ 1,649,403	\$ (73,074)
Other . . . . .	2,580	2,580	3,120	540
Total revenues. . . . .	<u>1,513,197</u>	<u>1,725,057</u>	<u>1,652,523</u>	<u>(72,534)</u>
<b>Expenses:</b>				
Personal services. . . . .	722,735	785,551	785,550	1
Fringe benefits . . . . .	-	30,000	29,497	503
Materials and supplies . . . . .	180,775	170,661	148,239	22,422
Contractual services . . . . .	632,661	761,819	717,083	44,736
Utilities . . . . .	10,000	10,000	4,566	5,434
Total expenses . . . . .	<u>1,546,171</u>	<u>1,758,031</u>	<u>1,684,935</u>	<u>73,096</u>
Net change in fund equity . . . . .	(32,974)	(32,974)	(32,412)	562
Fund equity at beginning of year . . . . .	24,701	24,701	24,701	-
Prior year encumbrances appropriated . . . . .	8,372	8,372	8,372	-
Fund equity at end of year. . . . .	<u>\$ 99</u>	<u>\$ 99</u>	<u>\$ 661</u>	<u>\$ 562</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 HEALTH INSURANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 6,924,880	\$ 6,834,379	\$ 6,825,273	\$ (9,106)
Total revenues. . . . .	<u>6,924,880</u>	<u>6,834,379</u>	<u>6,825,273</u>	<u>(9,106)</u>
<b>Expenses:</b>				
Contractual services . . . . .	439,919	418,398	418,398	-
Claims expense . . . . .	<u>5,227,861</u>	<u>6,415,981</u>	<u>6,406,875</u>	<u>9,106</u>
Total expenses . . . . .	<u>5,667,780</u>	<u>6,834,379</u>	<u>6,825,273</u>	<u>9,106</u>
Net change in fund equity . . . . .	1,257,100	-	-	-
<b>Fund equity at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ 1,257,100</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 OML SELF INSURANCE FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 484,657	\$ 484,657	\$ 484,169	\$ (488)
Total revenues. . . . .	484,657	484,657	484,169	(488)
<b>Expenses:</b>				
Contractual services . . . . .	484,657	484,657	484,169	488
Total expenses . . . . .	484,657	484,657	484,169	488
Net change in fund equity . . . . .	-	-	-	-
<b>Fund equity at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 WORKERS' COMPENSATION FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 790,883	\$ 838,807	\$ 833,909	\$ (4,898)
Total revenues. . . . .	790,883	838,807	833,909	(4,898)
<b>Expenses:</b>				
Contractual services . . . . .	820,635	860,631	858,742	1,889
Total expenses . . . . .	820,635	860,631	858,742	1,889
Net change in fund equity . . . . .	(29,752)	(21,824)	(24,833)	(3,009)
<b>Fund equity at beginning of year . . . . .</b>	<u>48,782</u>	<u>48,782</u>	<u>48,782</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ 19,030</u>	<u>\$ 26,958</u>	<u>\$ 23,949</u>	<u>\$ (3,009)</u>

**CITY OF MANSFIELD, OHIO**

SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN  
 FUND EQUITY - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)  
 BENEFIT FUND  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b>Revenues:</b>				
Charges for services . . . . .	\$ 2,680,190	\$ 2,828,699	\$ 2,757,980	\$ (70,719)
Total operating revenues. . . . .	<u>2,680,190</u>	<u>2,828,699</u>	<u>2,757,980</u>	<u>(70,719)</u>
<b>Expenses:</b>				
Contractual services . . . . .	<u>2,680,190</u>	<u>2,828,399</u>	<u>2,757,980</u>	<u>70,419</u>
Total expenses . . . . .	<u>2,680,190</u>	<u>2,828,399</u>	<u>2,757,980</u>	<u>70,419</u>
Net change in fund equity . . . . .	-	300	-	(300)
<b>Fund equity at beginning of year . . . . .</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Fund equity at end of year. . . . .</b>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ -</u>	<u>\$ (300)</u>

**CITY OF MANSFIELD, OHIO**

**COMBINING STATEMENTS - FIDUCIARY FUNDS**

**FUND DESCRIPTIONS**

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

**Agency Funds**

***OSP Fines Fund***

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

***Sewer and Street Opening Fund***

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

***Building Security Fund***

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

***Payroll Agency Fund***

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

***Municipal Court Fund***

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

***Transient Occupancy Tax Fund***

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

***Board of Standards Assessments Fund***

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

***Utility Deposits Fund***

To account for monies deposited with the City by individuals for water and sewer service.

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Balance 01/01/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance 12/31/09</u>
<b>OSP Fines</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents . . . . .	\$ -	\$ 61,807	\$ 57,785	\$ 4,022
Receivables (net of allowances of uncollectibles):				
Accounts . . . . .	<u>4,703</u>	<u>58,196</u>	<u>57,785</u>	<u>5,114</u>
Total assets . . . . .	<u>\$ 4,703</u>	<u>\$ 120,003</u>	<u>\$ 115,570</u>	<u>\$ 9,136</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	<u>\$ 4,703</u>	<u>\$ 62,218</u>	<u>\$ 57,785</u>	<u>\$ 9,136</u>
Total liabilities. . . . .	<u>\$ 4,703</u>	<u>\$ 62,218</u>	<u>\$ 57,785</u>	<u>\$ 9,136</u>
<b>Sewer and Street Opening</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	<u>\$ 17,543</u>	<u>\$ 4,140</u>	<u>\$ 3,315</u>	<u>\$ 18,368</u>
Total assets . . . . .	<u>\$ 17,543</u>	<u>\$ 4,140</u>	<u>\$ 3,315</u>	<u>\$ 18,368</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	<u>\$ 17,543</u>	<u>\$ 4,140</u>	<u>\$ 3,315</u>	<u>\$ 18,368</u>
Total liabilities. . . . .	<u>\$ 17,543</u>	<u>\$ 4,140</u>	<u>\$ 3,315</u>	<u>\$ 18,368</u>
<b>Building Security</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	<u>\$ 60,902</u>	<u>\$ 79,714</u>	<u>\$ 77,751</u>	<u>\$ 62,865</u>
Total assets . . . . .	<u>\$ 60,902</u>	<u>\$ 79,714</u>	<u>\$ 77,751</u>	<u>\$ 62,865</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	<u>\$ 60,902</u>	<u>\$ 79,714</u>	<u>\$ 77,751</u>	<u>\$ 62,865</u>
Total liabilities. . . . .	<u>\$ 60,902</u>	<u>\$ 79,714</u>	<u>\$ 77,751</u>	<u>\$ 62,865</u>
<b>Payroll Agency</b>				
<b>Assets:</b>				
Cash and cash equivalents with fiscal agents . . . . .	<u>\$ 127,038</u>	<u>\$ 27,578,228</u>	<u>\$ 26,830,708</u>	<u>\$ 874,558</u>
Total assets . . . . .	<u>\$ 127,038</u>	<u>\$ 27,578,228</u>	<u>\$ 26,830,708</u>	<u>\$ 874,558</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 38,510	\$ 10,471,644	\$ 10,454,394	\$ 55,760
Due to other governments . . . . .	66,972	6,700,259	6,351,067	416,164
Due to individuals . . . . .	<u>21,556</u>	<u>10,406,325</u>	<u>10,025,247</u>	<u>402,634</u>
Total liabilities. . . . .	<u>\$ 127,038</u>	<u>\$ 27,578,228</u>	<u>\$ 26,830,708</u>	<u>\$ 874,558</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Balance</u> <u>01/01/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/09</u>
<b>Municipal Court</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 527,142	\$ 6,051,376	\$ 5,725,574	\$ 852,944
Investments. . . . .	<u>270,000</u>	<u>-</u>	<u>270,000</u>	<u>-</u>
Total assets . . . . .	<u>\$ 797,142</u>	<u>\$ 6,051,376</u>	<u>\$ 5,995,574</u>	<u>\$ 852,944</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 77,438	\$ 1,070,044	\$ 1,065,946	\$ 81,536
Accounts payable . . . . .	132,317	2,119,147	2,118,309	133,155
Due to individuals . . . . .	4,862	79,436	81,159	3,139
Undistributed monies . . . . .	<u>582,525</u>	<u>2,782,749</u>	<u>2,730,160</u>	<u>635,114</u>
Total liabilities. . . . .	<u>\$ 797,142</u>	<u>\$ 6,051,376</u>	<u>\$ 5,995,574</u>	<u>\$ 852,944</u>
<b>Transient Occupancy Tax</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 11,593	188,370	187,470	\$ 12,493
Receivables (net of allowances of uncollectibles):				
Taxes . . . . .	<u>10,129</u>	<u>187,910</u>	<u>188,370</u>	<u>9,669</u>
Total assets . . . . .	<u>\$ 21,722</u>	<u>\$ 376,280</u>	<u>\$ 375,840</u>	<u>\$ 22,162</u>
<b>Liabilities:</b>				
Accounts payable . . . . .	\$ 19,449	\$ 18,302	\$ 34,998	\$ 2,753
Due to individuals . . . . .	<u>2,273</u>	<u>169,608</u>	<u>152,472</u>	<u>19,409</u>
Total liabilities. . . . .	<u>\$ 21,722</u>	<u>\$ 187,910</u>	<u>\$ 187,470</u>	<u>\$ 22,162</u>
<b>Board of Standards Assessments</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 486	\$ 1,237	\$ 1,238	\$ 485
Total assets . . . . .	<u>\$ 486</u>	<u>\$ 1,237</u>	<u>\$ 1,238</u>	<u>\$ 485</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 486	\$ 1,237	\$ 1,238	\$ 485
Total liabilities. . . . .	<u>\$ 486</u>	<u>\$ 1,237</u>	<u>\$ 1,238</u>	<u>\$ 485</u>

