

**Mary Taylor, CPA**  
Auditor of State





# Dave Yost • Auditor of State

May 19, 2011

The attached audit report was completed and prepared for release prior to the commencement of my term of office on January 10, 2011. Reports completed prior to that date contain the signature of my predecessor.

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DAVE YOST  
Auditor of State

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**MEDINA CITY SCHOOL DISTRICT  
MEDINA 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*

Medina City School District  
Medina County  
140 West Washington Street  
Medina, Ohio 44256

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Medina City School District, Medina County, Ohio, (the District) as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 10, 2010. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

### Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency or combination of 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 a certain deficiency in internal control over financial reporting, described in the accompanying schedule of findings that we consider a significant deficiency in internal control over financial reporting. We consider finding 2010-01 to be a significant deficiency. 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 District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and accordingly, we do not express an opinion. The results of our tests disclosed an instance of noncompliance or other matter we must report under *Government Auditing Standards* which is described in the accompanying schedule of findings as item 2010-001.

We also noted certain matters not requiring inclusion in this report that we reported to the District's management in a separate letter dated December 10, 2010.

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

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

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

**Mary Taylor, CPA**  
Auditor of State

December 10, 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 REQUIRED BY OMB CIRCULAR A-133

Medina City School District  
Medina County  
140 West Washington Street  
Medina, Ohio 44256

To the Board of Education:

### Compliance

We have audited the compliance of Medina City School District, Medina County, Ohio, (the District) with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133, Compliance Supplement* that could directly and materially affect each of Medina City School District's major federal programs for the year ended June 30, 2010. The summary of auditor's results section of the accompanying schedule of findings identifies the District's major federal programs. The District's management is responsible for complying with the requirements of laws, regulations, contracts, and grants applicable to each major federal program. Our responsibility is to express an opinion on the District'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 included in the Comptroller General of the United States' *Government Auditing Standards*; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. 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 District'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 District's compliance with those requirements.

In our opinion, Medina City School District, Medina County, Ohio, complied, in all material respects, with the requirements referred to above that could directly and materially affect each of its major federal programs for the year ended June 30, 2010.

### **Internal Control Over Compliance**

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

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

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

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

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Medina City School District, Medina County, Ohio, (the District) as of and for the year ended June 30, 2010, and have issued our report thereon dated December 10, 2010. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements taken as a whole. The accompanying Federal Awards Receipts and Expenditures Schedule, (the Schedule) provides additional information required by the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* and is not a required part of the basic financial statements. The Schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. This Schedule was subject to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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

A handwritten signature in black ink that reads "Mary Taylor". The signature is written in a cursive, flowing style.

**Mary Taylor, CPA**  
Auditor of State

December 10, 2011

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**MEDINA CITY SCHOOL DISTRICT  
MEDINA COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FOR THE YEAR ENDED JUNE 30, 2010**

<b>Federal Grantor Pass Through Grantor Program Title</b>	<b>Federal CFDA Number</b>	<b>Receipts</b>	<b>Expenditures</b>
<b><u>U.S. DEPARTMENT OF EDUCATION</u></b>			
<i>Passed through the Ohio Department of Education:</i>			
Special Education Cluster:			
Special Education Grants to States	84.027	\$ 1,507,755	\$ 1,439,526
ARRA - Special Education-Grants to States, Recovery Act	84.391	<u>890,200</u>	<u>869,390</u>
Total Special Education Grants to States		2,397,955	2,308,916
Special Education Preschool Grants	84.173	29,514	26,730
ARRA - Special Education—Preschool Grants (Idea Preschool), Recovery Act	84.392	<u>14,700</u>	<u>13,690</u>
Total Special Education Preschool Grants		<u>44,214</u>	<u>40,420</u>
Total Special Education Cluster		2,442,169	2,349,336
Title I Grants to Local Educational Agencies	84.010	470,704	479,076
ARRA - Title I Grants to Local Educational Agencies, Recovery Act	84.389	<u>124,600</u>	<u>117,790</u>
Total Title I Grants to Local Educational Agencies		595,304	596,866
Title I State Agency Program for Neglected and Delinquent Children	84.013	25,132	23,753
ARRA - Title I State Agency Program for Neglected and Delinquent Children	84.389	<u>6,920</u>	<u>7,701</u>
Total Title I State Agency Program for Neglected and Delinquent Children		32,052	31,454
ARRA - State Fiscal Stabilization Fund (SFSF) – Education State Grants, Recovery Act	84.394	1,083,652	1,083,652
Improving Teacher Quality State Grants	84.367	35,726	26,971
		<u>133,390</u>	<u>143,083</u>
Total Improving Teacher Quality State Grants		169,116	170,054
Education Technology State Grants	84.318	5,738	4,055
English Language Acquisition Grants	84.365	4,360	4,214
State Grants for Innovative Programs	84.298	692	169
Safe and Drug Free Schools and Communities State Grants	84.186	<u>17,082</u>	<u>16,563</u>
Total U.S. Department of Education		<u>4,350,165</u>	<u>4,256,363</u>
<b><u>U.S. DEPARTMENT OF AGRICULTURE</u></b>			
<i>Passed through the Ohio Department of Education:</i>			
Nutrition Cluster:			
School Breakfast Program (SBP);	10.553	34,625	34,625
Non-cash Contributions		<u>9,969</u>	<u>9,969</u>
Total School Breakfast Program		44,594	44,594
National School Lunch Program	10.555	507,925	507,925
Non-cash Contributions		<u>227,661</u>	<u>227,661</u>
Total National School Lunch Program		<u>735,586</u>	<u>735,586</u>
Total U.S. Department of Agriculture - Total Nutrition Cluster		<u>780,180</u>	<u>780,180</u>
<b>Total</b>		<b><u>\$ 5,130,345</u></b>	<b><u>\$ 5,036,543</u></b>

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

**MEDINA CITY SCHOOL DISTRICT  
MEDINA COUNTY**

**NOTES TO THE FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE  
FISCAL YEAR ENDED JUNE 30, 2010**

**NOTE A - SIGNIFICANT ACCOUNTING POLICIES**

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

**NOTE B - CHILD NUTRITION CLUSTER**

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

**NOTE C – FOOD DONATION PROGRAM**

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

**MEDINA CITY SCHOOL DISTRICT  
MEDINA COUNTY**

**SCHEDULE OF FINDINGS  
OMB CIRCULAR A -133 § .505  
JUNE 30, 2010**

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

<b>(d)(1)(i)</b>	<b>Type of Financial Statement Opinion</b>	Unqualified
<b>(d)(1)(ii)</b>	<b>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</b>	No
<b>(d)(1)(ii)</b>	<b>Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iii)</b>	<b>Was there any reported material noncompliance at the financial statement level (GAGAS)?</b>	Yes
<b>(d)(1)(iv)</b>	<b>Were there any material internal control weaknesses reported for major federal programs?</b>	No
<b>(d)(1)(iv)</b>	<b>Were there any other significant deficiencies in internal control reported for major federal programs?</b>	No
<b>(d)(1)(v)</b>	<b>Type of Major Programs' Compliance Opinion</b>	Unqualified
<b>(d)(1)(vi)</b>	<b>Are there any reportable findings under § .510?</b>	No
<b>(d)(1)(vii)</b>	<b>Major Programs (list):</b>	Special Education Cluster, CFDA 84.027, 84.391, 84.173, and 84.392; Title I Grants to Local Educational Agencies, CFDA 84.010 and 84.389; State Fiscal Stabilization Fund, CFDA 84.394.
<b>(d)(1)(viii)</b>	<b>Dollar Threshold: Type A/B Programs</b>	Type A: > \$300,000 Type B: all others
<b>(d)(1)(ix)</b>	<b>Low Risk Auditee?</b>	Yes

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

<i>Finding Number</i>	2010-001
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**Significant Deficiency/Noncompliance Citation**

**Athletic Department Tournament Checking Account**

**Ohio Rev. Code Section 117.01(C)** defines “public money” as any money received, collected by, or due a public official under color of office, as well as any money collected by any individual on behalf of a public office or as a purported representative or agent of the public office. **Ohio Rev. Code Section 9.39** indicates all public officials are liable for all public money received or collected by them or by their subordinates under color of office. Additionally, **Ohio Rev. Code Section 9.38** indicates public monies should be deposited with the Fiscal Officer (Treasurer) or designated depository within 24 hours of collection and requires that monies be deposited on the next business day if the daily receipt amounts exceed \$1,000. If the total amount of the public moneys received does not exceed \$1,000, the person shall deposit the moneys within 24 hours of the day of receipt, unless the public office of which that person is a public official adopts a policy permitting a different time period, not to exceed three business days following the day of receipt, for making such deposits, and the person is able to safeguard the moneys until such time as the moneys are deposited. The School Board’s policy requires all student activity collections to be turned in to the school office or the central office within twenty-four hours.

**Ohio Rev. Code 149.351(A)** indicates all records are the property of the public office concerned and shall not be removed, destroyed, mutilated, transferred, or otherwise damaged or disposed of, in whole or in part, except as provided by law or under the rules adopted by the records commissions provided for under sections 149.38 to 149.42 of the Revised Code. Such records shall be delivered by outgoing officials and employees to their successors and shall not be otherwise removed, transferred, or destroyed unlawfully.

In past years, a separate checking account, to be administered by the District's Athletic Director, was established for the exclusive purpose of accounting for receipts and disbursements associated with Ohio High School Athletic Associations (OHSAA) events and tournaments hosted by the District. OHSAA tournament accounts may be established by individuals and not be included in a school district's financial records. The Athletic Director, however, commingled OHSAA event related funds with funds related specifically to District functions.

The tournament account was maintained separate from the District’s general treasury, was not subjected to the District’s accounting internal controls, and was not included in the District’s financial statements. The tournament account was closed on May 7, 2009. In 2009, management discovered the tournament checking account was possibly being used for transactions other than its intended purposes and the District contracted an independent accounting firm to perform an “agreed-upon procedure” engagement to review the account’s activity for the period May 1, 2005 through April 30, 2009.



<i>Finding Number</i>	2010-001 (continued)
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**Significant Deficiency/Noncompliance Citation (continued)**

**Athletic Department Tournament Checking Account (continued)**

We reviewed the independent accounting firm’s “agreed-upon procedure” report, supporting documentation, and performed other audit procedures, as deemed necessary related to the activities transacted through this account. Our procedures revealed the Athletic Director not only receipted funds and disbursed monies related to the OHSAA events and tournaments, but he also deposited and disbursed monies out of the off-book account for non-OHSAA related activities, including but not limited to; District fund raiser receipts, equipment purchases for District athletic teams, wage payments to District and non-District personnel, and personal expense reimbursements. Additionally, our interviews of several individuals involved with the OHSAA and Districted related events revealed certain expense payments, including payments to individuals, were possibly made in cash. Thus, it is possible not all cash collected or disbursed by the athletic director was ever transacted through this off-book account, however, there are no records to determine whether this is true.

We noted that per OHSAA a number of transactions were not proper for the account, the supporting documentation (i.e. receipts) were poorly maintained; and; the business purposes of certain expenses were not clearly documented, we did not identify any expenditures which appeared to involve the misuse of public funds. Several transactions' supporting documentation and business purpose explanations were not retained or documented, by the District; rather, they could only be obtained from former District personnel.

Pursuant to Ohio Rev. Code Section 117.01(C) and 9.39 all funds collected by the Athletic Director in connection with his duties (i.e under “color of office) constitute “public funds” and should have been deposited with the District Treasurer or into designated depository. Additionally, pursuant to Ohio Rev. Code Section 149.351(A), all supporting document for these transactions should be retained and not be removed from the custody of the District.

The District should ensure all receipts and disbursements of “public funds”, collected by any District employee, are deposited pursuant to Ohio Rev. Code Section 9.38 and District policy, and should ensure these transactions are included in the accounting records and annual financial statements. Additionally, the District should ensure all public records are properly maintained and retained in the District’s custody. The District should also establish internal controls to ensure all bank accounts administered by District employees in connection with their duties of the District are reconciled and reviewed to ensure such accounts are used for their intended purposes. These procedures should reduce the risk of fraud, misuse of public funds and help ensure more accurate and complete financial reporting.

**Officials’ Response:** The Medina City School District expects that everyone employed by the District will adhere to board policy and Ohio law. The District also expects that anyone who is charged with the collection or directing the collection of money on behalf of the District is responsible to the public for the proper handling of that money. Proper handling of money would include the expectation that board policy, administrative guidelines, building and/or department policy, Ohio Revised Code and federal law will be followed.

<i>Finding Number</i>	2010-001 (continued)
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**Officials' Response (continued)**

The former athletic director (2003-2009) of the Medina City School District failed to adhere to board policy, administrative guidelines and building and/or departmental policy when, as stated in this audit report, he chose to comingle district funds generated by the public with funds associated with an Ohio High School Athletic Association checking account. The following policies were in place during the time that the comingling of funds took place: policy 5830 "Student Fund-Raising" and policy 6610 "Student Activity Fund". The following administrative guidelines were in place during the time that the comingling of funds took place: administrative guideline 2431A "Interscholastic Athletics", administrative guideline 5830 "Student Fund-raising", administrative guideline 6610 "Student Activity Fund", administrative guideline 6320A "Purchasing", and administrative guideline 6320B "Preparing Requisitions". The Medina High School Staff Handbook was also in place at the time the comingling of funds took place and clearly outlined building policies regarding the purchasing process. In addition to all of the policies and procedures listed above, the Medina City School District Treasurer's Office provided procedural assistance for the proper handling of district funds.

The Ohio High School Athletic Association checking account in question was established many years ago for the sole purpose of running non-Medina City School District activities, such as Ohio High School Athletic Association tournaments and other conference tournaments that were managed by individuals designated by the Ohio High School Athletic Association Northeast Athletic Board. The non-district related activities and events did not involve activities of the Medina City School District and therefore the Medina City School District should not be held accountable for the auditing and oversight of the non-district account. The Ohio High School Athletic Association should be the entity held accountable for the oversight and auditing of the account and all other accounts under their direction.

Since the Ohio High School Athletic Association checking account was not a school district account and it was not intended to be used for district functions, it was maintained separately from the District. While the non-district personal checking account was under the former athletic director's supervision he chose to channel funds into the account that were not related to Ohio High School Athletic Association activities and should have been and historically had been channeled through the District's treasurer's office or the Medina Athletic Boosters. He also chose to expend money from the account, circumventing district policy and procedure. Expenditures from the account were not only related to Ohio High School Athletic Association activities and events, but also related to district activities and events. To the best of our knowledge it appears as if expenditures included the purchase of supplies, equipment and services. However, because of the lack of supporting documentation there is no way to know for sure whether all of the expenditures were appropriate. The lack of supporting documentation for all expenditures in the form of time sheets, receipts, invoices and etc... makes it difficult for the district to establish for certain that all monies expended from the Ohio High School Athletic Association checking account were for legitimate purposes. As a result of the actions of the former athletic director, the District's policies and procedures as well as the Ohio Revised Code relating to District purchases were circumvented. This circumventing of policy and procedure created a situation where purposely placed and clearly outlined controls were avoided.

Also compounding the issue is the fact that the former athletic director used few if any accounting or bookkeeping controls for deposits and expenditures related to the Ohio High School Athletic Association checking account. A number of transactions from the account were not proper for the account and certain expenses were not clearly documented with the support of receipts. It is unclear as to why the former athletic director chose to not allow the financial secretary assigned to the athletic department to handle all legitimate district purchases on payables. Typically, the financial secretary assigned to the athletic department facilitates the processing of all financial transactions related to the athletic department through the treasurer's office. It is also unclear as to why documents related to the Ohio High School Athletic Association checking account were destroyed by the former athletic director.

<i>Finding Number</i>	2010-001 (continued)
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**Officials' Response (continued):**

The District has actively taken a proactive stance toward fiscal management and oversight. As a result of the District publishing a fraud statement to all district employees in 2008, the Medina City School District's administration was alerted to a concern that the former athletic director may not have been properly handling district funds. As a result of the allegation the administration began an investigation of the athletic department and subsequently employed an independent accounting firm to perform an audit of the Ohio High School Athletic Association checking account and all related documents. Upon learning of the allegation and as a result of the investigation the District alerted the Auditor of State to the situation. As required, the district also made a report to the Ohio Department of Education Office of Professional Conduct.

The independent accountant hired by the District reviewed the activity of the Ohio High School Athletic Association checking account from the period of May 1, 2005 through April 30, 2009. The independent auditor's report also revealed that 310 deposits were made into the account for a total of \$558,510.39. The independent auditor's report indicated that there was no supporting documentation for these deposits other than deposit amounts shown on bank statements and deposit slips showing a total amount deposited. The independent auditor's report revealed that 1,420 checks were cashed on the account for a total of \$558,168.69. Of the 1,420 checks written, 644 totaling \$302,691.16 or 54.23% had no documentation supporting the expenditure.