(continued)

**CITY OF MANSFIELD, OHIO**

COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 AGENCY FUNDS (CONTINUED)  
 FOR THE YEAR ENDED DECEMBER 31, 2009

	<u>Balance</u> <u>01/01/09</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance</u> <u>12/31/09</u>
<b>Utility Deposits</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 1,050	\$ -	\$ 200	\$ 850
Total assets . . . . .	<u>\$ 1,050</u>	<u>\$ -</u>	<u>\$ 200</u>	<u>\$ 850</u>
<b>Liabilities:</b>				
Due to individuals . . . . .	\$ 1,050	\$ -	\$ 200	\$ 850
Total liabilities. . . . .	<u>\$ 1,050</u>	<u>\$ -</u>	<u>\$ 200</u>	<u>\$ 850</u>
<b>Total Agency Funds</b>				
<b>Assets:</b>				
Equity in pooled cash and cash equivalents. . . . .	\$ 618,716	\$ 6,386,644	\$ 6,053,333	\$ 952,027
Cash and cash equivalents with fiscal agents . . . . .	127,038	27,578,228	26,830,708	874,558
Investments. . . . .	270,000	-	270,000	-
Receivables (net of allowances of uncollectibles):				
Taxes . . . . .	10,129	187,910	188,370	9,669
Accounts . . . . .	4,703	58,196	57,785	5,114
Total assets . . . . .	<u>\$ 1,030,586</u>	<u>\$ 34,210,978</u>	<u>\$ 33,400,196</u>	<u>\$ 1,841,368</u>
<b>Liabilities:</b>				
Due to other governments . . . . .	\$ 144,896	\$ 7,771,540	\$ 7,418,251	\$ 498,185
Accounts payable . . . . .	190,276	12,609,093	12,607,701	191,668
Due to individuals . . . . .	112,889	10,801,441	10,397,929	516,401
Undistributed monies . . . . .	582,525	2,782,749	2,730,160	635,114
Total liabilities. . . . .	<u>\$ 1,030,586</u>	<u>\$ 33,964,823</u>	<u>\$ 33,154,041</u>	<u>\$ 1,841,368</u>

## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b> These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	<b>142</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.	<b>152</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	<b>160</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the City's financial activities take place.	<b>169</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	<b>171</b>

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

**CITY OF MANSFIELD, OHIO**

NET ASSETS BY COMPONENT  
LAST SEVEN YEARS  
*(accrual basis of accounting)*

	2009	2008	2007	2006
<b>Governmental Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$ 45,218,744	\$ 48,572,308	\$ 46,575,580	\$ 45,098,513
Restricted	8,528,084	7,647,351	12,085,390	15,824,043
Unrestricted	4,665,729	3,618,921	1,118,449	1,740,055
<i>Total Governmental Activities Net Assets</i>	<u>58,412,557</u>	<u>59,838,580</u>	<u>59,779,419</u>	<u>62,662,611</u>
<b>Business-Type Activities</b>				
Invested in Capital Assets, Net of Related Debt	38,192,427	37,203,838	37,016,539	37,078,689
Restricted	2,998,376	4,040,936	3,979,276	3,979,276
Unrestricted	7,627,540	8,637,779	8,911,886	12,340,798
<i>Total Business-Type Activities Net Assets</i>	<u>48,818,343</u>	<u>49,882,553</u>	<u>49,907,701</u>	<u>53,398,763</u>
<b>Primary Government</b>				
Invested in Capital Assets, Net of Related Debt	83,411,171	85,776,146	83,592,119	82,177,202
Restricted	11,526,460	11,688,287	16,064,666	19,803,319
Unrestricted	12,293,269	12,256,700	10,030,335	14,080,853
<i>Total Primary Government Net Assets</i>	<u>\$ 107,230,900</u>	<u>\$ 109,721,133</u>	<u>\$ 109,687,120</u>	<u>\$ 116,061,374</u>



	<u>2005</u>	<u>2004</u>	<u>2003</u>
\$	46,367,183	\$ 47,833,128	\$ 48,523,672
	15,521,272	15,950,708	26,640,679
	(413,024)	(1,266,633)	(11,680,081)
	<u>61,475,431</u>	<u>62,517,203</u>	<u>63,484,270</u>
	37,370,730	36,878,972	39,814,666
	3,979,276	4,070,672	1,457,668
	<u>10,362,772</u>	<u>8,135,785</u>	<u>7,912,220</u>
	<u>51,712,778</u>	<u>49,085,429</u>	<u>49,184,554</u>
	83,737,913	84,712,100	88,338,338
	19,500,548	20,021,380	28,098,347
	<u>9,949,748</u>	<u>6,869,152</u>	<u>(3,767,861)</u>
\$	<u><u>113,188,209</u></u>	<u><u>111,602,632</u></u>	<u><u>112,668,824</u></u>

**CITY OF MANSFIELD, OHIO**

CHANGES IN NET ASSETS  
LAST SEVEN YEARS  
(accrual basis of accounting)

	2009	2008	2007	2006
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General government	\$ 3,354,171	\$ 2,743,160	\$ 3,581,833	\$ 3,452,357
Public safety	1,696,761	1,635,098	1,614,005	1,602,051
Public health and welfare	99,625	-	-	400
Transportation	130,933	900,705	166,360	168,545
Community environment	79,013	188,869	187,974	150,663
Leisure time activities	20,050	35,048	39,236	182,104
Operating Grants and Contributions	6,807,761	11,077,411	7,737,309	7,041,641
Capital Grants and Contributions	1,424,961	1,674,288	1,390,445	1,060,076
<i>Total Governmental Activities Program Revenues</i>	<u>13,613,275</u>	<u>18,254,579</u>	<u>14,717,162</u>	<u>13,657,837</u>
Business-Type Activities:				
Charges for Services:				
Water	7,088,115	8,000,336	8,065,907	8,000,960
Sewer	7,816,211	8,001,563	8,186,664	8,481,960
Airport	63,969	66,965	81,693	84,969
Parking Garage	-	-	-	33,696
Capital Grants and Contributions	1,916,402	1,511,417	728,928	1,096,738
<i>Total Business-Type Activities Program Revenues</i>	<u>16,884,697</u>	<u>17,580,281</u>	<u>17,063,192</u>	<u>17,698,323</u>
<i>Total Primary Government Program Revenues</i>	<u>30,497,972</u>	<u>35,834,860</u>	<u>31,780,354</u>	<u>31,356,160</u>
<b>Expenses</b>				
Governmental Activities:				
General government	12,462,297	14,474,385	11,985,745	9,960,681
Public safety	23,263,250	23,624,982	24,205,050	22,958,245
Public health and welfare	110,876	128,164	158,475	141,884
Transportation	8,313,893	9,917,676	10,089,697	10,396,560
Community environment	2,623,592	1,669,302	1,782,621	1,972,480
Leisure time activities	500,889	879,341	917,913	1,103,561
Interest and fiscal charges	276,828	288,073	296,853	253,102
<i>Total Governmental Activities Expenses</i>	<u>47,551,625</u>	<u>50,981,923</u>	<u>49,436,354</u>	<u>46,786,513</u>
Business-Type Activities:				
Water	7,759,063	7,604,723	9,025,320	8,144,636
Sewer	9,898,811	9,821,326	11,075,835	7,695,342
Airport	683,312	646,544	1,196,799	774,342
Parking Garage	-	251,712	165	12,481
<i>Total Business-Type Activities Expenses</i>	<u>18,341,186</u>	<u>18,324,305</u>	<u>21,298,119</u>	<u>16,626,801</u>
<i>Total Primary Government Expenses</i>	<u>\$ 65,892,811</u>	<u>\$ 69,306,228</u>	<u>\$ 70,734,473</u>	<u>\$ 63,413,314</u>

	2005	2004	2003
\$	3,490,786	\$ 3,608,646	\$ 2,195,188
	1,653,534	928,130	625,619
	380	8,446	9,727
	295,065	209,200	463,892
	258,271	176,753	209,867
	315,728	20,626	21,764
	9,841,045	6,849,290	7,547,321
	70,414	309,775	132,240
	<u>15,925,223</u>	<u>12,110,866</u>	<u>11,205,618</u>
	8,343,947	8,050,000	7,517,166
	8,395,183	8,159,344	6,791,857
	88,611	143,038	154,987
	187,696	32,132	44,211
	1,148,728	629,261	533,827
	<u>18,164,165</u>	<u>17,013,775</u>	<u>15,042,048</u>
	<u>34,089,388</u>	<u>29,124,641</u>	<u>26,247,666</u>
	12,154,838	10,496,931	8,258,059
	23,850,064	21,355,233	20,653,049
	137,328	156,000	260,946
	10,078,954	8,390,900	8,496,196
	1,491,159	2,065,065	2,262,008
	488,317	449,412	505,060
	253,405	355,645	689,642
	<u>48,454,065</u>	<u>43,269,186</u>	<u>41,124,960</u>
	7,412,809	7,638,373	7,198,264
	8,158,651	8,211,524	7,240,115
	784,276	736,546	733,102
	230,928	22,301	28,976
	<u>16,586,664</u>	<u>16,608,744</u>	<u>15,200,457</u>
\$	<u>65,040,729</u>	<u>\$ 59,877,930</u>	<u>\$ 56,325,417</u>

(continued)

**CITY OF MANSFIELD, OHIO**

CHANGES IN NET ASSETS  
LAST SEVEN YEARS  
*(accrual basis of accounting)*

	2009	2008	2007	2006
<b>Net (Expense)/Revenue</b>				
Governmental Activities	\$ (33,938,350)	\$ (32,727,344)	\$ (34,719,192)	\$ (33,128,676)
Business-Type Activities	(1,456,489)	(744,024)	(4,234,927)	1,071,522
<i>Total Primary Government Net Expense</i>	<u>\$ (35,394,839)</u>	<u>\$ (33,471,368)</u>	<u>\$ (38,954,119)</u>	<u>\$ (32,057,154)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities:				
Taxes:				
Property taxes levied for:				
General purposes	\$ 1,921,449	\$ 2,119,802	\$ 2,026,704	\$ 2,301,741
Debt service	-	-	-	-
Special purposes	382,588	422,629	403,991	471,426
Income taxes levied for:				
General purposes	339,453	309,108	833,459	642,031
Special purposes	18,035,032	20,226,017	18,832,225	20,554,764
Capital projects	3,089,291	4,706,268	4,258,507	2,336,710
Grants and entitlements not restricted to specific programs	8,094,480	3,972,491	4,072,562	6,409,483
Investment earnings	413,969	932,920	1,259,757	1,548,036
Gain (loss) on sale of capital assets	167,581	-	-	-
Miscellaneous	68,484	97,270	7,204	51,665
Transfers	-	-	-	-
Special item - donation of land	-	-	-	-
<i>Total Governmental Activities</i>	<u>32,512,327</u>	<u>32,786,505</u>	<u>31,694,409</u>	<u>34,315,856</u>
Business-Type Activities:				
Income taxes levied for:				
Airport	263,384	604,380	413,685	421,564
Grants and entitlements not restricted to specific programs	73,888	73,888	194,738	86,433
Investment earnings	20,670	25,545	2,658	7,305
Miscellaneous	34,337	15,063	59,950	99,161
Transfers	-	-	-	-
<i>Total Business-Type Activities</i>	<u>392,279</u>	<u>718,876</u>	<u>671,031</u>	<u>614,463</u>
<i>Total Primary Government</i>	<u>32,904,606</u>	<u>33,505,381</u>	<u>32,365,440</u>	<u>34,930,319</u>
<b>Change in Net Assets</b>				
Governmental Activities	(1,426,023)	59,161	(3,024,783)	1,187,180
Business-Type Activities	(1,064,210)	(25,148)	(3,563,896)	1,685,985
<i>Total Primary Government Change in Net Assets</i>	<u>\$ (2,490,233)</u>	<u>\$ 34,013</u>	<u>\$ (6,588,679)</u>	<u>\$ 2,873,165</u>

2005	2004	2003
\$ (32,528,842)	\$ (31,158,320)	\$ (29,919,342)
1,577,501	405,031	(158,409)
<u>\$ (30,951,341)</u>	<u>\$ (30,753,289)</u>	<u>\$ (30,077,751)</u>

\$ 2,520,948	\$ 1,895,024	\$ 1,956,016
1,062	2,522	8,037
784,511	368,905	394,563
714,984	797,061	295,182
19,109,121	18,116,003	19,085,840
3,893,063	3,062,798	3,297,494
2,646,945	5,169,330	5,520,410
1,029,572	411,338	629,575
-	89,416	18,581
174,500	231,320	134,162
-	-	337,209
-	-	(180,484)
<u>30,874,706</u>	<u>30,143,717</u>	<u>31,496,585</u>