The district has taken action to resolve the situation and closed the account in question. District personnel regularly receive training, policy notifications, and reminders about the proper handling of public funds. It should also be noted that the treasurer's office is continually working to develop tighter and tighter controls over the process for handling public monies.

<b>3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS</b>
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None

**MEDINA CITY SCHOOL DISTRICT  
MEDINA COUNTY**

**SCHEDULE OF PRIOR AUDIT FINDINGS  
OMB CIRCULAR A -133 § .315 (b)  
JUNE 30, 2010**

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>
2009-001	Noncompliance Citation: Finding for Recovery – Repaid Under Audit – A finding for recovery in the amount of \$123 for public money collected but unaccounted for was issued against, and repaid by, a school activity advisor. This finding related to a receipt shortage for a student fundraiser.	Yes	Finding No Longer Valid.



# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT ON APPLYING AGREED-UPON PROCEDURES

Medina City School District  
Medina County  
140 West Washington Street  
Medina, Ohio 44256

To the Board of Education:

Ohio Rev. Code Section 117.53 states "the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school."

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Medina City School District, Medina County, Ohio, (the District has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an updated anti-harassment policy at its meeting on September 20, 2010.
2. We read the policy, noting it included the following requirements from Ohio Rev. Code Section 3313.666(B):
  - (1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
  - (2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.666;
  - (3) A procedure for reporting prohibited incidents;
  - (4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;

- (5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;
- (6) A procedure for documenting any prohibited incident that is reported;
- (7) A procedure for responding to and investigating any reported incident;
- (8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;
- (9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;
- (10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

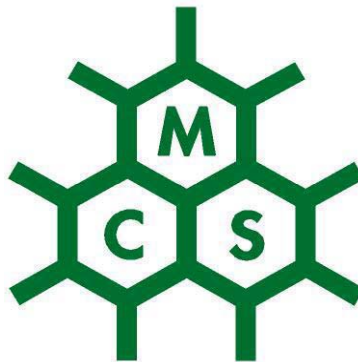
This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.



**Mary Taylor, CPA**  
Auditor of State

December 10, 2010

**MEDINA CITY SCHOOL DISTRICT**  
**Medina, Ohio**



**Prepared by Treasurer's Office**

**Treasurer Wallace Gordon**

Comprehensive Annual Financial Report for the Medina City School  
District  
For the Fiscal Year Ended June 30, 2010





**Medina City School District**

Medina, Ohio

*Comprehensive Annual Financial Report*

For The Fiscal Year Ended June 30, 2010

Prepared by:

Treasurer/Chief Financial Officer

Wallace M. Gordon



# INTRODUCTORY SECTION





**Medina City School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2010*  
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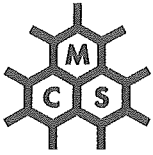
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**Medina  
City Schools**

## Recognizing Potential–Maximizing Achievement

December 10, 2010

Board of Education Members and Residents of Medina City School District:

We are pleased to present the Fiscal Year 2010 Comprehensive Annual Financial Report (CAFR) for the Medina City School District. This CAFR conforms to Generally Accepted Accounting Principles (GAAP) as applicable to government entities and includes the reporting model as promulgated by Governmental Accounting Standards Board (GASB) Statement No. 34.

Superintendent  
Randy S. Stepp

Treasurer  
Wallace M. Gordon

### **Board Of Education**

Mark L. Dolan

Thomas G. Ebner, M.D.

William P. Grenfell

C. Susan Vleck

Robert B. Wilder, M.D.

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP basis, and Ohio Revised Code Section 117.38, which requires all school districts to file unaudited general purpose external financial statements with the Auditor of State within 150 days of fiscal year end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

State statutes require the School District to be subjected to an annual examination by the Auditor of State. The Auditor of State's office rendered an opinion on the School District's financial statements as of June 30, 2010, and the Independent Accountants' Report on the basic financial statements is included in the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent accountants' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Copies of this report will be distributed throughout the School District. It will also be available to the public on both the Auditor of State website and the School District website ([www.medinacityschooldistrict.org](http://www.medinacityschooldistrict.org)).

### **PROFILE OF THE SCHOOL DISTRICT**

The Medina City School District encompasses 48 square miles including the City of Medina and portions of Medina, Montville, Lafayette, Sharon, and Granger townships. The School District is located in close proximity to Cleveland and Akron and situated near Interstate Highways I-71, I-77, and I-76.

The Medina City Schools has earned the designation of "Excellent" for the past several years – achieving the designation of "Excellent with Distinction" last school year. A continued focus of the School District is to manage finances effectively and efficiently, plan for student growth, and increase student achievement while enhancing a personalized learning environment for all students.

The Board of Education continually seeks opportunities to increase the efficient use of School District funds and to secure additional funding through non-conventional means. One such way, beginning in fiscal year 2008, has been through the receipt of a 0.5 percent sales tax, which is levied by the County for permanent improvements at school districts within the County.

This sales tax is allocated to the County public schools based on a student count and is recorded as intergovernmental revenue by the School District.

Additionally, the School District seeks ways to manage its buildings and facilities efficiently. The School District participated in HB 264, which is an Energy Conservation Program that gives school districts the authority to borrow funds without having to pass ballot issues. This limited borrowing authority has given the School District the ability to save significant dollars in utility bills and operating expenses, all at no additional cost to the taxpayer. Through this program school districts use the anticipated savings to fund the actual improvements. Other ways in which the School District has efficiently managed its properties: turned off all outside/parking lot lights at all buildings when events are not taking place; restructured the Bus Mechanics Department to do more work in house – thus lowering annual costs to have buses repaired outside; participates in cooperative purchasing programs offered by the State of Ohio Department of Administrative Services, Ohio Schools Council and Metropolitan Educational Council; closed all board owned buildings by 7 p.m. and adjusted building use fee schedules to include all costs associated with building use. The Medina City School District is also seeking alternative energy sources through the installation of wind turbines and/or solar panels.

A focus of the Medina City School District is to strengthen its partnerships with the business community and various community partners, which have provided opportunities for students and the community-at-large. Some of these partnerships can be seen on the Medina High School campus where the Medina Community Recreation Center is located. This facility is managed by the City of Medina. The Medina Performing Arts Center is also located on the high school campus and provides a 1,200-seat auditorium that is used for student performances and is also used as a venue for outside performing groups. The Distance Learning Lab located in Medina High School provides expanded learning post-secondary education opportunities for students through The University of Akron.

The School District is embarking on a new strategic planning process using the Appreciative Inquiry approach that will provide the opportunity to secure the input of literally hundreds of community members. The Plan will lay the groundwork for the School District's areas of priority and direction for the next five years.

Student enrollment growth is at the forefront of the School District. Due to the use of sales tax dollars, the School District was able to construct two new elementary schools to ease overcrowding. Both of these buildings opened in the fall of 2009.

Current enrollment as reported by the 2010 state local report card is 7,490. The School District's facilities include seven elementary schools, two middle schools, and one high school.

The grades housed in each building are as follows:

- Blake Elementary, built in 2002, houses students in grades 1 through 5.
- Canavan Elementary, built in 1959, houses students in grades K through 5.
- Fenn Elementary, built in 1968, houses students in grades K through 5.
- Garfield Elementary, built in 1937, houses students in grades K through 5.
- Heritage Elementary, built in 1976, houses students in grades K through 5.
- Ralph E. Waite Elementary, built in 2009, houses students in grades K through 5
- Eliza Northrop Elementary, built in 2009, houses students in grades preschool through 5
- Claggett Middle School, built in 1956, houses students in grades 6 through 8.
- A. I. Root Middle School, built in 1995, houses students in grades 6 through 8.
- Medina High School, built in 1974 and expanded in 2002, houses students in grades 9 through 12.

The School District is committed to expanded learning opportunities for students and is currently preparing for the implementation of a form of electronic learning that blends the best of traditional education with the best of electronic learning. The School District will also provide to students both on-line and classroom learning. As you can see, the School District places an emphasis on the integration of technology into the curriculum.

## **LOCAL ECONOMY**

Founded in 1816 and incorporated as a village in 1835, the City of Medina enjoys a long and rich history that is evident in the restored Victorian architecture of its picturesque Public Square area. A visit to Medina's historic Square is like taking a step back in time, a feeling that attracts tourists and residents to its unique shops, fine restaurants, and many special events. Time, however, has not stood still, and this bustling city serves as the seat of county government for one of the fastest growing and most prosperous counties in northeastern Ohio. The City of Medina is an attractive community of 25,139 (2000 census). The population within a 15 mile radius is approximately 275,000.

Ideally situated in close proximity to major interstate highways and urban centers, the City of Medina offers vibrant commercial and retail locations, as well as prime sites for research and manufacturing. An abundant water supply, access to rail, and installed fiber optic lines can meet the needs of the most advanced business and manufacturing processes. Currently home to companies such as A.I. Root Candle, 3M, Owens Corning, and Valspar, Medina offers a quality of life that its business partners have come to value for their employees.

A large industrial district of 800 acres was established around 1952 with all utilities installed and access to rail. Since then, more than 124 new industries have located facilities here. These have been highly diversified and range in size from plants with more than 350 employees to smaller operations with a workforce of 50 or fewer. The industrial district is a part of both an Enterprise Zone and a Community Reinvestment Area. Commercial expansion has mirrored the population growth of the City and blends the charm of the historic district with those featuring a more contemporary look.

Residential growth skyrocketed during the 1990's. Throughout this time there have been numerous upscale residential developments and apartment/condominium units constructed to complement the Victorian homes of the historic district and adequately house the population of one of the State's fastest growing counties.

Medina boasts an outstanding school system that ranks well in the Ohio Department of Education's Annual Report Card. The School District is made up of seven elementary schools, two middle schools, and one high school that underwent a major expansion. As an alternative to attending Medina City School District, students can choose to receive academic and technology training from the Medina County Joint Vocational School District.

Advanced education is readily available locally and from numerous colleges and universities in the surrounding area that offer a full complement of certificate, undergraduate, and graduate degrees. The new Medina County University Center is just south of the city. The City of Medina offers employers a well-trained workforce with opportunity for on-going career development.

## **LONG-TERM FINANCIAL PLANNING**

A major goal of the Medina City School District Board of Education and administration has been fiscal responsibility for the funds granted us by the School District community. In order to achieve this goal, the School District has a policy to submit biannually, in October and May with the Ohio Department of Education, a five year forecast of the School District's general fund for the current and four succeeding fiscal years.

Fiscal year 2009 closed with an \$11.2 million fund balance as projected in the May 2009 Five-Year Forecast. Even though much work was done to grow the fund balance between fiscal year 2006 and 2009, the School District is still facing an operating deficit. While the School District will continue to search for creative ways to reduce that deficit, the School District currently needs additional operating funds. In order to address the deficit, the Board asked the community to vote on a 3.9 mill 3 year incremental levy on November 3, 2009, which did not pass, and a 5.9 mill 5 year emergency levy on November 2, 2010, which also did not pass. As a result of the 2009 levy failure, the School District cut over \$9.5 million from its operating budget. The School District also received nearly \$1 million in mid-term concessions from teachers and administrators. Due to the 2010 levy failure, the School District will need to reduce nearly \$4 million from its operating budget in order to balance.

Beginning in fiscal year 2008, Medina City Schools implemented a comprehensive budgeting process that has helped us better understand and manage our budgets. Through this process, each budget manager presents and justifies his or her budgetary request each spring for the upcoming fiscal year. This request is then debated and discussed with a team of administrators whose sole purpose is to confirm validity of the requests, check alignment to the School District's goals, and to determine fiscal responsibility. This process has been instrumental in helping us to reduce expenditures while we maintain programming.

Knowing that current economic times are tough and that acquiring support through operating levy passage will be difficult, we have continued to look for opportunities to operate more efficiently. This is being done not only as a "good business practice", but also as a strategy to reduce the burden placed on the local taxpayer through reduced property tax requests. An example of such efforts is our recent request to have the Auditor of State conduct a performance audit that included a peer district comparison of the highest and lowest cost districts. Our goal is to continue to operate more efficiently.

## **MAJOR INITIATIVES**

***Community Collaboration*** The Medina City School District recognizes the importance of engaging all stakeholders in the decision-making process. Historically, the School District has involved the community in discussions regarding facilities, school start times, redistricting, strategic planning, programming, and services. As stated previously, the School District is embarking on a strategic planning process that will involve a very diverse mix of community members.

In fiscal year 2008, the School District formed a Citizen's Finance Committee. The committee's purpose was to share school finance with key community members and to gain insight as to the thoughts and understanding of the community.

The Board of Education continues its efforts in ‘community building’ programs whereby numerous opportunities are available to the School District’s internal and external stakeholders to have discussions about the School District and a wide range of topics.

The School District seeks opportunities to collaborate with community organizations, agencies, business institutions and other school districts for the purpose of offering additional programming and services to the students and residents of the community. The School District has partnered with The University of Akron to provide course offerings to students through a Distance Learning lab and collaborated with the Cleveland Clinic to offer students the opportunity to view a number of ‘real time’ surgeries. The School District’s partnership with the City of Medina has provided the residents of the community a well-managed community recreation center which is located on the high school campus.

In 2007, the School District collaborated with the other school districts in the county to pass a 0.5 percent county levied sales tax increase. To date, Medina County is the only county in Ohio to achieve such an accomplishment.

The School District is working closely with other school districts throughout the county to explore partnership initiatives that will allow for increased efficiencies and cost-savings. Areas being explored are: all-day kindergarten curriculum, textbook replacements (jointly participating in selection and bid process), the coordination of non-educational supply bids, and the coordination of office equipment rentals.

***Student Growth*** The Medina City School District is a growing school district. As a result of the growth we have seen in our community, the School District built two new elementary schools which opened in the fall of 2009. The Medina City School District allocated 50 percent of its share of the county-wide sales tax passed in May 2007 to fund the construction of the two new schools. These two schools are a rarity in that they are completely funded from a revenue stream other than property tax dollars. Due to the construction of these buildings the leased modular classrooms were returned to the leasing company allowing the lease payments to end.

Now that the task of constructing two new elementary schools is complete, the School District will now seek to gain funds for the construction of a third middle school. The School District hopes to fund the new middle school without increasing the bond tax rate for the taxpayer. It is projected that the property tax millage needed to fund the current bond payments will be reduced by 1.8 mills in 2011, which would cause the taxpayer payments to be reduced. Under consideration is to ask the community to pass a new bond levy for the 1.8 mills that would drop off. This would allow the School District to construct a middle school without an increase in bond tax rate because taxpayers would just continue to pay the same bond rate rather than see a reduction in their taxes. Should this happen, the community would have essentially constructed three schools without increasing the bond tax rate.

***Technology School*** The School District opened the Medina Technology School to meet the many academic needs of its students and to address decreased revenue through lost tuition dollars from students attending other technical schools through open enrollment. Initial funding for the program was secured through the Ohio Department of Education. The Medina Technology School is housed in the Medina High School Media Center and is an online learning environment with one-on-one support for students.

***Lean Thinking*** The Medina City School District continues to explore the implementation of “Lean Thinking” in education as a way to manage processes, cut down resource waste, and be more cost effective. “Lean Thinking” has enabled private industry to streamline processes and operate more cost effectively. School districts may be able to apply some of these same principles to increase efficiency.

## AWARDS AND ACKNOWLEDGEMENTS

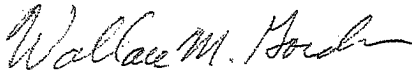
The Government Finance Officers Association of the United States and Canada (GFOA) has awarded a Certificate of Achievement for Excellence in Financial Reporting to the Medina City School District for its comprehensive annual financial report for the fiscal year ended June 30, 2009. In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The publication of the annual CAFR is an important achievement by the School District to provide significantly enhanced financial accountability to all of the stakeholders of the School District. Those stakeholders include the taxpayers of the Medina City School District, its elected officials, and management and staff. This report reflects the continuing efforts of the Treasurer's Office to improve overall financial accounting, management and reporting capabilities.

This report would not have been made possible without the assistance, support, and efforts of various administrators, employees of the School District, and the Local Government Services Section of the Auditor of State's office. Assistance from the County Auditor's office staff and outside agencies made possible the fair presentation of statistical data. We are especially grateful to Jeanne Hurt for assisting with this narrative and to the Treasurer's Office staff for their ongoing commitment to accurate and on time accounting and record keeping. Sincere appreciation extends to our Board of Education, where the commitment to excellence begins. Without their support, this report would not have been possible.

Respectfully submitted,



Wallace M. Gordon  
Treasurer/Chief Financial Officer  
Medina City School District



Randolph Stepp  
Superintendent  
Medina City School District

***Medina City School District***

*Principal Officials*

*June 30, 2010*

***Board of Education***

Mr. Mark Dolan .....	President
Ms. Susan Vlcek .....	Vice President
Mr. Charles Freeman .....	Member
Mr. William Grenfell .....	Member
Dr. Robert Wilder .....	Member

***Treasurer/Chief Financial Officer***

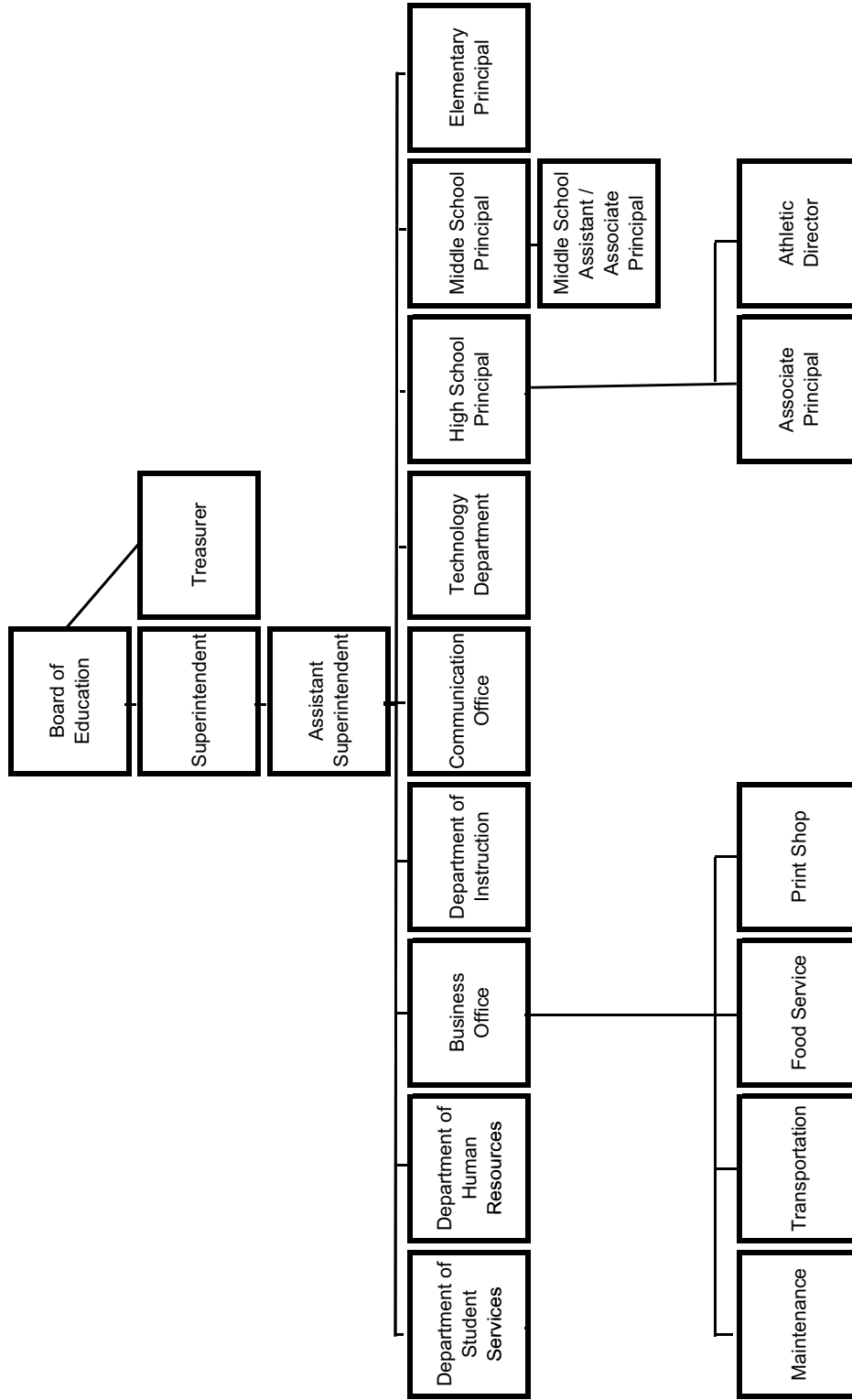
Mr. Wallace M. Gordon

***Superintendent***

Mr. Randolph Stepp



# MEDINA CITY SCHOOLS ORGANIZATIONAL CHART





# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Medina City School District  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2009

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.



A stylized, handwritten signature in black ink, appearing to read "J.R. Emer".

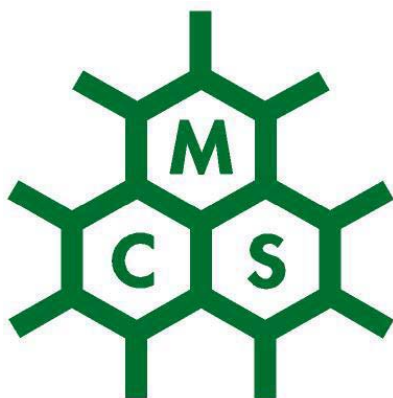
President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emer".

Executive Director

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# FINANCIAL SECTION







# Mary Taylor, CPA

Auditor of State

## INDEPENDENT ACCOUNTANTS' REPORT

Medina City School District  
Medina County  
140 West Washington Street  
Medina, Ohio 44256

To the Board of Education:

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Medina City School District, Medina County, Ohio (the District), as of and for the year ended June 30, 2010, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Medina City School District, Medina County, Ohio, as of June 30, 2010, and the respective changes in financial position and where applicable, cash flows, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2010, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

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



**Mary Taylor, CPA**  
Auditor of State

December 10, 2010

**Medina City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2010*  
*Unaudited*

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The discussion and analysis of Medina City School District's financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2010. The intent of this discussion and analysis is to look at the School District's financial performance as a whole. Readers should also review the financial statements and notes to those respective statements to enhance their understanding of the School District's financial performance.

**Financial Highlights**

Key financial highlights for fiscal year 2010 are as follows:

- The total net assets decreased by \$9,086. The main reason for this decrease were increases in instructional and support services expenses due to increases in salaries and benefits for additional employees required to staff two new elementary schools.
- Expenses totaled \$92,308,066, a 4.53 percent increase from the prior year. Instructional expenses made up 55.19 percent of this total while support services accounted for 33.57 percent. Other expenses rounded out the remaining 11.24 percent.
- Outstanding general obligation bonded debt, certificates of participation, and notes decreased from \$101,201,297 in fiscal year 2009 to \$96,842,506 in fiscal year 2010.
- The School District's capital assets decreased by \$1,164,010 from the prior year. This decrease was the result of depreciation expense outpacing new capital outlay.

**Using this Annual Financial Report**

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

The *Statement of Net Assets* and the *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate and longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements explain how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other non-major funds presented in total in one column. In the case of Medina City School District, the general fund, bond retirement, and building fund by far are the most significant funds.

**Medina City School District**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2010*  
*Unaudited*

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**Reporting the School District as a Whole**

*Statement of Net Assets and the Statement of Activities*

While this document contains all the funds used by the School District to provide programs and activities, the view of the School District as a whole considers all financial transactions and asks the question, "How did we do financially during 2010?" 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. Accrual 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 School District's net assets and changes in those net assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's performance, demographic and socioeconomic factors and the willingness of the community to support the School District.

In the Statement of Net Assets and the Statement of Activities, the School District's activities are all reported as governmental. All of the School District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation, food service operations and extracurricular activities.

**Reporting the School District's Most Significant Funds**

The analysis of the School District's major funds begins on page 8. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund, bond retirement debt service fund, and the building capital improvement fund.

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

**Fiduciary Funds** Fiduciary funds are used to account for resources held for the benefit of parties outside the School District. Fiduciary funds are not reflected on the government-wide financial statements because the resources from these funds are not available to support the School District's programs. These funds use the accrual basis of accounting.



**Medina City School District**  
*Management's Discussion and Analysis*  
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*Unaudited*

**The School District as a Whole**

You may recall that the *Statement of Net Assets* provides the perspective of the School District as a whole. Table 1 provides a summary of the School District's net assets for 2010 compared to 2009:

Table 1  
Net Assets

	Governmental Activities		
	2010	2009	Change
<b>Assets</b>			
Current and Other Assets	\$86,677,975	\$94,566,169	(\$7,888,194)
Capital Assets, Net	109,682,285	110,846,295	(1,164,010)
Total Assets	<u>196,360,260</u>	<u>205,412,464</u>	<u>(9,052,204)</u>
<b>Liabilities</b>			
Current and Other Liabilities	59,034,668	62,193,070	(3,158,402)
Long-Term Liabilities:			
Due Within One Year	6,317,465	5,580,703	736,762
Due in More than One Year	95,216,014	101,837,492	(6,621,478)
Total Liabilities	<u>160,568,147</u>	<u>169,611,265</u>	<u>(9,043,118)</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	20,592,489	22,536,416	(1,943,927)
Restricted:			
Capital Projects	1,824,993	1,164,128	660,865
Debt Service	6,700,126	6,536,372	163,754
Other Purposes	1,764,729	1,797,588	(32,859)
Unrestricted	4,909,776	3,766,695	1,143,081
Total Net Assets	<u><u>\$35,792,113</u></u>	<u><u>\$35,801,199</u></u>	<u><u>(\$9,086)</u></u>

Total assets decreased by \$9.1 million. The majority of this decrease can be attributed to current and other assets decreasing \$7.9 million. This decrease was primarily due to an \$8.3 million decrease in cash and cash equivalents, which is the result of paying down debt and capital project spending.

Total liabilities decreased by \$9 million. Current and other liabilities decreased by \$3.2 million, primarily due to decreases of \$0.7 million in accounts payable and \$1.2 million in contracts payable and \$1.9 million in deferred revenue. Long-term liabilities decreased by \$5.9 million due to paying down debt.

The vast majority of revenue supporting all governmental activities is general revenue. General revenue totaled \$81.5 million or 88.31 percent of the total revenue. General revenue increased by \$1.9 million from the prior year. The primary source of the increase was due to increases in grants and entitlements. The remaining amount of revenue received was in the form of program revenues, which equaled \$10.8 million or only 11.69 percent of total revenue.

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Table 2 shows the changes in net assets for fiscal years 2010 and 2009.

Table 2  
Change in Net Assets

	Governmental Activities		
	2010	2009	Change
Revenues			
Program Revenues:			
Charges for Services	\$4,496,118	\$4,053,344	\$442,774
Operating Grants, Contributions, and Interest	6,292,376	7,627,377	(1,335,001)
Capital Grants and Contributions	0	204,329	(204,329)
Total Program Revenues	<u>10,788,494</u>	<u>11,885,050</u>	<u>(1,096,556)</u>
General Revenue:			
Property Taxes	50,121,763	52,042,758	(1,920,995)
Grants and Entitlements, not Restricted	28,178,307	23,975,167	4,203,140
Grants and Entitlements, Restricted to Permanent Improvement	1,844,356	2,436,132	(591,776)
Investment Earnings	36,593	751,130	(714,537)
Miscellaneous	1,329,467	436,038	893,429
Total General Revenues	<u>81,510,486</u>	<u>79,641,225</u>	<u>1,869,261</u>
Total Revenues	<u>92,298,980</u>	<u>91,526,275</u>	<u>772,705</u>
Program Expenses			
Instruction:			
Regular	40,850,005	38,791,761	(2,058,244)
Special	9,327,136	9,923,657	596,521
Vocational	596,707	526,069	(70,638)
Student Intervention Services	173,193	258,806	85,613
Support Services:			
Pupil	5,286,398	4,685,731	(600,667)
Instructional Staff	5,524,180	4,046,616	(1,477,564)
Board of Education	37,768	145,179	107,411
Administration	5,324,016	5,131,913	(192,103)
Fiscal	1,274,255	1,646,461	372,206
Business	504,809	564,226	59,417
Operation and Maintenance of Plant	8,939,810	7,860,756	(1,079,054)
Pupil Transportation	3,669,112	3,533,089	(136,023)
Central	430,762	499,527	68,765
Operating of Non-Instructional Services	537,853	599,204	61,351
Food Service Operations	2,463,652	2,306,158	(157,494)
Extracurricular Activities	2,140,399	2,460,624	320,225
Interest and Fiscal Charges	5,228,011	5,327,443	99,432
Total Program Expenses	<u>92,308,066</u>	<u>88,307,220</u>	<u>(4,000,846)</u>
Increase (Decrease) in Net Assets	(9,086)	3,219,055	(3,228,141)
Net Assets Beginning of Year	<u>35,801,199</u>	<u>32,582,144</u>	<u>3,219,055</u>
Net Assets End of Year	<u><u>\$35,792,113</u></u>	<u><u>\$35,801,199</u></u>	<u><u>(\$9,086)</u></u>

**Medina City School District**  
*Management's Discussion and Analysis*  
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***Governmental Activities***

The School District has carefully planned its financial existence by forecasting its revenues and expenditures over the next five years. In February of 2005, the School District successfully passed a 7.9 mill continuing levy that is currently generating approximately \$9 - \$10 million dollars of revenue per year. Collections began in 2006. The full effect of this levy has been realized since fiscal year 2007. This additional income is dedicated to the operational and capital needs of the School District.

Although the School District relies heavily upon local property taxes to support its operations, the School District does actively solicit and receive additional grant and entitlement funds to help offset some operating costs.

As one can see, 55.19 percent of the School District's budget is used to fund instructional expenses. Additional supporting services for pupils, instructional staff and business operations encompass an additional 33.57 percent. The remaining amount of program expenses, 11.24 percent, is budgeted to facilitate other obligations of the School District such as interest and fiscal charges, the food service program and numerous extracurricular activities.

Most major cost categories increased from the prior year. Some notable categories and their primary reasons for changing are:

- an increase of 2.92 percent in total instruction due to a 5.31 percent increase in regular instruction and a 13.43 percent increase in vocational instruction. These increases were a result of a wage increase and staff increases for teachers and support staff,
- an increase of 12.82 percent in pupils due to increases in contracted purchased physical services for students,
- an increase of 36.51 percent in instructional staff due primarily to special education aides being paid out of this function due to new coding requirements. In prior years, they were paid out of special education, which corresponded with a decrease in fiscal year 2010,
- a decrease of 22.61 in fiscal due to reductions in County dues and fees,
- an increase of 13.73 percent in operation and maintenance due to increasing gas costs.

The Statement of Activities shows the total net cost of program services. Table 3 shows the total cost of services for governmental activities and the net cost of those services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements.

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Table 3  
 Governmental Activities

	Total Cost of Services 2010	Net Cost of Services 2010	Total Cost of Services 2009	Net Cost of Services 2009
Instruction:				
Regular	\$40,850,005	(\$40,000,806)	\$38,791,761	(\$37,948,928)
Special	9,327,136	(7,260,704)	9,923,657	(6,894,208)
Vocational	596,707	(583,685)	526,069	(514,610)
Student Intervention Services	173,193	(172,338)	258,806	(257,180)
Support Services:				
Pupil	5,286,398	(3,805,762)	4,685,731	(3,825,500)
Instructional Staff	5,524,180	(5,324,390)	4,046,616	(3,872,345)
Board of Education	37,768	(37,581)	145,179	(144,267)
Administration	5,324,016	(5,051,355)	5,131,913	(5,054,968)
Fiscal	1,274,255	(1,268,575)	1,646,461	(689,797)
Business	504,809	(500,249)	564,226	(557,094)
Operation and Maintenance of Plant	8,939,810	(8,449,488)	7,860,756	(7,177,728)
Pupil Transportation	3,669,112	(2,202,777)	3,533,089	(2,095,315)
Central	430,762	(389,826)	499,527	(447,630)
Operating of Non-Instructional Services	537,853	(91,450)	599,204	(115,688)
Food Service Operations	2,463,652	(215,625)	2,306,158	(178,857)
Extracurricular Activities	2,140,399	(936,950)	2,460,624	(1,320,612)
Interest and Fiscal Charges	5,228,011	(5,228,011)	5,327,443	(5,327,443)
Total Expenses	<u>\$92,308,066</u>	<u>(\$81,519,572)</u>	<u>\$88,307,220</u>	<u>(\$76,422,170)</u>

As one can see, the reliance upon local tax revenues for governmental activities is crucial. Over 54.29 percent of expenses are directly supported by local property taxes. Grant and entitlements not restricted to specific programs support 30.53 percent of expenses; grants and entitlements restricted to permanent improvement projects support 2.00 percent of expenses. Investments and other miscellaneous type revenues support 1.48 percent of activity costs. Program revenues only account for 11.69 percent of all governmental expenses.