439,395	256,830	271,518
486,715	-	-
-	44,265	48,750
123,738	32,238	19,182
-	-	(337,209)
<u>1,049,848</u>	<u>333,333</u>	<u>2,241</u>
<u>31,924,554</u>	<u>30,477,050</u>	<u>31,498,826</u>

(1,654,136)	(1,014,603)	1,577,243
2,627,349	738,364	(156,168)
<u>\$ 973,213</u>	<u>\$ (276,239)</u>	<u>\$ 1,421,075</u>

**CITY OF MANSFIELD, OHIO**

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>
General Fund					
Reserved	\$ 2,306,556	\$ 439,910	\$ 1,116,618	\$ 359,737	\$ 506,487
Unreserved	(2,314,562)	984,869	509,765	2,014,261	(210,543)
<i>Total General Fund</i>	<u>(8,006)</u>	<u>1,424,779</u>	<u>1,626,383</u>	<u>2,373,998</u>	<u>295,944</u>
All Other Governmental Funds					
Reserved	3,430,572	5,372,506	7,821,162	5,886,752	6,479,670
Unreserved, reported in:					
Special revenue funds	2,281,100	1,418,680	1,495,324	3,480,884	3,664,556
Debt service fund	14,364	-	-	-	-
Capital project funds	1,564,807	(1,650,762)	(650,979)	1,335,060	1,698,691
<i>Total All Other Governmental Funds</i>	<u>7,290,843</u>	<u>5,140,424</u>	<u>8,665,507</u>	<u>10,702,696</u>	<u>11,842,917</u>
<i>Total Governmental Funds</i>	<u>\$ 7,282,837</u>	<u>\$ 6,565,203</u>	<u>\$ 10,291,890</u>	<u>\$ 13,076,694</u>	<u>\$ 12,138,861</u>

<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 727,717	\$ 756,972	\$ 153,728	\$ 395,765	\$ 236,563
(1,213,843)	479,177	73,735	934,823	2,135,747
<u>(486,126)</u>	<u>1,236,149</u>	<u>227,463</u>	<u>1,330,588</u>	<u>2,372,310</u>
6,010,557	7,135,246	8,179,023	10,564,282	8,133,816
2,564,398	1,723,601	2,484,448	378,489	2,083,578
-	-	-	-	-
<u>2,056,068</u>	<u>12,997,592</u>	<u>11,213,435</u>	<u>9,834,395</u>	<u>8,103,437</u>
<u>10,631,023</u>	<u>21,856,439</u>	<u>21,876,906</u>	<u>20,777,166</u>	<u>18,320,831</u>
<u>\$ 10,144,897</u>	<u>\$ 23,092,588</u>	<u>\$ 22,104,369</u>	<u>\$ 22,107,754</u>	<u>\$ 20,693,141</u>

**CITY OF MANSFIELD, OHIO**

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

	2009	2008	2007	2006	2005
<b>Revenues:</b>					
Municipal income taxes	\$ 21,515,827	\$ 24,241,438	\$ 24,369,037	\$ 23,449,356	\$ 23,254,583
Property and other taxes	2,386,719	2,542,983	2,545,865	2,707,079	3,044,029
Charges for services	1,699,492	2,501,935	1,747,742	1,456,616	2,055,269
Licenses, permits and fees	754,461	1,009,895	898,192	809,274	954,917
Fines and forfeitures	2,317,850	1,819,253	1,724,413	1,682,073	1,716,546
Intergovernmental	12,094,597	17,757,450	14,866,082	12,612,732	14,082,197
Special assessments	56,273	41,680	26,093	24,533	148,266
Investment income	413,969	932,920	1,259,757	1,441,036	1,029,572
Other	552,476	132,868	227,968	1,585,563	1,135,627
<i>Total revenues</i>	<u>41,791,664</u>	<u>50,980,422</u>	<u>47,665,149</u>	<u>45,768,262</u>	<u>47,421,006</u>
<b>Expenditures:</b>					
Current:					
General government	9,262,486	10,838,867	10,254,320	9,970,709	10,250,858
Public safety	24,600,304	24,477,914	24,230,031	23,679,137	22,892,003
Public health and welfare	109,486	129,965	154,251	140,291	132,170
Transportation	2,528,206	3,895,775	4,454,990	3,580,149	3,681,798
Community environment	2,573,024	1,654,607	1,787,617	1,953,994	1,442,988
Leisure time activities	460,698	766,628	1,231,940	1,061,524	474,764
Capital outlay	3,965,385	12,556,339	8,054,070	3,957,967	5,621,233
Debt service:					
Principal retirement	320,000	310,000	305,000	300,430	765,000
Interest and fiscal charges	292,983	327,285	242,972	255,687	256,095
Bond issuance costs	-	-	-	-	-
<i>Total expenditures</i>	<u>44,112,572</u>	<u>54,957,380</u>	<u>50,715,191</u>	<u>44,899,888</u>	<u>45,516,909</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,320,908)</u>	<u>(3,976,958)</u>	<u>(3,050,042)</u>	<u>868,374</u>	<u>1,904,097</u>
<b>Other financing sources (uses):</b>					
Proceeds from sale of capital assets	167,581	155,939	110,990	42,471	114,467
Proceeds from sale of note premium	-	-	-	-	1,303
Proceeds of bonds	2,620,000	-	-	-	-
Proceeds from sale of bond premium	64,448	-	-	-	-
Proceeds from capital lease transaction	100,000	-	-	-	-
Transfers in	1,660,461	766,165	1,833,962	849,352	1,501,262
Transfers out	(1,660,461)	(686,305)	(1,833,962)	(849,352)	(1,501,262)
<i>Total other financing sources (uses)</i>	<u>2,952,029</u>	<u>235,799</u>	<u>110,990</u>	<u>42,471</u>	<u>115,770</u>
<i>Net change in fund balances</i>	<u>\$ 631,121</u>	<u>\$ (3,741,159)</u>	<u>\$ (2,939,052)</u>	<u>\$ 910,845</u>	<u>\$ 2,019,867</u>
Debt Service as a Percentage of Noncapital Expenditures	1.6%	1.6%	1.4%	1.4%	2.7%



	2004	2003	2002	2001	2000
\$	22,444,242	\$ 22,322,290	\$ 22,319,628	\$ 21,273,925	\$ 21,783,372
	2,376,280	2,337,097	2,228,152	3,324,866	2,866,596
	1,239,855	499,903	454,980	668,471	627,522
	1,805,151	975,739	887,891	688,265	519,978
	1,792,353	1,851,684	2,189,288	2,096,628	1,868,126
	11,687,464	12,195,703	12,346,111	12,896,925	13,126,575
	25,415	46,263	53,288	66,133	53,674
	411,338	629,575	905,511	1,354,661	2,135,347
	314,086	288,727	434,977	294,253	348,819
	<u>42,096,184</u>	<u>41,146,981</u>	<u>41,819,826</u>	<u>42,664,127</u>	<u>43,330,009</u>
	9,576,262	9,458,715	11,241,914	10,663,504	9,489,402
	21,695,859	20,501,227	20,870,709	18,992,474	18,337,026
	159,014	166,115	131,019	130,533	113,490
	2,753,622	2,620,323	4,450,234	5,672,129	4,209,468
	2,105,021	2,223,299	2,326,942	2,130,239	1,894,501
	390,776	527,494	835,660	1,012,543	1,064,061
	4,691,108	3,771,501	5,289,272	4,998,346	5,691,250
	11,035,000	10,910,000	12,875,000	9,995,000	750,000
	504,235	727,275	551,689	621,897	343,083
	-	-	135,530	-	-
	<u>52,910,897</u>	<u>50,905,949</u>	<u>58,707,969</u>	<u>54,216,665</u>	<u>41,892,281</u>
	(10,814,713)	(9,758,968)	(16,888,143)	(11,552,538)	1,437,728
	89,416	112,981	118,144	116,123	86,663
	-	10,260,000	10,000,000	12,250,000	10,180,000
	-	-	7,068,855	-	-
	-	-	-	-	-
	93,572	-	-	-	-
	790,958	3,395,104	6,122,852	1,748,097	1,512,308
	<u>(790,958)</u>	<u>(3,057,895)</u>	<u>(6,260,956)</u>	<u>(1,511,740)</u>	<u>(1,336,409)</u>
	<u>182,988</u>	<u>10,710,190</u>	<u>17,048,895</u>	<u>12,602,480</u>	<u>10,442,562</u>
\$	<u>(10,631,725)</u>	<u>951,222</u>	<u>\$ 160,752</u>	<u>\$ 1,049,942</u>	<u>\$ 11,880,290</u>