### School District's Funds

Information regarding the School District's major funds can be found beginning on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$92,268,767 and expenditures of \$98,702,554. Property taxes decreased by \$1.8 million primarily due to the large advance received in the prior year. Grants and entitlements increased by \$2.1 million from the State covering a portion of the decreasing tangible personal property tax. Interest decreased by \$0.7 million due to decreasing investment rates and lower cash balances.

The year-end fund balance for the general fund was \$9,414,615 on a modified accrual basis. This is a decrease of \$1,826,404 from fiscal year 2009 ending balance. This decrease was due to step and base salary increases for teachers and staff, which increased expenditures.

The bond retirement fund saw an increase of \$271,409 in fund balance, due to decreased debt service requirements.

The building fund saw a decrease in fund balance of \$3,968,239 due to spending the proceeds from the 2008 certificates of participation.

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**General Fund Budgeting Highlights**

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

During the course of fiscal year 2010, the School District amended its general fund budget numerous times, none significant. The School District uses a site-based style of budgeting and has in place systems that are designed to tightly control expenditures but provide flexibility for site based decision and management.

For the general fund, the final budget basis revenue estimate totaled \$69,571,700; this was 0.89 percent above the original budget estimates of \$68,956,280. The main difference between the original and final estimates was due to an underestimation in intergovernmental and extracurricular receipts in the original budget. The budget basis expenditures estimate totaled \$79,666,778 compared to original estimates of \$81,021,877. The final budget is 1.67 percent less than the original budget. Actual revenues were \$328,428 higher than final budgeted revenues due to higher miscellaneous receipts. Actual expenditures were \$3,944,846 lower than final budgeted expenditures due primarily to reductions in instructional expenditures.

The School District's general fund unencumbered balance totaled \$10,926,719.

**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal year 2010, the School District had \$109,682,285 invested in land, land improvements, buildings and improvements, furniture and equipment, and vehicles. Table 4 shows fiscal year 2010 values compared to 2009.

Table 4  
 Capital Assets at June 30  
 (Net of Depreciation)

	Governmental Activities		
	2010	2009	Change
Land	\$3,092,806	\$3,251,881	(\$159,075)
Construction in Progress	0	20,567,317	(20,567,317)
Land Improvements	1,275,486	1,330,195	(54,709)
Buildings and Improvements	104,062,103	84,602,434	19,459,669
Furniture and Equipment	212,041	220,748	(8,707)
Vehicles	1,039,849	873,720	166,129
Totals	<u>\$109,682,285</u>	<u>\$110,846,295</u>	<u>(\$1,164,010)</u>

All capital assets, except land and construction in progress, are reported net of depreciation. For more information on capital assets refer to Note 11 of the basic financial statements.

**Medina City School District**  
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*Debt*

At June 30, 2010, the School District had \$96,842,506 in outstanding bonds, notes, and certificates of participation. Table 5 below summarizes the School District's outstanding bonds, notes, and certificates of participation for fiscal years 2010 and 2009.

Table 5  
 Outstanding Debt at Year End

	Governmental Activities		
	2010	2009	Change
<b><i>Certificates of Participation:</i></b>			
2008 Certificates of Participation	\$25,327,675	\$25,365,859	(\$38,184)
<b><i>General Obligation Bonds:</i></b>			
1998 Refunding Bonds	1,860,439	2,671,628	(811,189)
1999 Various School Improvements Bonds	0	3,590,000	(3,590,000)
2005 Refunding Bonds	57,504,799	57,232,207	272,592
2009 Refunding Bonds	8,544,593	8,576,603	(32,010)
<b><i>Long-Term Note:</i></b>			
2007 Energy Conservation Notes	2,855,000	3,015,000	(160,000)
<b><i>Short-Term Note:</i></b>			
Transportation Facilities Notes	750,000	750,000	0
Totals	<u>\$96,842,506</u>	<u>\$101,201,297</u>	<u>(\$4,358,791)</u>

The 2008 certificates of participation were issued for constructing, renovating, expanding, improving, and furnishing of various buildings within the School District. This debt will be fully repaid in the year 2037.

The 1998 refunding bonds were issued to advance refund the 1992 various school improvement bonds. This debt will be fully repaid in the year 2018. The School District refunded the bonds in order to save interest costs.

The 1999 various school improvement bonds were issued to add the H. G. Blake Elementary School, expand the Medina Senior High School, and to purchase land for a future middle school and two future elementary schools. A portion of this debt was refunded with the 2005 refunding bonds and the balance has been fully repaid in fiscal year 2010.

The 2005 refunding bonds were issued to advance refund a portion of the 1999 various school improvement bonds. This debt will be fully repaid in the year 2028. The 1992, 1998, 1999 and 2005 general obligation bonds include capital appreciation bonds. Each year, an annual amount of accretion of interest has to be added to the principal amount of the bonds.

The 2009 refunding bonds were issued to advance refund a portion of the 1998 refunding bonds. This debt will be fully repaid in the year 2018.

The 2007 energy conservation note was issued for the purpose of purchasing and installing energy conservation measures throughout the School District. This debt will be fully repaid in the year 2022.

The transportation facilities note is a bond anticipation note that was issued to finance the purchase of property and a facility for the use of a bus garage.

**Medina City School District**  
*Management's Discussion and Analysis*  
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The School District's overall legal debt margin was \$59,404,945 with an unvoted debt margin of \$1,290,490. The School District maintains an Aa3 bond rating. For more information on debt refer to Notes 15 and 16 of the basic financial statements.

**School District Outlook**

The Board of Education and administration closely monitor the School District's revenues and expenditures in accordance with its financial forecast and the School District Continuous Improvement Plan. The School District has set a goal of balancing the general fund long-range budget for the 2011 and 2012 fiscal years.

The financial future of the School District is not without its challenges. These challenges are internal and external in nature. The internal challenges will continue to exist, as the School District must rely heavily on local property taxes to fund its operations. External challenges continue to evolve as the State of Ohio reacts to the Ohio Supreme Court's finding that the State's educational funding system is unconstitutional. The goal has been to end each year in the period with a minimum unencumbered fund balance of \$6,300,000. The economy continues to have a negative impact on this goal. Reductions are being discussed in order to maintain a positive unencumbered balance in future years.

Although the School District relies heavily on its property taxpayers to support its operations, the community support for the schools is quite strong. As mentioned earlier, the Medina voters passed a 7.9 mill continuing operating levy in February of 2005 that helps fund the general operations of the School District forecasted years. The School District has communicated to the community it relies upon their support for the majority of its operations, and will continue to work diligently to plan expenditures, staying carefully within the School District's financial five-year plan. The community also realizes the income generated by local levies remains relatively constant, therefore forcing the School District to come back to the voters from time to time to ask for additional support.

The economy is also having a negative impact on the community. The community voted down an operating levy in 2008 and an operating levy in 2009. The School District is reducing its programs and services to maintain a positive unencumbered balance through the five forecasted years.

In May 2007, Medina County voters passed a countywide 30-year 0.5 percent sales tax to pay for school permanent improvements. The tax is allocated to the County public schools based on a student count. The allocation for Medina City School District for fiscal year 2010 was \$2.2 million. This is the first time that this type of tax is being used for school districts in the State of Ohio.

Beginning in fiscal year 2010, the State General Assembly adopted a new funding method called the Ohio Evidence-Based Model (OEBM). The Ohio Evidence-Based Model was established in Chapter 3306 of the Ohio Revised Code and links educational research on academic achievement and successful outcomes with funding components to achieve results. It incorporates real financial data and socioeconomic factors to fund resources and implement proven school programs according to the student need to achieve educational adequacy. The adequacy amount is the sum of service support components for instruction, administrative, operations and maintenance, gifted and enrichment, professional development and an instructional materials factor. These factors are multiplied against the Ohio education challenge factor (a district's wealth factor) and the State-wide base salary for given positions and the number of positions funded. Other factors included in the calculation are student/teacher ratios, organizational units, and average daily membership (ADM). The adequacy amount is offset by the school district share of the adequacy amount (the charge off amount).

**Medina City School District**  
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Medina City School District is not anticipating any meaningful growth in State funding. The State is reducing its funding per student to the School District to a level below what the School District had been receiving since 2005. With over 25 percent of the revenue for the School District coming from State foundation funding, one can see the significant impact this constraint would have on the School District and ultimately, the residential taxpayers.

Because of the challenges mentioned above, the School District's management will continue to carefully and prudently plan to provide effective and efficient programs and services to meet our student needs over the next several years.

**Contacting the School District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors, and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional financial information, contact Wallace M. Gordon, Treasurer/Chief Financial Officer, at Medina City School District, 140 West Washington Street, Medina, Ohio 44256, or email at [WGordon@mcsd.org](mailto:WGordon@mcsd.org).



# **Basic Financial Statements**

**Medina City School District**

*Statement of Net Assets*

*June 30, 2010*

	<u>Governmental Activities</u>
<b>Assets</b>	
Equity in Pooled Cash and Cash Equivalents	\$28,249,295
Accounts Receivable	11,407
Intergovernmental Receivable	2,591,020
Inventory Held for Resale	50,821
Materials and Supplies Inventory	67,223
Property Taxes Receivable	54,649,445
Deferred Charges	1,058,764
Nondepreciable Capital Assets	3,092,806
Depreciable Capital Assets, Net	<u>106,589,479</u>
<i>Total Assets</i>	<u>196,360,260</u>
<b>Liabilities</b>	
Accounts Payable	575,866
Contracts Payable	9,251
Accrued Wages and Benefits	6,188,765
Matured Compensated Absences Payable	790,633
Intergovernmental Payable	2,829,532
Deferred Revenue	46,667,724
Notes Payable	750,000
Accrued Interest Payable	511,716
Claims Payable	711,181
Long-Term Liabilities:	
Due Within One Year	6,317,465
Due In More Than One Year	<u>95,216,014</u>
<i>Total Liabilities</i>	<u>160,568,147</u>
<b>Net Assets</b>	
Invested in Capital Assets, Net of Related Debt	20,592,489
Restricted for:	
Capital Projects	1,824,993
Debt Service	6,700,126
Public School Support	552,676
Food Service	479,216
Other Purposes	732,837
Unrestricted	<u>4,909,776</u>
<i>Total Net Assets</i>	<u>\$35,792,113</u>

See accompanying notes to the basic financial statements

**Medina City School District**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2010

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Governmental Activities
<b>Governmental Activities</b>				
Instruction:				
Regular	\$40,850,005	\$694,557	\$154,642	(\$40,000,806)
Special	9,327,136	259,128	1,807,304	(7,260,704)
Vocational	596,707	13,022	0	(583,685)
Student Intervention Services	173,193	855	0	(172,338)
Support Services:				
Pupils	5,286,398	105,091	1,375,545	(3,805,762)
Instructional Staff	5,524,180	49,412	150,378	(5,324,390)
Board of Education	37,768	187	0	(37,581)
Administration	5,324,016	234,754	37,907	(5,051,355)
Fiscal	1,274,255	5,680	0	(1,268,575)
Business	504,809	2,898	1,662	(500,249)
Operation and Maintenance of Plant	8,939,810	488,848	1,474	(8,449,488)
Pupil Transportation	3,669,112	13,201	1,453,134	(2,202,777)
Central	430,762	1,904	39,032	(389,826)
Operation of Non-Instructional Services	537,853	453	445,950	(91,450)
Food Service Operations	2,463,652	1,467,807	780,220	(215,625)
Extracurricular Activities	2,140,399	1,158,321	45,128	(936,950)
Interest and Fiscal Charges	5,228,011	0	0	(5,228,011)
<b>Totals</b>	<b>\$92,308,066</b>	<b>\$4,496,118</b>	<b>\$6,292,376</b>	<b>(81,519,572)</b>

**General Revenues**

Property Taxes Levied for:	
General Purposes	42,511,123
Debt Service	7,173,693
Capital Projects	436,947
Grants and Entitlements not Restricted to Specific Programs	28,178,307
Grants and Entitlements Restricted to Permanent Improvement Projects	1,844,356
Investment Earnings	36,593
Miscellaneous	1,329,467
<i>Total General Revenues</i>	<u>81,510,486</u>
Change in Net Assets	(9,086)
<i>Net Assets Beginning of Year</i>	<u>35,801,199</u>
<i>Net Assets End of Year</i>	<u><u>\$35,792,113</u></u>

See accompanying notes to the basic financial statements

**Medina City School District**

*Balance Sheet*

*Governmental Funds*

*June 30, 2010*

	<u>General</u>	<u>Bond Retirement</u>	<u>Building</u>	<u>Other Governmental Funds</u>
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$13,072,784	\$5,553,024	\$3,190,766	\$2,609,329
Property Taxes Receivable	46,975,254	7,120,761	0	553,430
Accounts Receivable	6,372	478	0	433
Interfund Receivable	129,464	0	0	0
Intergovernmental Receivable	88,635	874,192	0	1,628,193
Inventory Held for Resale	0	0	0	50,821
Materials and Supplies Inventory	60,931	0	0	6,292
<i>Total Assets</i>	<u>\$60,333,440</u>	<u>\$13,548,455</u>	<u>\$3,190,766</u>	<u>\$4,848,498</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$418,452	\$650	\$21,950	\$134,814
Contracts Payable	0	0	9,251	0
Accrued Wages and Benefits	5,598,619	0	0	590,146
Matured Compensated Absences Payable	790,633	0	0	0
Intergovernmental Payable	2,577,573	53	0	251,906
Interfund Payable	0	0	0	129,464
Deferred Revenue	41,533,548	6,806,135	0	1,462,794
Notes Payable	0	0	750,000	0
Accrued Interest Payable	0	0	3,068	0
<i>Total Liabilities</i>	<u>50,918,825</u>	<u>6,806,838</u>	<u>784,269</u>	<u>2,569,124</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	1,707,245	665	342,053	913,540
Reserved for Property Taxes	5,441,706	925,680	0	49,484
Unreserved: Undesignated, Reported in:				
General Fund	2,265,664	0	0	0
Special Revenue Funds	0	0	0	585,350
Debt Service Funds	0	5,815,272	0	0
Capital Projects Funds	0	0	2,064,444	731,000
<i>Total Fund Balances</i>	<u>9,414,615</u>	<u>6,741,617</u>	<u>2,406,497</u>	<u>2,279,374</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$60,333,440</u>	<u>\$13,548,455</u>	<u>\$3,190,766</u>	<u>\$4,848,498</u>

See accompanying notes to the basic financial statements

**Medina City School District**  
*Reconciliation of Total Governmental Fund Balances to  
Net Assets of Governmental Activities  
June 30, 2010*

Total Governmental Funds	<b>Total Governmental Fund Balances</b>	\$20,842,103
	<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
\$24,425,903	Capital assets used in governmental activities are not financial	
54,649,445	resources and therefore are not reported in the funds.	109,682,285
7,283		
129,464	Other long-term assets are not available to pay for current-	
2,591,020	period expenditures and therefore are deferred in the funds:	
50,821	Delinquent Property Taxes	1,564,851
67,223	Intergovernmental	347,794
\$81,921,159	County Levied Sales Tax	1,222,108
	Total	3,134,753
	In the statement of activities, interest is accrued on outstanding bonds,	
	whereas in governmental funds, an interest expenditure is reported	
	when due.	(508,648)
\$575,866	Bond issuance costs reported as an expenditure in the funds are	
9,251	allocated as an expense over the life of the debt on a full accrual	
6,188,765	basis.	1,058,764
790,633		
2,829,532	Long-term liabilities, including bonds payable and compensated	
129,464	absences, are not due and payable in the current period and	
49,802,477	therefore are not reported in the funds:	
750,000	Certificates of Participation	(24,975,000)
3,068	General Obligation Bonds	(59,710,000)
61,079,056	Capital Appreciation Bonds	(3,770,788)
	Energy Conservation Note	(2,855,000)
	Accretion	(3,898,945)
2,963,503	Premium on Bonds and Certificates	
6,416,870	of Participation	(3,637,686)
	Accounting Loss/Gain	2,754,913
2,265,664	Capital Leases	(406,252)
585,350	Compensated Absences	(5,034,721)
5,815,272	Total	(101,533,479)
2,795,444		
20,842,103	An internal service fund is used by management to charge the costs	
	of insurance to individual funds. The assets and liabilities of the	
	internal service fund are included in the statement of net assets.	3,116,335
\$81,921,159	<i>Net Assets of Governmental Activities</i>	\$35,792,113