24.1%

25.7%

25.1%

21.6%

3.0%

**CITY OF MANSFIELD, OHIO**

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

Year	Real Property		Personal Property (1) (5)	
	Assessed	Estimated Actual	Assessed	Estimated Actual
2009	\$ 612,474,640	\$ 1,749,927,543	\$ -	\$ -
2008 (3)	611,164,890	1,746,185,400	43,950,179	703,202,864
2007	613,362,160	1,752,463,229	58,600,238	468,801,904
2006	612,365,730	1,749,616,371	110,363,727	588,363,727
2005 (4)	615,981,970	1,759,948,486	145,405,712	605,857,133
2004	553,471,750	1,581,347,857	145,331,157	631,874,595
2003	547,450,210	1,564,143,457	135,796,578	565,819,075
2002 (3)	516,602,240	1,474,320,690	135,757,108	543,028,432
2001	508,185,870	1,451,959,430	132,414,802	529,659,208
2000	512,865,440	1,465,329,830	138,798,968	555,195,870

(1) Other than public utility.

(2) Real and tangible personal.

(3) Update year

(4) Reappraisal year

(5) Personal property taxes were phased out.

Source: Richland County Auditor

Public Utility (2)		Totals			Assessed Value as a percent of Estimated Actual Value
Assessed	Estimated Actual	Assessed	Direct Tax Rate	Estimated Actual	
\$ 13,795,680	\$ 39,416,229	\$ 626,270,320	3.60%	\$ 1,789,343,772	35.00%
13,509,070	38,597,343	668,624,139	3.60%	2,487,985,607	26.87%
13,435,490	38,387,114	685,397,888	3.60%	2,259,652,247	30.33%
19,584,030	55,954,371	742,313,487	3.60%	2,393,934,469	31.01%
22,294,140	63,697,543	783,681,822	3.60%	2,429,503,162	32.26%
22,170,430	63,344,086	720,973,337	3.60%	2,276,566,538	31.67%
22,535,120	64,386,057	705,781,908	3.60%	2,194,348,589	32.16%
22,651,870	64,719,630	675,011,218	3.60%	2,082,068,752	32.42%
29,414,430	84,041,230	670,015,102	5.10%	2,065,659,868	32.44%
32,355,880	92,445,400	684,020,288	5.10%	2,112,971,100	32.37%

**CITY OF MANSFIELD, OHIO**

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

Collection Year	Operating (3)	Police and Fire Pension	Debt Retirement (2)	City of Mansfield	Richland County	Mansfield City School District	Total
2009	\$ 3.00	\$ 0.60	\$ -	\$ 3.60	\$ 12.40	\$ 68.65	\$ 84.65
2008	3.00	0.60	-	3.60	11.40	69.25	84.25
2007	3.00	0.60	-	3.60	11.40	60.55	75.55
2006	3.00	0.60	-	3.60	11.40	60.75	75.75
2005	3.00	0.60	-	3.60	11.40	66.05	81.05
2004	3.00	0.60	-	3.60	11.40	66.05	81.05
2003	3.00	0.60	-	3.60	9.00	66.15	78.75
2002	3.00	0.60	-	3.60	9.00	66.15	78.75
2001	3.00	0.60	1.50	5.10	9.00	66.15	80.25
2000	3.00	0.60	1.50	5.10	9.00	66.15	80.25

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

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

(3) Includes Mansfield Township portion.

Source: Richland County Auditor

**CITY OF MANSFIELD, OHIO**  
**PRINCIPAL TAXPAYERS**  
**(EXCLUDING PUBLIC UTILITY)**  
**DECEMBER 31, 2009 AND DECEMBER 31, 2000**

Name of Taxpayer	December 31, 2009	
	Assessed Valuation	Percentage of Total Assessed Valuation
Newman Technology	\$ 5,354,610	0.87%
Walmart	2,938,000	0.48%
SSI Mansfield	2,818,420	0.46%
Jay Industries	2,118,550	0.35%
Armco, Inc.	2,055,330	0.34%
City of Mansfield	1,862,260	0.30%
Willard Rental Properties	1,850,950	0.30%
Johnny Appleseed	1,575,000	0.26%
Graham Chevrolet	1,574,850	0.26%
Wedgewood Estates	1,562,200	0.26%
Totals	<u>\$ 23,710,170</u>	<u>3.87%</u>

Name of Taxpayer	December 31, 2000	
	Assessed Valuation	Percentage of Total Assessed Valuation
AK Steel Corporation	\$ 6,887,660	1.99%
Mansfield Square	3,432,820	0.99%
Gorman Rupp Company	2,556,820	0.74%
Newman Technology	1,994,180	0.58%
Jay Plastics	1,885,170	0.54%
Therm-O-Disc	1,554,810	0.44%
Skilken, Morris B.	1,412,800	0.40%
Mansfield Motel	1,386,490	0.39%
Richland Bank	1,107,380	0.32%
Lumbermans	867,390	0.25%
Totals	<u>\$ 23,085,520</u>	<u>6.64%</u>

Source: Richland County Auditor

**CITY OF MANSFIELD, OHIO**

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

<u>Collection Year</u>	<u>Total Tax Levy (1)</u>	<u>Current Tax Collections</u>	<u>Percent of Levy Collected</u>	<u>Delinquent Tax Collections</u>	<u>Total Tax Collections</u>	<u>Percent of Levy Collected</u>
2009	\$ 2,181,153	\$ 1,856,901	85.1%	\$ 324,252	\$ 2,181,153	100.0%
2008	2,186,409	2,172,251	99.4%	14,159	2,186,410	100.0%
2007	2,203,918	1,960,848	89.0%	243,070	2,203,918	100.0%
2006	2,208,475	2,060,648	93.3%	147,827	2,208,475	100.0%
2005	2,005,354	1,715,128	85.5%	290,225	2,005,353	100.0%
2004	2,004,286	2,002,840	99.9%	266,966	2,269,806	113.2%
2003	1,900,247	1,715,056	90.3%	262,544	1,977,600	104.1%
2002 (2)	1,868,997	1,636,801	87.6%	243,604	1,880,405	100.6%
2001	2,671,096	2,634,667	98.6%	316,140	2,950,807	110.5%
2000	2,709,006	2,649,291	97.8%	251,848	2,901,139	107.1%

Source: Richland County Auditor

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

(2) The collection for voted tax levies was completed in 2001. This caused a decrease in collections for 2002.

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

**CITY OF MANSFIELD, OHIO**

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

<u>Tax Year</u>	<u>Tax Rate</u>	<u>Total Tax Collected</u>	<u>Taxes From Withholding</u>	<u>Percentage of Taxes From Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes From Net Profits</u>	<u>Taxes From Individuals</u>	<u>Percentage of Taxes From Individuals</u>
2009	1.75%	\$ 22,962,928	\$ 18,533,033	80.7%	\$ 2,914,595	12.7%	\$ 1,515,300	6.6%
2008	1.75%	25,100,403	19,618,191	78.2%	3,886,377	15.5%	1,595,835	6.3%
2007	1.75%	25,952,247	20,333,797	78.4%	4,030,366	15.5%	1,588,084	6.1%
2006	1.75%	24,586,419	19,853,408	80.7%	3,214,402	13.1%	1,518,609	6.2%
2005	1.75%	24,229,207	19,233,753	79.4%	3,460,874	14.3%	1,534,580	6.3%
2004	1.75%	22,855,984	18,651,034	81.6%	2,773,583	12.1%	1,431,367	6.3%
2003	1.75%	23,289,856	19,165,146	82.3%	2,634,031	11.3%	1,490,679	6.4%
2002	1.75%	23,232,422	18,614,963	80.1%	3,106,239	13.4%	1,511,220	6.5%
2001	1.75%	22,679,374	18,585,927	82.0%	2,522,251	11.1%	1,571,196	6.9%
2000	1.75%	22,779,392	18,342,015	80.5%	3,078,089	13.5%	1,359,288	6.0%

% Represents percent of total tax collected

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

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

**CITY OF MANSFIELD, OHIO**

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

Tax Year	Company Rank	Amount Paid	Percent of Total Withholding Collections	Tax Year	Company Rank	Amount Paid	Percent of Total Withholding Collections
2009	1	\$ 1,460,849	7.97%	2008	1	\$ 1,502,047	7.60%
2009	2	1,065,900	5.82%	2008	2	1,131,253	5.72%
2009	3	736,239	4.02%	2008	3	755,505	3.82%
2009	4	568,663	3.10%	2008	4	696,592	3.52%
2009	5	496,749	2.71%	2008	5	544,279	2.75%
2009	6	493,879	2.70%	2008	6	499,176	2.52%
2009	7	423,830	2.31%	2008	7	483,435	2.44%
2009	8	394,803	2.16%	2008	8	458,232	2.32%
2009	9	358,432	1.96%	2008	9	455,986	2.31%
2009	10	282,799	1.54%	2008	10	419,777	2.12%
	<b>Total</b>	<b>\$ 6,282,143</b>	<b>34.29%</b>		<b>Total</b>	<b>\$ 6,946,282</b>	<b>35.13%</b>
2007	1	\$ 1,496,224	7.56%	2006	1	\$ 1,451,196	7.40%
2007	2	1,063,689	5.38%	2006	2	1,014,812	5.17%
2007	3	734,413	3.71%	2006	3	719,457	3.67%
2007	4	726,067	3.67%	2006	4	695,250	3.54%
2007	5	596,997	3.02%	2006	5	663,162	3.38%
2007	6	532,024	2.69%	2006	6	539,103	2.75%
2007	7	487,347	2.46%	2006	7	491,989	2.51%
2007	8	477,848	2.42%	2006	8	488,376	2.49%
2007	9	472,978	2.39%	2006	9	471,966	2.41%
2007	10	453,490	2.29%	2006	10	438,761	2.24%
	<b>Total</b>	<b>\$ 7,041,077</b>	<b>35.60%</b>		<b>Total</b>	<b>\$ 6,974,072</b>	<b>35.56%</b>
2005	1	\$ 1,359,130	7.05%	2004	1	\$ 1,367,230	7.18%
2005	2	1,041,497	5.40%	2004	2	1,021,348	5.37%
2005	3	706,608	3.66%	2004	3	657,955	3.46%
2005	4	675,728	3.50%	2004	4	656,316	3.45%
2005	5	672,385	3.49%	2004	5	653,336	3.43%
2005	6	525,838	2.73%	2004	6	554,151	2.91%
2005	7	510,825	2.65%	2004	7	525,265	2.76%
2005	8	501,816	2.60%	2004	8	505,928	2.66%
2005	9	468,936	2.43%	2004	9	428,166	2.25%
2005	10	419,234	2.17%	2004	10	426,362	2.24%
	<b>Total</b>	<b>\$ 6,881,997</b>	<b>35.68%</b>		<b>Total</b>	<b>\$ 6,796,057</b>	<b>35.70%</b>

% Represents percent of total withholding tax collected

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



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**CITY OF MANSFIELD, OHIO**

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

Year	Governmental Activities			
	General Obligation Bonds	Special Assessment Bonds	Notes	Capital Leases
2009	\$ 5,710,000	\$ -	\$ 370,000	\$ 100,000
2008	3,340,000	-	440,000	20,473
2007	3,580,000	-	510,000	39,982
2006	3,815,000	-	580,000	58,582
2005	4,040,000	-	655,430	76,309
2004	4,735,000	3,139	730,862	93,572
2003	5,440,000	3,268	11,066,293	-
2002	4,565,000	3,758	10,881,724	38,711
2001	-	37,148	13,207,155	82,988
2000	2,725,000	69,200	10,212,586	125,005

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

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

Business-type Activities					
General Obligation Bonds		Notes	Total Debt	Percentage of Personal Income	Per Capita
\$	2,550,000	\$ 255,358	\$ 8,985,358	0.98%	\$ 174
	1,865,000	2,259,739	7,925,212	0.87%	154
	2,165,000	2,154,120	8,449,102	0.92%	164
	2,490,000	2,163,501	9,107,083	1.00%	176
	2,805,000	2,732,881	10,547,830	1.15%	204
	3,100,000	2,742,263	11,643,045	1.27%	226
	3,380,000	2,711,644	22,786,561	2.49%	442
	5,135,000	159,953	20,976,155	2.29%	407
	5,920,000	209,547	19,615,649	2.14%	380
	4,230,000	258,746	17,810,478	1.95%	345

**CITY OF MANSFIELD, OHIO**

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

Year	Population (1)	Assessed Value (3)	Gross General Obligation Bonded Debt (2,4)	Less Debt Service Fund Balance (4)	Less Debt Payable from Enterprise Revenues
2009	51,600	\$ 626,270	\$ 8,260	\$ 86	\$ 2,550
2008	51,600	668,624	5,205	72	1,865
2007	51,600	685,398	5,745	62	2,165
2006	51,600	742,313	6,305	178	2,490
2005	51,600	783,682	6,845	1,202	2,805
2004	51,600	720,973	7,835	1,946	3,100
2003	51,600	705,782	11,090	2,987	3,380
2002	51,600	675,011	12,200	3,687	3,650
2001	51,600	670,015	5,920	3,508	3,910
2000	51,600	684,020	6,955	2,946	4,230

(1) Source: U.S. Census Bureau, Census 2000

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

(3) Source: Richland County Auditor

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

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

Net General Obligation Bonded Debt		Ratio of Net General Bonded Debt to Assessed Value	Net General Bonded Debt Per Capita	
\$	5,624	0.90%	\$	108.99
	3,268	0.49%		63.33
	3,518	0.51%		68.20
	3,637	0.49%		70.48
	2,838	0.36%		55.00
	2,789	0.39%		54.05
	4,723	0.67%		91.53
	4,863	0.72%		94.24
	(1,498) (5)	0.00%		-
	(221) (5)	0.00%		-

**CITY OF MANSFIELD, OHIO**

COMPUTATION OF DIRECT AND OVERLAPPING  
NET GENERAL OBLIGATION DEBT  
DECEMBER 31, 2009

<u>Political Subdivision</u>	<u>Amount of Debt</u>	<u>Percent Applicable to City (1)</u>	<u>City's Share</u>
Direct:			
City of Mansfield	\$ 5,624,000	100.00%	\$ 5,624,000
Overlapping Debt: (2)			
Richland County	21,228,396	31.58%	6,703,927
Mansfield City School District	15,890,000	65.18%	10,357,102
Crestview Local School District	4,191,868	0.45%	18,863
Madison Local School District	1,785,000	18.62%	332,367
Ontario Local School District	16,442,832	0.02%	3,289
Pioneer Career and Technology Center	12,360,000	16.20%	2,002,320
Total Direct and Overlapping Debt	<u>\$ 77,522,096</u>		<u>\$ 25,041,868</u>

Source: Richland County Auditor

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

(2) Debt outstanding for school districts is shown as of June 30, 2009.