**Medina City School District**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2010*

	General	Bond Retirement	Building	Other Governmental Funds
<b>Revenues</b>				
Property Taxes	\$42,476,075	\$7,172,539	\$19,688	\$418,031
Intergovernmental	27,266,699	2,176,608	0	6,809,795
Interest	31,211	0	5,293	964
Tuition and Fees	300,104	0	0	1,084,472
Charges for Services	46,070	0	0	1,469,997
Extracurricular Activities	436,957	0	0	702,592
Contributions and Donations	0	0	0	66,279
Rentals	455,926	0	0	0
Miscellaneous	883,637	148,664	99,810	197,356
<i>Total Revenues</i>	<u>71,896,679</u>	<u>9,497,811</u>	<u>124,791</u>	<u>10,749,486</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	37,913,393	0	946,501	1,862,475
Special	7,509,983	0	0	1,878,455
Vocational	548,059	0	0	7,256
Student Intervention Services	176,667	0	0	0
Support Services:				
Pupils	3,820,656	0	0	1,508,821
Instructional Staff	5,021,245	0	0	266,641
Board of Education	38,526	0	0	0
Administration	5,081,627	0	0	258,834
Fiscal	1,189,270	99,621	0	23,555
Business	502,961	0	0	18,075
Operation and Maintenance of Plant	6,863,872	0	0	1,542,308
Pupil Transportation	2,771,151	0	0	301,160
Central	399,421	0	0	43,349
Operation of Non-Instructional Services	93,691	0	0	458,014
Food Service Operations	0	0	0	2,321,737
Extracurricular Activities	1,310,030	0	0	838,723
Capital Outlay	266,356	0	3,125,984	54,162
Debt Service:				
Principal Retirement	163,142	4,218,810	0	0
Interest and Fiscal Charges	22,877	4,348,411	20,545	0
Capital Appreciation Bonds Interest	0	866,190	0	0
<i>Total Expenditures</i>	<u>73,692,927</u>	<u>9,533,032</u>	<u>4,093,030</u>	<u>11,383,565</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,796,248)</u>	<u>(35,221)</u>	<u>(3,968,239)</u>	<u>(634,079)</u>
<b>Other Financing Sources (Uses)</b>				
Inception of Capital Lease	376,474	0	0	0
Transfers In	0	306,630	0	100,000
Transfers Out	(406,630)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(30,156)</u>	<u>306,630</u>	<u>0</u>	<u>100,000</u>
<i>Net Change in Fund Balances</i>	<u>(1,826,404)</u>	<u>271,409</u>	<u>(3,968,239)</u>	<u>(534,079)</u>
<i>Fund Balances Beginning of Year</i>	<u>11,241,019</u>	<u>6,470,208</u>	<u>6,374,736</u>	<u>2,813,453</u>
<i>Fund Balances End of Year</i>	<u>\$9,414,615</u>	<u>\$6,741,617</u>	<u>\$2,406,497</u>	<u>\$2,279,374</u>

See accompanying notes to the basic financial statements

**Medina City School District**

*Reconciliation of the Statement of Revenues, Expenditures and Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2010*

<hr/>		
Total Governmental Funds	<b>Net Change in Fund Balances - Total Governmental Funds</b>	(\$6,057,313)
<hr/>	<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$50,086,333	Governmental funds report capital outlays as expenditures.	
36,253,102	However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlay in the current period.	
37,468	Capital Outlay	2,850,544
1,384,576	Current Year Depreciation	<u>(3,830,590)</u>
1,516,067	Total	(980,046)
1,139,549	Governmental funds only report the disposal of capital assets to the extent proceeds are received from the sale. In the statement of activities, a gain or loss is reported for each disposal.	(183,964)
66,279		
455,926	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
<u>1,329,467</u>	Delinquent Property Taxes	35,430
	Intergovernmental	129,795
92,268,767	County Levied Sales Tax	<u>(135,012)</u>
	Total	30,213
40,722,369	Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.	5,248,142
9,388,438		
555,315	Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	
176,667	Accrued Interest	(54,487)
	Annual Accretion	(777,815)
5,329,477	Amortization of Bond and Certificates of Participation Premium	214,083
5,287,886	Amortization of Bond Issuance Costs	(55,482)
38,526	Amortization of Loss on Refunding	<u>(162,477)</u>
5,340,461	Total	(836,178)
1,312,446	Compensated absences reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.	1,739,257
521,036		
8,406,180	Internal service fund used by management to charge the cost of insurance to individual fund is not reported in the entity-wide statement of activities. Governmental fund and related internal service fund revenue is eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities.	1,407,277
3,072,311		
442,770	Other financing sources, such as inception of capital leases, in the governmental funds increase long-term liabilities in the statement of net assets.	<u>(376,474)</u>
551,705		
2,321,737	<i>Change in Net Assets of Governmental Activities</i>	<u><u>(\$9,086)</u></u>
2,148,753		
3,446,502		
4,381,952		
4,391,833		
<u>866,190</u>		
98,702,554		
<u>(6,433,787)</u>		
376,474		
406,630		
<u>(406,630)</u>		
376,474		
(6,057,313)		
<u>26,899,416</u>		
<u>\$20,842,103</u>		

**Medina City School District**  
*Statement of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$41,031,421	\$40,432,030	\$40,432,030	\$0
Intergovernmental	26,643,471	27,266,699	27,266,699	0
Interest	151,500	31,755	31,755	0
Tuition and Fees	330,000	300,104	300,104	0
Charges for Services	50,000	46,070	46,070	0
Extracurricular Activities	146,000	436,957	436,957	0
Rentals	468,293	458,624	458,624	0
Miscellaneous	135,595	599,461	927,889	328,428
<i>Total Revenues</i>	68,956,280	69,571,700	69,900,128	328,428
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	41,325,788	40,287,953	38,201,769	2,086,184
Special	8,513,356	8,416,523	7,645,276	771,247
Vocational	485,599	598,370	570,972	27,398
Student Intervention Services	313,918	187,625	187,624	1
Support Services:				
Pupils	3,976,501	4,112,201	3,922,473	189,728
Instructional Staff	3,705,700	3,699,827	4,879,729	(1,179,902)
Board of Education	109,049	106,750	98,319	8,431
Administration	5,494,044	5,324,759	5,110,551	214,208
Fiscal	1,632,961	1,631,948	1,294,284	337,664
Business	673,350	748,437	588,783	159,654
Operation and Maintenance of Plant	8,473,252	8,211,356	7,596,224	615,132
Pupil Transportation	3,940,970	3,954,763	3,491,431	463,332
Central	516,550	517,314	411,827	105,487
Operation of Non-Instructional Services	198,377	200,331	123,845	76,486
Extracurricular Activities	1,280,498	1,286,657	1,323,979	(37,322)
Capital Outlay	381,964	381,964	274,846	107,118
<i>Total Expenditures</i>	81,021,877	79,666,778	75,721,932	3,944,846
<i>Excess of Revenues Under Expenditures</i>	(12,065,597)	(10,095,078)	(5,821,804)	4,273,274
<b>Other Financing Sources (Uses)</b>				
Advances In	35,000	0	0	0
Advances Out	(35,000)	(35,000)	0	35,000
Transfers Out	(190,000)	(406,630)	(406,630)	0
<i>Total Other Financing Sources (Uses)</i>	(190,000)	(441,630)	(406,630)	35,000
<i>Net Change in Fund Balance</i>	(12,255,597)	(10,536,708)	(6,228,434)	4,308,274
<i>Fund Balance Beginning of Year</i>	15,306,938	15,306,938	15,306,938	0
Prior Year Encumbrances Appropriated	1,848,215	1,848,215	1,848,215	0
<i>Fund Balance End of Year</i>	\$4,899,556	\$6,618,445	\$10,926,719	\$4,308,274

See accompanying notes to the basic financial statements



**Medina City School District**  
*Statement of Fund Net Assets*  
*Internal Service Fund*  
*June 30, 2010*

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**Assets**

*Current Assets:*

Equity in Pooled Cash and Cash Equivalents	\$3,823,392
Accounts Receivable	<u>4,124</u>

*Total Assets* 3,827,516

**Liabilities**

*Current Liabilities:*

Claims Payable	<u>711,181</u>
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**Net Assets**

Unrestricted	<u><u>\$3,116,335</u></u>
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See accompanying notes to the basic financial statements

**Medina City School District**  
*Statement of Revenues,  
Expenses and Changes in Fund Net Assets  
Internal Service Fund  
For the Fiscal Year Ended June 30, 2010*

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<b>Operating Revenues</b>	
Charges for Services	<u>\$10,125,886</u>
<b>Operating Expenses</b>	
Purchased Services	519,420
Claims	<u>8,199,189</u>
<i>Total Operating Expenses</i>	<u>8,718,609</u>
<i>Change in Net Assets</i>	1,407,277
<i>Net Assets Beginning of Year</i>	<u>1,709,058</u>
<i>Net Assets End of Year</i>	<u><u>\$3,116,335</u></u>

See accompanying notes to the basic financial statements

**Medina City School District**  
*Statement of Cash Flows*  
*Internal Service Fund*  
*For the Fiscal Year Ended June 30, 2010*

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***Increase (Decrease) in Cash and Cash Equivalents***

**Cash Flows from Operating Activities**

Cash Received from Interfund Services Provided	\$10,129,062
Cash Payments for Goods and Services	(519,420)
Cash Payments for Claims	<u>(8,278,214)</u>

*Net Increase to Cash and Cash Equivalents* 1,331,428

*Cash and Cash Equivalents Beginning of Year* 2,491,964

*Cash and Cash Equivalents End of Year* \$3,823,392

***Reconciliation of Operating Income to  
Net Cash Provided By Operating Activities***

*Operating Income* \$1,407,277

**Adjustments**

Decrease in Accounts Receivable	3,176
Decrease in Claims Payable	<u>(79,025)</u>

*Net Cash Provided by Operating Activities* \$1,331,428

See accompanying notes to the basic financial statements

**Medina City School District**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*June 30, 2010*

	Private Purpose Trust Funds	Agency
<b>Assets</b>		
Equity in Pooled Cash and Cash Equivalents	\$25,788	\$231,602
Investments in Segregated Accounts	446,013	0
<i>Total Assets</i>	<u>471,801</u>	<u>\$231,602</u>
<b>Liabilities</b>		
Undistributed Monies	0	\$13,861
Due to Students	0	217,741
<i>Total Liabilities</i>	<u>0</u>	<u>\$231,602</u>
<b>Net Assets</b>		
Held in Trust for Scholarships	51,329	
Endowments	420,472	
<i>Total Net Assets</i>	<u>\$471,801</u>	

See accompanying notes to the basic financial statements

**Medina City School District**  
*Statement of Changes in Fiduciary Net Assets*  
*Private Purpose Trust Funds*  
*For the Fiscal Year Ended June 30, 2010*

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	<u>Private Purpose Trust Funds</u>
<b>Additions</b>	
Interest	\$108
Contributions and Donations	13,510
Gain on Sale of Investments	54,840
Miscellaneous	4,154
<i>Total Additions</i>	<u>72,612</u>
<b>Deductions</b>	
Scholarships Awarded	<u>37,950</u>
<i>Change in Net Assets</i>	34,662
<i>Net Assets Beginning of Year</i>	<u>437,139</u>
<i>Net Assets End of Year</i>	<u><u>\$471,801</u></u>

See accompanying notes to the basic financial statements

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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**Note 1 – Description of the School District and Reporting Entity**

Medina City School District (the School District) is organized under Article VI, Sections 2 and 3 of the Constitution of the State of Ohio. The School District operates under a locally-elected five member Board form of government whose members are elected at-large for staggered four year terms. The School District provides educational services as authorized by State statute and federal guidelines.

The School District is located in Medina County and encompasses most of the City of Medina and portions of surrounding townships. The School District currently operates seven elementary schools, two middle schools and one comprehensive high school, which are staffed by 31.5 administrators, 8.5 psychologists, 2 administrative secretaries, 435 certificated full-time teaching personnel and 234.5 full-time-equivalent classified employees, who provide services to 7,477 students and other community members.

*Reporting Entity*

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that the financial statements of the School District are not misleading. The primary government consists of all funds, departments, boards, and agencies that are not legally separate from the School District. For the Medina City School District, this includes the agencies and departments that provide the following services: general operations, food service, preschool, and student related activities of the School District.

*Non-public Schools* - Within the School District boundaries, The Nurture, St. Francis Xavier, Kids Country, Small Wonders Preschool, and the Medina Christian Academy are operated as non-public schools. Current State legislation provides funding to these schools. These monies are received and disbursed on behalf of the non-public schools by the Treasurer of the School District, as directed by the non-public schools. These transactions are reported in a special revenue fund and as a governmental activity of the School District.

Component units are legally separate organizations for which the School District is financially accountable. The School District is financially accountable for an organization if the School District appoints a voting majority of the organization's governing board and (1) the School District is able to significantly influence the programs or services performed or provided by the organization; or (2) the School District is legally entitled to or can otherwise access the organization's resources; the School District is legally obligated or has otherwise assumed the responsibility to finance deficits of, or provide financial support to, the organization; or the School District is obligated for the debt of the organization. Component units may also include organizations that are fiscally dependent on the School District in that the School District approves the budget, the issuance of debt, or the levying of taxes. The School District does not have any component units.

The School District participates in two jointly governed organizations, which are the Medina County Joint Vocational School District and the Ohio Schools Council. These organizations are addressed in Note 18 to the basic financial statements.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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**Note 2 – Summary of Significant Accounting Policies**

The financial statements of the School District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting entity for establishing governmental accounting and financial principles. The School District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities and to its internal service fund unless those pronouncements conflict with or contradict GASB pronouncements. The more significant of the School District's accounting policies are described below.

***Basis of Presentation***

The School District's basic financial statements consist of government-wide statements, including a statement of net 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 School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid "doubling up" revenues and expenses. These statements usually distinguish between those activities of the School District that are governmental and those that are considered business-type. The School District, however, has no business-type activities.

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

***Fund Financial Statements*** During the year, the School District segregates transactions related to certain School District 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 School District at this more detailed level. The focus of governmental 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 fund is presented in a single column on the face of the proprietary fund statements. The fiduciary funds are reported by type.

***Fund Accounting***

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

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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**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 School District's major governmental funds:

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

**Bond Retirement Fund** The bond retirement fund is used to account for the accumulation of property tax revenues for the payment of general obligation bonds and certificates of participation issued for high school and elementary school additions and the construction of a new recreation center.

**Building Fund** The building fund accounts for property tax and intergovernmental revenues used for various capital projects within the School District.

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

**Proprietary Fund Type** Proprietary funds reporting focuses on the determination of operating income, changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise or internal service; the School District has no enterprise funds.

**Internal Service Fund** The internal service fund accounts for the financing of services provided by one department or agency to other departments or agencies of the School District on a cost reimbursement basis. The School District's only internal service fund is a self insurance fund that accounts for health, prescription and dental claims of School District employees.

**Fiduciary Funds Types** 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 School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. The School District has two private purpose trust funds which are both used to account for college scholarships. The School District's agency funds are purely custodial in nature (assets equal liabilities) and thus do not involve measurement of results of operations. The agency funds reflect resources that belong to the student bodies of the various schools and a community performing arts group, accounting for sales and other revenue generating activities.

**Measurement Focus**

**Government-wide Financial Statements** The government-wide financial statements are prepared using the economic resources measurement focus. All assets and all liabilities associated with the operation of the School District 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.



**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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

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

The private purpose trust funds are reported using the economic resources measurement focus.

***Basis of Accounting***

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements and the statements presented for proprietary and fiduciary funds are prepared using the accrual basis of accounting. Governmental funds use the modified 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 Nonexchange Transactions*** Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within sixty days of fiscal year-end.

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

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property taxes available as an advance, interest, tuition, grants, fees and rentals.

***Deferred Revenue*** Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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Property taxes for which there is an enforceable legal claim as of June 30, 2010, but which were levied to finance fiscal year 2011 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

***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.

***Cash and Cash Equivalents***

To improve cash management, all cash received by the School District is pooled except for certain investments for the private purpose trust funds. Individual fund integrity is maintained through the School District records. Interest in the pool is presented as “equity in pooled cash and cash equivalents” on the financial statements.

The School District has segregated banks accounts for monies held in agency funds. These interest bearing depository accounts are reported as “investments in segregated accounts” on the Statement of Fiduciary Net Assets.

During fiscal year 2010, investments were limited to mutual funds and STAR Ohio. Mutual funds are reported at fair values based on current share price.

STAR Ohio is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio’s share price which is the price the investment could be sold for on June 30, 2010.

Following Ohio statutes, the Board of Education has, by resolution, identified the funds to receive an allocation of interest. Interest revenue credited to the general fund during the fiscal year 2010 amounted to \$31,211, which included \$14,293 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are reported as cash equivalents.

***Inventory***

Inventories are presented at cost on a first-in, first-out basis and are expended/expensed when used. Inventory consists of expendable supplies held for consumption and purchased and donated food held for resale.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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***Capital Assets***

All capital assets of the School District are classified as general capital assets. General capital assets are capital assets which are associated with and generally arise from governmental activities. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide statement of net assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. The School District was able to estimate the historical cost for the initial reporting of capital assets by back trending (i.e., estimating the current replacement cost of the assets to be capitalized and using an appropriate price-level index to deflate the cost to the acquisition year or estimated acquisition year). Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of seven thousand dollars. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	40 Years
Buildings and Improvements	40 Years
Furniture and Equipment	5 Years
Vehicles	10 Years

***Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables". These amounts are eliminated in the governmental activities column of the statement of net assets.

***Compensated Absences***

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

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

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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For governmental funds, compensated absences are recognized as liabilities and expenditures to the extent payments come due each period upon the occurrence of employee resignations and retirements. These amounts are recorded in the account “matured compensated absences payable” in the fund from which the employees who have resigned or retired will be paid. The non-current portion of the liability is not reported.

***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 the proprietary fund 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. Bonds and certificates of participation are recognized as a liability on the governmental fund financial statements when due.

***Fund Balance Reserves***

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund balance which is available for appropriation in future periods. Fund balance reserves are established for encumbrances and property taxes.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

***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 enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include resources which will be used for student activities, special education, and classroom facilities maintenance.

The School District applies restricted resources first when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

***Extraordinary and Special Items***

Extraordinary items are transactions or events that are both unusual in nature and infrequent in occurrence. Special items are transactions or events that are within the control of the Board of Education and that are either unusual in nature or infrequent in occurrence.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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***Estimates***

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

***Internal Activity***

Transfers between governmental funds are eliminated on the government-wide financial statements. Internal events that are allocations of overhead expenses from one function to another or within the same function are eliminated on the statement of activities. Interfund payments for services provided and used are not eliminated.

Exchanges 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 financial statements.

***Budgetary Data***

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

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District's Treasurer. The amounts reported in the budgetary statement as the original and final budgeted amounts reflect the amounts in the amended certificate in effect when the original and final appropriations were passed. Prior to June 30, the Board requested and received an amended certificate in which estimated revenue closely reflects actual revenue for the fiscal year.

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

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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***Bond Issuance Costs***

Bond issuance costs for underwriting fees and bond issuance for the 2005 refunding bonds, 2008 certificates of participation, and the 2009 refunding bonds are being amortized using the straight-line method over the life of the obligations in the School District's governmental activities. The straight-line method of amortization is not materially different from the effective-interest method.

As permitted by State statute, the School District paid bond issuance costs from the bond proceeds and therefore does not consider that portion of the debt to be capital-related debt. That portion of the debt was offset against the unamortized bond issuance costs which were included in the determination of unrestricted net assets. Reporting both within the same element of net assets prevents one classification from being overstated while another is understated by the same amount.

***Bond Premium***

On the government-wide financial statements, bond premiums are deferred and amortized for the term of the bonds using the straight-line method since the results are not significantly different from the effective interest method. Bond premiums are presented as an increase of the face amount of the bonds payable. On governmental fund statements, bond premiums are received in the year the bonds are issued.

***Deferred Loss on Refunding***

On the government-wide financial statements, the difference between the reacquisition price (funds required to refund the old debt) and the net carrying amount of the old debt, the gain/loss on the refunding, is being amortized as a component of interest expense. This deferred amount is amortized over the life of the old or new debt, whichever is shorter, using the effective interest method and is presented net of the general obligation bonds payable on the statement of net assets.

**Note 3 – Change in Accounting Principles**

***Change in Accounting Principles***

For fiscal year 2010, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 51, "Accounting and Reporting for Intangible Assets", Statement No. 53, "Accounting and Financial Reporting for Derivative Instruments", Statement No. 57, "OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans", and Statement No. 58, "Accounting and Financial Reporting for Chapter 9 Bankruptcies".

GASB Statement No. 51 establishes accounting and financial reporting requirements for intangible assets to reduce inconsistencies thereby enhancing the comparability of accounting and financial reporting of such assets among state and local governments. The implementation of this statement did not result in any change to the School District's financial statements.

GASB Statement No. 53 enhances the usefulness and comparability of derivative instrument information reported by state and local governments. This Statement provides a comprehensive framework for the measurement, recognition, and disclosure of derivative instrument transactions. The implementation of this statement did not result in any change to the School District's financial statements.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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GASB Statement No. 57 addresses issues related to the use of the alternative measurement method and the frequency and timing of measurements by employers that participate in agent multiple-employer other postemployment benefit (OPEB) plans (that is, agent employers). The requirements in this Statement will allow more agent employers to use the alternative measurement method to produce actuarially based information for purposes of financial reporting and clarify that OPEB measures reported by agent multiple-employer OPEB plans and their participating employers should be determined at the same minimum frequency and as of a common date to improve the consistency of reporting with regard to funded status and funding progress information. The implementation of this statement did not result in any change in the School District's financial statements.

GASB Statement No. 58 provides accounting and financial reporting guidance for governments that have petitioned for protection from creditors by filing for bankruptcy under Chapter 9 of the United States Bankruptcy Code. The requirements in this Statement will provide more consistent recognition, measurement, display, and disclosure guidance for governments that file for Chapter 9 bankruptcy. The implementation of this statement did not result in any change in the School District's financial statements.

**Note 4 – Legal Compliance and Accountability**

***Legal Compliance***

The School District had negative cash balances at June 30, 2010, in the following special revenue funds:

Fund	Negative Cash Balances
<i>Special Revenue Funds:</i>	
Rotary	\$64,650
Miscellaneous State Grants	25,248
Technology Title II-D Grant	907
Title I	28,603
Drug Free Schools	363
Reducing Class Size	9,693

The negative cash balances indicate that revenues from other sources were used to pay obligations for these funds. Management has indicated that all cash balances will be closely monitored to ensure no future violations.

Contrary to Section 5705.41(B), Ohio Revised Code, the following fund/object had expenditures plus encumbrances in excess of final appropriations:

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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Fund/Function/Object	Final Appropriations	Expenditures Plus Encumbrances	Excess
<b>General Fund</b>			
Special Instruction			
Materials and Supplies	\$9,313	\$9,784	\$471
Instructional Staff			
Salaries	2,460,469	3,185,895	725,426
Fringe Benefits	983,533	1,494,884	511,351
Administration			
Fringe Benefits	1,499,050	1,512,672	13,622
Operation and Maintenance of Plant			
Fringe Benefits	1,168,180	1,303,768	135,588
Pupil Transportation			
Purchased Services	529,303	529,677	374
Materials and Supplies	804,685	805,136	451
Community Services			
Capital Outlay	26,300	26,381	81
Academic Oriented Activities			
Salaries	199,622	232,299	32,677
Sport Oriented Activities			
Salaries	726,008	728,067	2,059
Materials and Supplies	4,864	4,872	8
School and Public Service Co-Curricular Activities			
Salaries	23,546	57,483	33,937
Fringe Benefits	7,889	13,463	5,574

Although these budgetary violations were not corrected by fiscal year-end, management has indicated that appropriations will be closely monitored in order to avoid any future violations.

***Accountability***

The following funds had deficit fund balances at June 30, 2010:

Fund	Amount
<i>Special Revenue Funds:</i>	
Miscellaneous State Grants	\$1,421
Title VI-B	96,385
Federal Stimulus	174,716
Technology Title II-D Grant	47
Title I	25,336
Drug Free Schools	129
Preschool Grant	5,338
Reducing Class Size	5,110

The special revenue funds deficits resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in the funds and provided transfers when cash is required, not when accruals occur.



**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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**Note 5 – Budgetary Basis of Accounting**

While the School District is reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursement and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual, general fund is presented on the budgetary basis to provide a meaningful comparison of actual results with the budget.

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

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balances (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the general fund.

Net Change in Fund Balance	
GAAP Basis	(\$1,826,404)
Net Adjustment for Revenue Accruals	(2,373,025)
Net Adjustment for Expenditure Accruals	246,524
Adjustment for Encumbrances	<u>(2,275,529)</u>
Budget Basis	<u><u>(\$6,228,434)</u></u>

**Note 6 – Deposits and Investments**

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

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

Inactive deposits are public deposits that the Board 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.

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*Notes to the Basic Financial Statements*  
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Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2);
7. The State Treasurer's investment pool (STAR Ohio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

**Investments**

As of June 30, 2010, the School District had the following investments:

Investment	Fair Value	Maturity
STAR Ohio	\$14,455,084	Average 56 Days
T. Rowe Price Mutual Funds	271,661	1 Day
Scudder Mutual Funds	149,130	1 Day
Kanehl Mutual Funds	13,132	1 Day
Total Portfolio	<u>\$14,889,007</u>	

**Interest Rate Risk** The School District has no investment policy that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District and that investment must be purchased with the expectation that it will be held to maturity. Repurchase agreements shall not exceed thirty days.

**Credit Risk** STAR Ohio carries a credit rating of AAAM by Standard and Poor's. Ohio law requires that STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The School District has no investment policy that addresses credit risk.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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**Note 7 – Property Taxes**

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

Property taxes include amounts levied against all real, public utility and tangible personal property (used in business) located in the School District. Real property tax revenue received in calendar year 2010 represents collections of calendar year 2009 taxes. Real property taxes received in calendar year 2010 were levied after April 1, 2009, on the assessed value listed as of January 1, 2009, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2010 represents collections of calendar year 2009 taxes. Public utility real and tangible personal property taxes received in calendar year 2010 became a lien December 31, 2008, were levied after April 1, 2009 and are collected in 2009 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Tangible personal property tax revenue received during calendar year 2009 (other than public utility property tax) represents the collection of 2010 taxes levied against local and inter-exchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. Tangible personal property taxes received from telephone companies in calendar year 2010 were levied after October 1, 2009, on the value as of December 31, 2009. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30; however this year the settlement was late.

The School District receives property taxes from Medina County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2010, are available to finance fiscal year 2010 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2010, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amount available as an advance at June 30, 2010, was \$5,441,706 in the general fund, \$925,680 in the bond retirement debt service fund, and \$49,484 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2009, was \$3,397,661 in the general fund, \$614,900 in the bond retirement debt service fund, and \$30,814 in the permanent improvement capital projects fund. The difference was in the timing and collection by the County Auditor.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values upon which the fiscal year 2010 taxes were collected are:

	2009 Second Half Collections		2010 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,254,409,860	97.73%	\$1,270,782,930	98.27%
Public Utility Personal Property	18,070,420	1.41	22,391,666	1.73
Tangible Personal Property	11,091,325	0.86	0	0.00
<b>Total</b>	<b>\$1,283,571,605</b>	<b>100.00%</b>	<b>\$1,293,174,596</b>	<b>100.00%</b>
Tax rate per \$1,000 of assessed valuation	\$90.98		\$90.63	

**Note 8 – Interfund Transactions**

***Interfund Balances***

As of June 30, 2010, the general fund had a \$129,464 interfund receivable and the following funds had the corresponding interfund payables:

Interfund Payable	Interfund Receivable General Fund
<i>Special Revenue Funds:</i>	
Rotary	\$64,650
Miscellaneous State Grants	25,248
Technology Title II-D Grant	907
Title I	28,603
Drug Free Schools	363
Reducing Class Size	9,693
<b>Total</b>	<b>\$129,464</b>

The interfund receivable and payables are due to the general fund covering deficit cash balances in these funds.

***Interfund Transfers***

Transfers of \$306,630 and \$100,000 to the bond retirement and permanent improvement funds were to pay a portion of the transportation facility note and to pay for recreation center permanent improvements, respectively.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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**Note 9 – Receivables**

Receivables at June 30, 2010, consisted of taxes, accounts (rent and student fees), interfund, and intergovernmental grants. The School District receives a portion of a 0.5 percent sales tax levied by the County. The sales tax is allocated to the public schools based on a student count and is recorded as an intergovernmental revenue. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds. All receivables except for delinquent property taxes are expected to be collected within one year. Property taxes, although ultimately collectible, include some portion of delinquencies that will not be collected within one year.

A summary of the principal items of intergovernmental receivables follows:

Governmental Activities	Amounts
County Levied Sales Tax	\$1,748,383
Other	272,249
Title I	231,988
Title VI-B	205,494
Reducing Class Size	76,926
Miscellaneous State Grants	25,251
Preschool Grant	24,282
Technology Title II-D Grant	4,367
Drug Free Schools	1,484
Immigrant Student Grant	596
Total	\$2,591,020

**Note 10 – Risk Management**

***Workers' Compensation***

The School District pays the State Workers' Compensation System a premium based on a rate per \$100 of salaries. This rate is calculated based on accident history and administrative costs.

***Property and Liability***

The School District is exposed to various risks of loss related to torts; thefts of, damage to, and destruction of assets; errors and omissions; injuries to employees and natural disasters. During fiscal year 2010, the School District contracted with several companies for various types of insurance as follows:

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Company	Type of Coverage	Coverage Amount
Netherlands Insurance Company	Property	\$233,149,185
	Inland Marine	4,013,150
	Flood and Earthquake	2,000,000
	Crime	150,000
	General Liability	3,000,000
	Employee Benefits Liability	4,000,000
	Employer's Liability	3,000,000
	School Leaders Professional Liability	2,100,000
	Sexual Misconduct and Molestation	2,300,000
	Law Enforcement	2,000,000
	Violent Event Response	2,040,000
Travelers Insurance Company	Boiler and Machinery	50,000,000
Ohio Casualty Group	Fleet	2,000,000
	Umbrella Policy	10,010,000

Settled claims have not exceeded this commercial coverage in any of the last three years and there have been no significant reductions in insurance coverage from last year.

***Self-Insurance***

The School District offers medical/surgical and prescription benefits as well as the dental benefits for all eligible employees and their dependants through a self-insurance internal service fund. The School District is self-insured with Medical Mutual serving as third-party administrator. A specific excess loss coverage (stop-loss) insurance policy covers claims in excess of \$125,000 per employee, per year. The claims liability of \$711,181 reported in the internal service fund at June 30, 2010, is based on an estimate provided by the third party administrator and the requirements of Governmental Accounting Standards Board Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustments expense and does not include other allocated or unallocated claim adjustment expenses. Management's expectation is the claims liabilities will be paid within one year. Changes in the fund's claim liability amount in fiscal years 2009 and 2010 were:

	Balance Beginning of Year	Current Year Claims	Claims Payments	Balance End of Year
2009	\$968,585	\$7,299,836	\$7,478,215	\$790,206
2010	790,206	8,199,189	8,278,214	711,181

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

**Note 11 – Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2010, was as follows:

	Balance 7/1/2009	Additions	Deletions	Balance 6/30/2010
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$3,251,881	\$0	(\$159,075)	\$3,092,806
Construction in Progress	20,567,317	714,950	(21,282,267)	0
<i>Total Capital Assets, not being depreciated</i>	<u>23,819,198</u>	<u>714,950</u>	<u>(21,441,342)</u>	<u>3,092,806</u>
<i>Capital Assets, being depreciated:</i>				
Land Improvements	2,188,367	0	0	2,188,367
Buildings and Improvements	114,470,795	22,590,624	0	137,061,419
Furniture and Equipment	1,574,896	73,388	(152,712)	1,495,572
Vehicles	4,378,157	753,849	(322,723)	4,809,283
<i>Total Capital Assets, being depreciated</i>	<u>122,612,215</u>	<u>23,417,861</u>	<u>(475,435)</u>	<u>145,554,641</u>
Less Accumulated Depreciation:				
Land Improvements	(858,172)	(54,709)	0	(912,881)
Buildings and Improvements	(29,868,361)	(3,130,955)	0	(32,999,316)
Furniture and Equipment	(1,354,148)	(82,095)	152,712	(1,283,531)
Vehicles	(3,504,437)	(562,831)	297,834	(3,769,434)
Total Accumulated Depreciation	<u>(35,585,118)</u>	<u>(3,830,590) *</u>	<u>450,546</u>	<u>(38,965,162)</u>
Total Capital Assets, being depreciated, net	<u>87,027,097</u>	<u>19,587,271</u>	<u>(24,889)</u>	<u>106,589,479</u>
Governmental Activities Capital Assets, Net	<u>\$110,846,295</u>	<u>\$20,302,221</u>	<u>(\$21,466,231)</u>	<u>\$109,682,285</u>

\* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,503,413
Special	267,138
Vocational	56,463
Support Services:	
Pupils	114,232
Instructional Staff	294,914
Administration	213,340
Operation and Maintenance of Plant	640,705
Pupil Transportation	540,725
Central	1,394
Operation of Non-Instructional Services	160,016
Extracurricular Activities	38,250
Total Depreciation Expense	<u>\$3,830,590</u>

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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**Note 12 – Defined Benefit Pension Plans**

***School Employee Retirement System***

Plan Description – The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS 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 Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2010, 12.78 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2010, 2009, and 2008 were \$1,271,669, \$881,689, and \$858,925, respectively; 33.68 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

***State Teachers Retirement System***

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing, multiple-employer public employee retirement plan. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that may be obtained by writing to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The DB portion of the combined plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum or converted to a lifetime annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.