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**CITY OF MANSFIELD, OHIO**

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

	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Assessed Value	\$ 626,270,320	\$ 668,624,139	\$ 685,397,888	\$ 742,313,487
Overall Debt Limitation				
10 1/2 Percent of Assessed Valuation	<u>65,758,384</u>	<u>70,205,535</u>	<u>71,966,778</u>	<u>77,942,916</u>
Total Voted and Unvoted Debt Outstanding at December 31st	8,260,000	5,205,000	5,745,000	6,305,000
Less: Exempt Debt				
Unvoted General Obligation Bonds to be paid from Water and Sewer system revenues	(2,550,000)	(1,865,000)	(2,165,000)	(2,490,000)
Unvoted General Obligation Bonds issued in anticipation of the collection of Special Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Within 10 1/2 Percent Limitation	5,710,000	3,340,000	3,580,000	3,815,000
Less: Debt Service Fund Balance	<u>(86,281)</u>	<u>(71,917)</u>	<u>(61,604)</u>	<u>(177,796)</u>
Net Debt Subject to 10 1/2 Percent Limitation	<u>5,623,719</u>	<u>3,268,083</u>	<u>3,518,396</u>	<u>3,637,204</u>
Legal Debt Margin Within 10 1/2 Percent Limitation	<u>\$ 60,134,665</u>	<u>\$ 66,937,452</u>	<u>\$ 68,448,382</u>	<u>\$ 74,305,712</u>
Legal Debt Margin as a Percentage of the Debt Limit	91.45%	95.34%	95.11%	95.33%
Assessed Value	\$ 626,270,320	\$ 668,624,139	\$ 685,397,888	\$ 742,313,487
Unvoted Debt Limitation				
5 1/2 Percent of Assessed Valuation	<u>34,444,868</u>	<u>36,774,328</u>	<u>37,696,884</u>	<u>40,827,242</u>
Total Unvoted Debt Outstanding at December 31st	8,260,000	5,205,000	5,745,000	6,305,000
Less: Exempt Debt				
Unvoted General Obligation Bonds to be paid from Water and Sewer system revenues	(2,550,000)	(1,865,000)	(2,165,000)	(2,490,000)
Unvoted General Obligation Bonds issued in anticipation of the collection of Special Assessments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt Within 5 1/2 Percent Limitation	5,710,000	3,340,000	3,580,000	3,815,000
Less: Debt Service Fund Balance	<u>(86,281)</u>	<u>(71,917)</u>	<u>(61,604)</u>	<u>(177,796)</u>
Net Debt Subject to 5 1/2 Percent Limitation	<u>5,623,719</u>	<u>3,268,083</u>	<u>3,518,396</u>	<u>3,637,204</u>
Legal Debt Margin Within 5 1/2 Percent Limitation	<u>\$ 28,821,149</u>	<u>\$ 33,506,245</u>	<u>\$ 34,178,488</u>	<u>\$ 37,190,038</u>
Legal Debt Margin as a Percentage of the Debt Limit	83.67%	91.11%	90.67%	91.09%

Source: City of Mansfield, Ohio; Finance Department



<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
\$ 783,681,822	\$ 720,973,337	\$ 705,781,908	\$ 675,011,218	\$ 670,015,102	\$ 684,020,288
<u>82,286,591</u>	<u>75,702,200</u>	<u>74,107,100</u>	<u>70,876,178</u>	<u>70,351,586</u>	<u>71,822,130</u>
6,845,000	7,838,139	11,093,268	5,138,758	5,957,148	7,024,200
(2,805,000)	(3,100,000)	(3,380,000)	(3,650,000)	(3,910,000)	(4,230,000)
<u>-</u>	<u>(3,139)</u>	<u>(3,268)</u>	<u>(3,758)</u>	<u>(37,148)</u>	<u>(69,200)</u>
4,040,000	4,735,000	7,710,000	1,485,000	2,010,000	2,725,000
<u>(1,202,435)</u>	<u>(1,945,879)</u>	<u>(2,987,309)</u>	<u>(3,686,787)</u>	<u>(3,507,606)</u>	<u>(2,946,145)</u>
<u>2,837,565</u>	<u>2,789,121</u>	<u>4,722,691</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 79,449,026</u>	<u>\$ 72,913,079</u>	<u>\$ 69,384,409</u>	<u>\$ 70,876,178</u>	<u>\$ 70,351,586</u>	<u>\$ 71,822,130</u>
96.55%	96.32%	93.63%	100.00%	100.00%	100.00%
\$ 783,681,822	\$ 720,973,337	\$ 705,781,908	\$ 675,011,218	\$ 670,015,102	\$ 684,020,288
<u>43,102,500</u>	<u>39,653,534</u>	<u>38,818,005</u>	<u>37,125,617</u>	<u>36,850,831</u>	<u>37,621,116</u>
6,845,000	7,358,139	10,118,268	10,718,758	3,947,148	4,474,200
(2,805,000)	(3,100,000)	(3,380,000)	(3,650,000)	(3,910,000)	(4,230,000)
<u>-</u>	<u>(3,139)</u>	<u>(3,268)</u>	<u>(3,758)</u>	<u>(37,148)</u>	<u>(69,200)</u>
4,040,000	4,255,000	6,735,000	7,065,000	-	175,000
<u>(1,202,435)</u>	<u>(1,945,879)</u>	<u>(2,987,309)</u>	<u>(3,686,787)</u>	<u>-</u>	<u>(2,946,145)</u>
<u>2,837,565</u>	<u>2,309,121</u>	<u>3,747,691</u>	<u>3,378,213</u>	<u>-</u>	<u>-</u>
<u>\$ 40,264,935</u>	<u>\$ 37,344,413</u>	<u>\$ 35,070,314</u>	<u>\$ 33,747,404</u>	<u>\$ 36,850,831</u>	<u>\$ 37,621,116</u>
93.42%	94.18%	90.35%	90.90%	100.00%	100.00%

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

Year	Special Assessment Collections (1)	Debt Service (2)			Coverage
		Principal	Interest	Total	
2009	\$ 67,654	\$ -	\$ -	\$ -	-
2008	53,316	-	-	-	-
2007	32,941	-	-	-	-
2006	34,109	-	-	-	-
2005	29,714	3,139	-	3,139	9.47
2004	37,359	129	245	374	99.89
2003	61,697	490	282	772	79.92
2002	66,195	33,390	2,813	36,203	1.83
2001	85,266	32,052	5,625	37,677	2.26
2000	67,600	32,487	15,454	47,941	1.41