**Medina City School District**  
*Notes to the Basic Financial Statements*  
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A DB or Combined Plan member with five or more years credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of these active members who die before retirement may qualify for survivor benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – For the fiscal year ended June 30, 2010, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2009, the portion used to fund pension obligation was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2010, 2009, and 2008 were \$4,967,991, \$4,721,205, and \$4,498,548, respectively; 85.91 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2009 and 2008. Contributions to the DC and Combined Plans for fiscal year 2010 were \$186,922 made by the School District and \$133,516 made by the plan members.

### **Note 13 – Postemployment Benefits**

#### ***School Employee Retirement System***

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by the System based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2010, 0.46 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2010, this amount was \$35,800. During fiscal year 2010, the School District paid \$149,306.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$249,294, \$601,403, and \$584,075, respectively; 33.68 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2010, this actuarially required allocation was 0.76 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2010, 2009, and 2008 were \$75,624, \$72,747, and \$61,888, respectively; 33.68 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

***State Teachers Retirement System***

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2010, STRS Ohio allocated employer contributions equal to 1 percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2010, 2009, and 2008 were \$382,153, \$363,170, and \$346,042, respectively; 85.91 percent has been contributed for fiscal year 2010 and 100 percent for fiscal years 2009 and 2008.

**Note 14 – Other Employee Benefits**

***Compensated Absences***

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Twelve month classified employees and administrators earn ten to twenty-five days of vacation per year, depending upon length of service. Accumulated unused vacation time is paid to twelve month classified employees and administrators upon termination of employment. Teachers do not earn vacation time.

Teachers and classified employees earn sick leave at the rate of one and one-fourth days per month. Sick leave may be accumulated up to a maximum of 315 days for teachers and 295 days for classified staff and administrators. Upon retirement, certified and classified employees with at least five years of experience with the School District, receive payment for up to a maximum of eighty days computed according to negotiated agreements.

Administrators earn sick leave at the rate of one and one-fourth days per month. Upon termination, administrative employees are eligible to receive payment for one hundred percent of sick leave days accumulated for the first forty days and fifty percent of sick leave days accumulated for the next one hundred twenty days up to a maximum of one hundred days. An employee receiving such payment must meet the retirement provisions set by STRS Ohio or SERS with a minimum of 5 years service in the School District or upon disability retirement or death with no minimum years of service to the School District.

**Medina City School District**  
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Employees may earn up to a maximum of four days of personal leave per year. Personal leave may not be accumulated. Unused personal leave becomes sick leave at July 1.

***Health Insurance Benefits***

The School Board and the teachers and classified staff share the cost of insurance coverage. Administrators contribute fifteen percent to the total cost to the School Board for family and single coverage. In addition to paying a co-pay for office visits and prescriptions, teachers and classified staff contribute a fixed amount to the cost of the monthly premiums for their insurance coverage as per the table below:

<u>Effective Date</u>	<u>Single Contribution</u>	<u>Family Contribution</u>
September 1, 2009	\$40.00	\$80.00
September 1, 2010	87.00	215.00

***Life Insurance Benefits***

The School District provides life insurance and accidental death and dismemberment insurance to most employees through commercial life insurance companies.

**Note 15 – Long-Term Obligations**

The original issue date, interest rate, original issue amount and date of maturity of each of the School District's long-term obligations is as follows:

<u>Debt Issue</u>	<u>Interest Rate</u>	<u>Original Issue Amount</u>	<u>Date of Maturity</u>
<i>Certificates of Participation:</i>			
Certificates of Participation - 2008	3.25% - 5.25%	\$25,000,000	December 1, 2037
<i>General Obligation Bonds:</i>			
Refunding - 1998	3.6 - 15.7	11,009,701	December 1, 2018
Various School Improvements - 1999	4.05	77,649,923	December 1, 2028
Refunding - 2005	3 - 5	59,239,818	December 1, 2028
Refunding - 2009	3 - 5	8,485,000	December 1, 2018
<i>Long-Term Note:</i>			
Energy Conservation - 2007	4.2	3,170,000	October 1, 2022

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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The changes in the School District's long-term obligations during the year consist of the following:

	Principal Outstanding 7/1/09	Additions	Reductions	Principal Outstanding 6/30/10	Amount Due in One Year
<b><i>Certificates of Participation:</i></b>					
2008 Certificates of Participation	\$25,000,000	\$0	(\$25,000)	\$24,975,000	\$25,000
Premium	365,859	0	(13,184)	352,675	0
<i>Total Certificates of Participation</i>	<u>25,365,859</u>	<u>0</u>	<u>(38,184)</u>	<u>25,327,675</u>	<u>25,000</u>
<b><i>General Obligation Bonds:</i></b>					
1998 Refunding Bonds					
Capital Appreciation Bonds	464,701	0	(178,810)	285,891	153,730
Accretion on Capital Appreciation Bonds	2,206,927	233,811	(866,190)	1,574,548	891,270
1999 Various School Improvements					
Serial Bonds	3,590,000	0	(3,590,000)	0	0
2005 Refunding Bonds					
Accounting Loss/Gain	51,560,000	0	(250,000)	51,310,000	0
Premium	(2,747,733)	0	144,618	(2,603,115)	0
Capital Appreciation Bonds	3,154,650	0	(166,030)	2,988,620	0
Accretion on Capital Appreciation Bonds	3,484,897	0	0	3,484,897	2,441,455
	1,780,393	544,004	0	2,324,397	1,808,545
2009 Refunding Bonds					
Serial Bonds	8,415,000	0	(15,000)	8,400,000	15,000
Accounting Loss/Gain	(169,657)	0	17,859	(151,798)	0
Premium	331,260	0	(34,869)	296,391	0
<i>Total General Obligation Bonds</i>	<u>72,070,438</u>	<u>777,815</u>	<u>(4,938,422)</u>	<u>67,909,831</u>	<u>5,310,000</u>
<b><i>Other Long-term Obligations:</i></b>					
2007 Energy Conservation Note	3,015,000	0	(160,000)	2,855,000	170,000
Capital Lease	192,920	376,474	(163,142)	406,252	157,699
Compensated Absences	6,773,978	390,179	(2,129,436)	5,034,721	654,766
<i>Total Other Long-term Obligations</i>	<u>9,981,898</u>	<u>766,653</u>	<u>(2,452,578)</u>	<u>8,295,973</u>	<u>982,465</u>
<i>Total Governmental Activities</i>					
Long-Term Liabilities	<u>\$107,418,195</u>	<u>\$1,544,468</u>	<u>(\$7,429,184)</u>	<u>\$101,533,479</u>	<u>\$6,317,465</u>

All general obligation bonds will be paid from property taxes. The compensated absences liability will be paid from the general fund and the rotary, food service, auxiliary service, miscellaneous state grants, title VI-B, title I, preschool, and class size reduction special revenue funds.

In 1998, the School District issued bonds for the advance refunding of a portion of the 1992 school improvements bonds. The bond issue included serial, term and capital appreciation bonds. On September 2, 2008, the full amount of the term and serial bonds were retired by the School District through an advance refunding. The final maturity amount of outstanding capital appreciation bonds at June 30, 2010, is \$1,860,439. The accretion recorded for the capital appreciation bonds for 2010 was \$233,811.

In 1999, the School District issued bonds for renovations and construction of various school buildings. The bond issue included serial bonds and capital appreciation bonds. The final payment on the capital appreciation bonds was made in fiscal year 2008. The balance remaining on the serial bonds have been retired as of June 30, 2010.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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On April 21, 2005, the School District issued \$59,239,818 in voted general obligation bonds which included serial and capital appreciation bonds in the amount of \$55,995,000 and \$3,244,818, respectively. The general obligation bonds were issued for the purpose of refunding a portion of the 1999 school building construction bonds to take advantage of lower interest rates. The bonds were issued for a twenty-five year period with final maturity at December 1, 2028.

The serial and capital appreciation bonds remained outstanding at June 30, 2010. Interest on the capital appreciation bonds will be accreted annually until the point of maturity of the capital appreciation bonds, which is 2011 through 2012.

The final maturity amount of outstanding capital appreciation bonds at June 30, 2010, is \$6,255,000. The accretion recorded for 2010 was \$544,004, for a total outstanding bond liability of \$5,809,294.

In 2005, the School District defeased a portion of a 1999 school building construction bond issue, in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. On June 30, 2010, \$59,240,000 of the defeased bonds are still outstanding.

In 2007, a \$3,170,000 energy conservation note was issued for the purpose of purchasing and installing energy conservation measures throughout the School District. This debt will be fully repaid in the year 2022.

In 2008, the School District entered a lease agreement with the Medina City Schools Foundation for the purpose of constructing, renovating, expanding, improving, and furnishing various buildings throughout the School District. The Medina City Schools Foundation entered an agreement with a trustee through which it assigned and transferred its rights, title, and interest under the lease to Wachovia Bank as Trustee. The Trustee issued certificates of participation in the lease agreement enabling holders of the certificates to receive a portion of the semiannual lease payments. The certificates of participation will be repaid over thirty years with principal payments beginning in fiscal year 2010.

On September 2, 2008, the School District issued \$8,485,000 in general obligation bonds to refund a portion of the 1998 refunding bonds. The bonds were issued for a ten year period with a final maturity at December 1, 2018. The bonds will be retired from the debt service fund.

In 2009, the School District defeased the serial and term portion of a 1998 refunding bond issue, in order to take advantage of lower interest rates. The proceeds of the new bonds were placed in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liabilities for the defeased bonds are not included in the School District's financial statements. On June 30, 2010, \$8,735,000 of the defeased bonds are still outstanding.

**Medina City School District**  
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The School District's overall debt margin was \$59,404,945 with an unvoted debt margin of \$1,290,490 at June 30, 2010. Principal and interest requirements to retire general obligation bonds and capital appreciation bonds outstanding at June 30, 2010, are as follows:

	General Obligation Bonds			
	Serial		Capital Appreciation	
	Principal	Interest	Principal	Interest
2011	\$15,000	\$2,881,269	\$2,595,185	\$2,931,920
2012	15,000	2,882,913	1,175,603	2,007,371
2013	3,065,000	2,840,400	0	0
2014	3,190,000	2,705,775	0	0
2015	3,335,000	2,560,225	0	0
2016-2020	17,760,000	10,246,700	0	0
2021-2025	16,205,000	6,027,625	0	0
2026-2029	16,125,000	1,585,844	0	0
<b>Total</b>	<b>\$59,710,000</b>	<b>\$31,730,751</b>	<b>\$3,770,788</b>	<b>\$4,939,291</b>

	2007 Energy Conservation Note		2008 Certificates of Participation	
	Principal	Interest	Principal	Interest
2011	\$170,000	\$119,910	\$25,000	\$1,251,631
2012	175,000	112,770	25,000	1,250,819
2013	185,000	105,420	25,000	1,249,975
2014	190,000	97,650	25,000	1,249,100
2015	200,000	89,670	580,000	1,237,787
2016-2020	1,130,000	315,210	3,280,000	5,814,798
2021-2025	805,000	68,670	4,080,000	4,974,940
2026-20.0	0	0	5,230,000	3,787,349
2031-2035	0	0	6,745,000	2,223,243
2036-2038	0	0	4,960,000	399,526
<b>Total</b>	<b>\$2,855,000</b>	<b>\$909,300</b>	<b>\$24,975,000</b>	<b>\$23,439,168</b>

**Note 16 – Notes Payable**

A summary of the note transactions for the year ended June 30, 2010, follows:

	Outstanding 6/30/2009	Issued	Retired	Outstanding 6/30/2010
Building:				
2% Transportation Facilities Note	\$750,000	\$750,000	(\$750,000)	\$750,000

All of the notes are bond anticipation notes for the purpose of acquiring land and renovating a facility to store and maintain the School District's vehicles; they are backed by the full faith and credit of the School District, and mature within one year. The note liability is reflected in the fund which received the proceeds. The notes mature on May 20, 2011.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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**Note 17 – Leases**

***Operating Leases***

The School District is obligated under certain leases accounted for as operating leases. The various leases are for the School District’s administrative office, copiers, and modular buildings used throughout the School District. The remaining operating lease obligation outstanding at June 30, 2010, will be retired in fiscal year 2011, with a payment of \$14,400.

***Capital Leases***

During the current fiscal year and in prior fiscal years, the School District entered into lease agreements for copiers. These leases meet the criteria of a capital lease as defined by FASB Statement No. 13, “Accounting for Lease.” The assets acquired through the capital lease were capitalized at the present value of the minimum lease payments at the time the lease was entered into.

The assets acquired through the capital lease are as follows:

	Governmental Activities
Asset:	
Equipment	\$813,106
Less: Accumulated depreciation	(312,250)
Total	\$500,856

The lease provides for minimum, annual lease payments as follows:

	Governmental Activities
2011	\$186,019
2012	106,149
2013	90,175
2014	90,175
Total Minimum Lease Payment	472,518
Less: Amount Representing Interest	(66,266)
Present Value of Minimum Lease Payment	\$406,252

**Medina City School District**  
*Notes to the Basic Financial Statements*  
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**Note 18 – Jointly Governed Organizations**

***Medina County Joint Vocational School District***

The Medina County Joint Vocational School District is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each participating School District's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Medina County Joint Vocational School District is not part of the School District and its operations are not included as part of the reporting entity. The Medina County Joint Vocational School District offers vocational education for several school districts including Medina City School District. During fiscal year 2010, \$5,421 was paid for services by the Medina City School District to the Medina County Joint Vocational School District. Financial information can be obtained by contacting the Treasurer, John Streett, at the Medina County Joint Vocational School District, 1101 West Liberty Street, Medina, Ohio 44256.

***Ohio Schools Council***

The Ohio Schools Council (Council) is a jointly governed organization among 126 school districts. The jointly governed organization was created by school districts for the purpose of saving money through volume purchases. Each district supports the Council by paying an annual participation fee. Each school district member's superintendent serves as a representative of the Assembly. The Assembly elects five of the Council's Board members and the remaining four are representatives of the Greater Cleveland School Superintendents' Association. The Council operates under a nine-member Board of Directors (the Board). The Board is the policy making authority of the Council. The Board meets monthly September to June. The Board appoints an Executive Director who is responsible for receiving and disbursing funds, investing available funds, preparing financial reports for the Board and Assembly and carrying out such other responsibilities as designated by the Board. In fiscal year 2010, the School District paid \$1,966 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director at the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The School District participates in the natural gas purchase program. This program allows the School District to purchase natural gas at reduced rates. Energy USA served as the natural gas supplier and program manager from October 1, 2008 to September 30, 2010. Compass Energy has been selected as the new supplier and program manager for the period from October 1, 2010 through March 31, 2013. There are currently 143 participants in the program including the Medina City School District. The participants make monthly payments based on estimated usage. Each September, these estimated payments are compared to their actual usage for the year (July to June). Districts that paid more in estimated billings than their actual billings are issued credits on future billings beginning in September until the credits are exhausted and districts that did not pay enough on estimated billings are invoiced for the difference on the September monthly estimated billing.



**Medina City School District**  
*Notes to the Basic Financial Statements*  
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**Note 19 – Contingencies**

***Grants***

The School District received financial assistance from federal and state agencies in the form of grants. The disbursements of funds received under these programs generally require compliance with terms and conditions specified in the grant agreements and are subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the general fund or other applicable funds. However, in the opinion of management, any disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2010.

***Litigation***

The Medina City School District is a party to legal proceedings. The School Board is of opinion that the ultimate disposition of the current proceeding will not have a material effect, if any, on the financial condition of the School District.