(1) Source: Richland County Auditor

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

**CITY OF MANSFIELD, OHIO**

DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Per Capita Personal Income (1)</u>	<u>Median Household Income (1)</u>	<u>Unemployment Rate (3)</u>
2009	51,600	\$ 914,661,600	17,726	30,176	12.6%
2008	51,600	914,661,600	17,726	30,176	7.4%
2007	51,600	914,661,600	17,726	30,176	6.5%
2006	51,600	914,661,600	17,726	30,176	6.1%
2005	51,600	914,661,600	17,726	30,176	6.5%
2004	51,600	914,661,600	17,726	30,176	7.2%
2003	51,600	914,661,600	17,726	30,176	7.2%
2002	51,600	914,661,600	17,726	30,176	6.7%
2001	51,600	914,661,600	17,726	30,176	5.2%
2000	51,600	914,661,600	17,726	30,176	5.1%

(1) Source: U.S. Census Bureau, Census 2000

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

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

**CITY OF MANSFIELD, OHIO**

PRINCIPAL EMPLOYERS  
DECEMBER 31, 2009 AND DECEMBER 31, 2000

2009			
Employer (1)	Rank (1)	Employees (1)	Percentage of Total City Employment (2)
MedCentral Health Systems	1	2,700	4.65%
Richland County Government	2	1,474	2.54%
Newman Technology	3	1,100	1.90%
Jay Industries, Inc.	4	943	1.63%
Gorman Rupp Company	5	809	1.39%
Embarq	6	800	1.38%
Therm-O-Disc, Inc.	7	721	1.24%
Mansfield Board of Education	8	700	1.21%
Mansfield Correctional (MANCI)	9	621	1.07%
City of Mansfield Government	10	518	0.89%
	Total	<u>10,386</u>	<u>17.90%</u>

2000			
Employer (1)	Rank (1)	Employees (1)	Percentage of Total City Employment (2)
MedCentral Health Systems	1	1,900	3.29%
Therm-O-Disc, Inc.	2	1,550	2.69%
Richland County Government	3	1,300	2.25%
Jay Industries, Inc.	4	1,000	1.73%
AK Steel	5	800	1.39%
School Specialty, Inc.	6	800	1.39%
Mansfield Board of Education	7	750	1.30%
State of Ohio Government	8	700	1.21%
City of Mansfield Government	9	610	1.06%
Newman Technology	10	575	1.00%
	Total	<u>9,985</u>	<u>17.31%</u>

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

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

**CITY OF MANSFIELD, OHIO**

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

<u>Function/Program</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
General Government:										
Council	12	12	12	11	11	11	11	11	11	11
Administration	4	4	5	4	6	6	6	6	10	10
Finance	17	27	28	26	23	22	20	20	25	27
Law	12	14	13	13	15	14	13	13	13	12
Courts	52	54	54	53	49	54	54	53	58	50
General Government	7	7	8	8	7	7	8	9	9	8
Economic/Community Development	6	6	6	6	8	7	7	7	8	7
Engineering	8	10	11	11	8	8	8	8	10	10
Maintenance	3	4	4	5	4	4	4	4	4	4
Codes/Permits	7	10	9	11	9	9	9	11	13	13
Litter Control	1	2	2	1	2	2	2	2	2	2
Regional Community Advancement	27	26	16	23	24	27	26	35	36	34
Parks/Recreation	6	11	12	9	10	9	12	16	18	19
Street/Highway	14	34	35	35	32	33	33	37	50	44
Police	127	144	150	148	142	139	145	154	162	160
Fire	100	102	98	100	102	95	98	102	108	107
Water	61	68	67	62	54	54	53	55	52	51
Sewer	41	41	40	41	50	56	56	56	61	58
Airport	4	6	5	5	6	6	5	7	8	9
Repair Garage	5	9	9	9	9	9	9	11	12	12
Information Technology	4	4	4	4	3	4	4	4	4	4
<b>Total</b>	<b>518</b>	<b>595</b>	<b>588</b>	<b>585</b>	<b>574</b>	<b>576</b>	<b>583</b>	<b>621</b>	<b>674</b>	<b>652</b>

Source: City of Mansfield, Ohio Payroll Department

**CITY OF MANSFIELD, OHIO**

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

<u>Function/Program</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>General Government:</b>										
Building permits issued	164	174	207	231	288	331	332	313	366	367
Code enforcements	3,070	4,633	5,519	4,195	2,922	3,301	3,921	4,533	2,678	-
<b>Police</b>										
Calls for service	37,548	42,062	42,072	44,417	43,876	47,328	48,348	51,729	55,185	53,174
Traffic violations	5,616	6,221	6,741	5,958	4,760	7,056	6,104	10,703	8,370	6,650
Parking violations	6,928	7,684	5,896	9,530	9,337	10,639	9,671	12,112	14,740	9,664
Physical arrests	4,364	4,987	4,924	4,840	4,328	4,476	4,269	4,610	4,666	4,641
<b>Fire</b>										
Emergency responses	6,234	6,441	6,109	6,079	6,290	5,787	5,662	5,459	-	-
Fire responses	1,450	1,653	1,470	1,304	1,543	1,732	1,784	1,682	-	-
<b>Street/Highway</b>										
Street resurfacing mileage (1)	15	20	19	18	24	26	26	28	26	29
Number of streets resurfaced (1)	104	81	96	95	127	145	143	147	131	130
Tons of salt used	7,742	14,355	6,240	6,498	10,528	7,590	9,647	7,901	4,641	10,079
Leaf removal (cubic yards)	9,170	9,288	11,642	11,438	11,500	11,984	15,536	17,059	15,708	15,033
<b>Water</b>										
Number of customers	19,800	20,448	20,394	20,335	20,329	20,152	20,152	19,546	19,929	19,816
Average daily consumption (thousands of gallons)	7,860	8,920	8,480	9,000	10,000	10,000	10,000	9,430	10,180	10,000
<b>Wastewater</b>										
Average daily sewage treatment (thousands of gallons)	9,809	10,348	9,870	10,360	9,130	9,580	10,520	9,400	9,250	9,320

Sources: Various city departments - some amounts may be estimates

(-) Not available

(1) Funded by income tax dollars only

**CITY OF MANSFIELD, OHIO**

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

<u>Function/Program</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>	<u>2000</u>
<b>Police</b>										
Number of stations	1	1	1	1	1	1	1	1	1	1
Number of offices	2	2	2	2	2	2	2	2	2	2
Number of police vehicles	48	42	45	42	38	39	40	38	38	39
<b>Fire</b>										
Number of stations	6	5	5	5	5	5	5	5	5	5
Number of fire trucks	8	8	7	5	5	5	5	5	5	5
Number of rescue squads	6	6	5	5	6	5	5	5	5	5
<b>Streets/Highways</b>										
Mileage	295	295	295	295	295	295	295	295	295	295
Street signs	13,325	13,300	13,270	13,262	13,203	13,147	13,125	13,045	12,976	12,848
<b>Parks/Recreation</b>										
Number of Parks	34	33	33	33	33	33	33	33	33	33
Acreage	435	435	435	435	435	435	435	435	435	435
Playgrounds	21	20	20	20	20	20	20	20	20	20
Swimming pools	3	3	3	3	3	3	3	3	4	4
<b>Water</b>										
Miles of water mains	250	250	250	250	250	250	250	250	250	250
Storage capacity (thousands of gallons)	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500	14,500
<b>Wastewater</b>										
Miles of sanitary sewer	200	200	200	200	200	200	200	200	200	200
Treatment capacity (thousands of gallons)	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500	12,500

Sources: Various city departments

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**Mary Taylor, CPA**  
Auditor of State

**CITY OF MANSFIELD**

**RICHLAND COUNTY**

**CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
AUGUST 26, 2010**