**Note 20 – Set-Asides**

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

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

	Textbooks Instructional Materials Reserve	Capital Improvement Reserve
	<u>                    </u>	<u>                    </u>
Set-aside Reserve Balances as of June 30, 2009	(\$9,028,611)	\$0
Current Year Set-aside Requirement	1,235,625	1,235,625
Qualifying Disbursements	<u>(2,687,760)</u>	<u>(8,809,711)</u>
Totals	<u>(\$10,480,746)</u>	<u>(\$7,574,086)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>(\$10,480,746)</u>	<u>\$0</u>
Set-aside Reserve Balance as of June 30, 2010	<u>\$0</u>	<u>\$0</u>

The School District had qualifying disbursements and offsets during the fiscal year that reduced the textbook set-aside amount below zero. This extra amount may be used to reduce the set-aside requirements of future fiscal years. Although the School District had qualifying disbursements during the fiscal year that reduced the set-aside amount to below zero for the capital acquisition set-aside, this amount may not be used to reduce the set-aside requirement for future years. This negative balance is therefore not presented as being carried forward to future years.

**Medina City School District**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2010*

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**Note 21 – Recreation Center Joint Operating Agreement**

On July 9, 2002 the School District entered into a joint operating agreement and lease agreement with the City of Medina for the Medina Recreation Center (the Recreation Center).

Under the terms of these agreements, the Recreation Center will be owned by the School District and the City will be granted a leasehold interest in the Recreation Center for a term commencing on the date the facilities are opened for public use and expiring on June 30, 2052, with an option to renew for an indefinite number of additional five year terms.

In addition to the initial rent payment, the City is also required to pay annual rent of \$1 each year, and 47.5 percent of the Recreation Center's operating expenses which will be initially paid by the School District and invoiced to the City on a monthly basis. The City and the School District will also each be required to contribute \$100,000 a year, for the term of the lease, to separate capital improvement funds which may be spent for upkeep of the facilities through mutual agreement of both parties upon the recommendation of an Advisory Committee. However, no contributions to the capital improvement funds are required, by either party, for the first two years of operations, and contributions of only 30 percent, 60 percent and 90 percent are required for the third, fourth and fifth years, respectively.

The Recreation Center's Advisory Committee will consist of eight members, two of which will be appointed by the School District and two by the City and four by election by appointed officials. The Advisory Committee members may serve for an unlimited number of three year terms, and will be responsible for advising the City and School District regarding scheduling, operating expenses and day-to-day operations of the Recreation Center, as well as use of the Capital Improvement Funds.

The Recreation Center is accounted for as an undivided interest for the School District. The School District and the City each report 50 percent of the completed building and each report their respective shares of the operating costs.

**Note 22 – Donor Restricted Endowments**

The School District's scholarship endowment fund includes donor restricted endowments. Endowments, in the amount of \$420,472, represent the principal portion. The amount of interest on donor restricted investments that is available for expenditures by the School District is \$25,541 and is included as held in trust for scholarships. State law permits the School District to appropriate, for purposes consistent with the endowment's intent, net appreciation, realized and unrealized, unless the endowment terms specify otherwise.

**Note 23 – Subsequent Event**

On November 2, 2010, the School District had a 5.9 mill emergency levy for operating expenses on the ballot. Voters did not pass this levy.

## Combining and Individual Fund

### Statements and Schedules

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#### *Fund Descriptions - Nonmajor Governmental Funds*

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##### *Nonmajor Special Revenue Funds*

To account for revenues from specific sources which legally, otherwise, are restricted to expenditures for specific purposes.

**Food Service Fund** – This fund accounts for the financial transactions related to the food service operations of the School District.

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

**Rotary Fund** – This fund accounts for the hiring of teachers and aides and collection of monies from outside school districts for the instruction of juveniles at the County Juvenile Detention Center.

**Public School Support Fund** – This fund accounts for school sites sales revenue and expenditures for field trips, assemblies and other activity costs.

**Other Grants Fund** – This fund accounts for several miscellaneous grants that the School District receives and expends during the year.

**District Managed Student Activity Fund** – This fund accounts for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the School District's athletic program.

**Auxiliary Services Fund** – This fund accounts for grant monies which provide services and materials to pupils attending non-public schools within the School District.

**Management Information Systems Fund** – This fund accounts for State monies which support the development of hardware, software, or other costs associated with the management information system.

**Data Communications Fund** – This fund accounts for State monies provided for Ohio Educational Computer Network Connections.

**SchoolNet Professional Development Fund** – This fund accounts for State monies received for computer training for teachers in the School District provided by Ohio Educational Computer Networks Connections.

(continued)

***Fund Descriptions – Nonmajor Governmental Funds (continued)***

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**Alternative Schools Fund** – This fund accounts for State monies for students who cannot function in a regular classroom.

**Miscellaneous State Grants Fund** – This fund accounts for several miscellaneous State grants that the School District receives and disburses during the year.

**Title VI-B Fund** – This fund accounts for Federal monies used to assist schools in the identification of handicapped children, development of procedural safeguards, implementation of least restrictive alternative patterns and provision of full educational opportunities to handicapped children at the preschool, elementary and secondary levels.

**Federal Stimulus Fund** – This fund accounts for Federal monies from the American Recovery and Reinvestment Act in State Fiscal Stabilization Funds (SFSF) to help stabilize state and local budgets in order to minimize and avoid reductions in education and other essential services.

**Technology Title II-D Grant Fund** – This fund accounts for Federal monies used primarily for assistive mobility and learning devices for orthopedically handicapped students.

**Immigrant Student Grant Fund** – This fund accounts for Federal monies used to acquire materials, educational software, and technologies to be used in programs that are designed to assist immigrant children and youth to achieve in elementary schools and secondary schools.

**Title I Fund** – This fund accounts for Federal monies used to assist the School District in meeting the special needs of educationally deprived children.

**Drug Free Schools Fund** – This fund accounts for Federal monies which support the implementation of drug abuse education and prevention programs.

**Preschool Grant Fund** – This fund accounts for Federal monies used for speech therapy services and instructional supplies used in preschool programs.

**Reducing Class Size Fund** – This fund accounts for Federal monies used to hire highly qualified teachers and provide professional development to provide quality teaching instruction and reduce class size.

**Miscellaneous Federal Grants Fund** – This fund accounts for various monies received through State agencies from the Federal government or directly from the Federal government which are not classified elsewhere.

(continued)

*Fund Descriptions – Nonmajor Governmental Funds (continued)*

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*Nonmajor Capital Projects Funds*

Capital projects funds account for the acquisition, construction or improvement of capital facilities other than those financed by proprietary funds.

**Permanent Improvement Fund** – This fund accounts for monies used for the acquisition or construction of major capital facilities.

**Capital Grants Fund** – This fund accounts for the shared sales taxes received from Medina County that are restricted to expenditures for permanent improvements.

**Medina City School District**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2010*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$1,991,232	\$618,097	\$2,609,329
Property Taxes Receivable	0	553,430	553,430
Accounts Receivable	433	0	433
Intergovernmental Receivable	754,002	874,191	1,628,193
Inventory Held for Resale	50,821	0	50,821
Materials and Supplies Inventory	6,292	0	6,292
<i>Total Assets</i>	<u>\$2,802,780</u>	<u>\$2,045,718</u>	<u>\$4,848,498</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$94,818	\$39,996	\$134,814
Accrued Wages and Benefits	590,146	0	590,146
Intergovernmental Payable	251,895	11	251,906
Interfund Payable	129,464	0	129,464
Deferred Revenue	347,794	1,115,000	1,462,794
<i>Total Liabilities</i>	<u>1,414,117</u>	<u>1,155,007</u>	<u>2,569,124</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	803,313	110,227	913,540
Reserved Property Taxes	0	49,484	49,484
Unreserved, Undesignated Reported in:			
Special Revenue Funds	585,350	0	585,350
Capital Projects Funds	0	731,000	731,000
<i>Total Fund Balances</i>	<u>1,388,663</u>	<u>890,711</u>	<u>2,279,374</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,802,780</u>	<u>\$2,045,718</u>	<u>\$4,848,498</u>

**Medina City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2010*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<b>Revenues</b>			
Property Taxes	\$0	\$418,031	\$418,031
Intergovernmental	5,628,042	1,181,753	6,809,795
Interest	964	0	964
Tuition and Fees	1,084,472	0	1,084,472
Charges for Services	1,469,997	0	1,469,997
Extracurricular Activities	702,592	0	702,592
Contributions and Donations	66,279	0	66,279
Miscellaneous	171,167	26,189	197,356
<i>Total Revenues</i>	<u>9,123,513</u>	<u>1,625,973</u>	<u>10,749,486</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	1,843,831	18,644	1,862,475
Special	1,878,455	0	1,878,455
Vocational	7,256	0	7,256
Support Services:			
Pupils	1,508,821	0	1,508,821
Instructional Staff	266,641	0	266,641
Administration	258,834	0	258,834
Fiscal	0	23,555	23,555
Business	18,075	0	18,075
Operation and Maintenance of Plant	204,184	1,338,124	1,542,308
Pupil Transportation	0	301,160	301,160
Central	43,349	0	43,349
Operation of Non-Instructional Services	458,014	0	458,014
Food Service Operations	2,321,737	0	2,321,737
Extracurricular Activities	735,521	103,202	838,723
Capital Outlay	42,000	12,162	54,162
<i>Total Expenditures</i>	<u>9,586,718</u>	<u>1,796,847</u>	<u>11,383,565</u>
<i>Excess of Revenues Under Expenditures</i>	(463,205)	(170,874)	(634,079)
<b>Other Financing Sources</b>			
Transfers In	0	100,000	100,000
<i>Net Change in Fund Balances</i>	(463,205)	(70,874)	(534,079)
<i>Fund Balances Beginning of Year</i>	<u>1,851,868</u>	<u>961,585</u>	<u>2,813,453</u>
<i>Fund Balances End of Year</i>	<u>\$1,388,663</u>	<u>\$890,711</u>	<u>\$2,279,374</u>

**Medina City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2010*

	Food Service	Uniform School Supply	Rotary	Public School Support
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$740,225	\$416,865	\$0	\$580,947
Accounts Receivable	0	269	0	164
Intergovernmental Receivable	0	0	183,494	120
Inventory Held for Resale	50,821	0	0	0
Materials and Supplies Inventory	6,292	0	0	0
<i>Total Assets</i>	<u>\$797,338</u>	<u>\$417,134</u>	<u>\$183,494</u>	<u>\$581,231</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$852	\$6,306	\$19,706	\$25,634
Accrued Wages and Benefits	128,983	0	64,171	0
Intergovernmental Payable	128,457	94	26,673	2,921
Interfund Payable	0	0	64,650	0
Deferred Revenue	0	0	0	0
<i>Total Liabilities</i>	<u>258,292</u>	<u>6,400</u>	<u>175,200</u>	<u>28,555</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	422,028	76,348	1,430	59,640
Unreserved, Undesignated (Deficit)	117,018	334,386	6,864	493,036
<i>Total Fund Balances (Deficit)</i>	<u>539,046</u>	<u>410,734</u>	<u>8,294</u>	<u>552,676</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$797,338</u>	<u>\$417,134</u>	<u>\$183,494</u>	<u>\$581,231</u>



Other Grants	District Managed Student Activity	Auxiliary Services	SchoolNet Professional Development	Miscellaneous State Grants	Title VI-B
\$23,255	\$141,156	\$77,950	\$66	\$0	\$8,243
0	0	0	0	0	0
0	0	0	0	25,251	205,494
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$23,255</u>	<u>\$141,156</u>	<u>\$77,950</u>	<u>\$66</u>	<u>\$25,251</u>	<u>\$213,737</u>
\$305	\$15,374	\$16,929	\$0	\$0	\$3,201
0	0	11,809	0	0	160,776
1,059	5,787	4,915	0	1,424	36,251
0	0	0	0	25,248	0
0	0	0	0	0	109,894
<u>1,364</u>	<u>21,161</u>	<u>33,653</u>	<u>0</u>	<u>26,672</u>	<u>310,122</u>
14,598	17,096	18,090	0	0	178,575
7,293	102,899	26,207	66	(1,421)	(274,960)
<u>21,891</u>	<u>119,995</u>	<u>44,297</u>	<u>66</u>	<u>(1,421)</u>	<u>(96,385)</u>
<u>\$23,255</u>	<u>\$141,156</u>	<u>\$77,950</u>	<u>\$66</u>	<u>\$25,251</u>	<u>\$213,737</u>

(continued)

**Medina City School District**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds (continued)*  
*June 30, 2010*

	Federal Stimulus	Technology Title II-D Grant	Immigrant Student Grant	Title I
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$0	\$146	\$0
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	4,367	596	231,988
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$0</u>	<u>\$4,367</u>	<u>\$742</u>	<u>\$231,988</u>
<b>Liabilities and Fund Balances</b>				
<b>Liabilities</b>				
Accounts Payable	\$0	\$0	\$0	\$1,284
Accrued Wages and Benefits	150,111	0	0	58,766
Intergovernmental Payable	24,605	47	0	13,446
Interfund Payable	0	907	0	28,603
Deferred Revenue	0	3,460	596	155,225
<i>Total Liabilities</i>	<u>174,716</u>	<u>4,414</u>	<u>596</u>	<u>257,324</u>
<b>Fund Balances</b>				
Reserved for Encumbrances	0	50	342	11,229
Unreserved, Undesignated (Deficit)	<u>(174,716)</u>	<u>(97)</u>	<u>(196)</u>	<u>(36,565)</u>
<i>Total Fund Balances (Deficit)</i>	<u>(174,716)</u>	<u>(47)</u>	<u>146</u>	<u>(25,336)</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$0</u>	<u>\$4,367</u>	<u>\$742</u>	<u>\$231,988</u>

Drug Free Schools	Preschool Grant	Reducing Class Size	Total Nonmajor Special Revenue Funds
\$0	\$2,379	\$0	\$1,991,232
0	0	0	433
1,484	24,282	76,926	754,002
0	0	0	50,821
0	0	0	6,292
<u>\$1,484</u>	<u>\$26,661</u>	<u>\$76,926</u>	<u>\$2,802,780</u>
\$129	\$2,349	\$2,749	\$94,818
0	2,754	12,776	590,146
0	2,614	3,602	251,895
363	0	9,693	129,464
<u>1,121</u>	<u>24,282</u>	<u>53,216</u>	<u>347,794</u>
<u>1,613</u>	<u>31,999</u>	<u>82,036</u>	<u>1,414,117</u>
1,151	897	1,839	803,313
<u>(1,280)</u>	<u>(6,235)</u>	<u>(6,949)</u>	<u>585,350</u>
<u>(129)</u>	<u>(5,338)</u>	<u>(5,110)</u>	<u>1,388,663</u>
<u>\$1,484</u>	<u>\$26,661</u>	<u>\$76,926</u>	<u>\$2,802,780</u>

**Medina City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Fiscal Year Ended June 30, 2010*

	Food Service	Uniform School Supply	Rotary	Public School Support
<b>Revenues</b>				
Intergovernmental	\$779,345	\$0	\$0	\$0
Interest	875	0	0	0
Tuition and Fees	0	319,464	749,894	15,114
Charges for Services	1,467,807	0	0	2,190
Extracurricular Activities	0	0	0	467,423
Contributions and Donations	0	0	0	50,664
Miscellaneous	0	0	0	33,668
<i>Total Revenues</i>	<u>2,248,027</u>	<u>319,464</u>	<u>749,894</u>	<u>569,059</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	215,637	216,962	4,773
Special	0	0	220,369	1,050
Vocational	0	7,256	0	0
Support Services:				
Pupils	0	0	89,021	33,447
Instructional Staff	0	0	23,391	114,949
Administration	0	0	214,043	0
Business	0	0	0	18,075
Operation and Maintenance of Plant	201,418	0	0	1,314
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0
Food Service Operations	2,321,737	0	0	0
Extracurricular Activities	0	0	0	377,289
Capital Outlay	0	0	42,000	0
<i>Total Expenditures</i>	<u>2,523,155</u>	<u>222,893</u>	<u>805,786</u>	<u>550,897</u>
<i>Net Change in Fund Balances</i>	(275,128)	96,571	(55,892)	18,162
<i>Fund Balances (Deficit) Beginning of Year</i>	814,174	314,163	64,186	534,514
<i>Fund Balances (Deficit) End of Year</i>	<u>\$539,046</u>	<u>\$410,734</u>	<u>\$8,294</u>	<u>\$552,676</u>

Other Grants	District Managed Student Activity	Auxiliary Services	Management Information Systems	Data Communications	SchoolNet Professional Development	Alternative Schools
\$122,982	\$0	\$334,245	\$17,032	\$22,000	\$0	\$39,699
0	0	89	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	235,169	0	0	0	0	0
4,830	10,785	0	0	0	0	0
0	137,499	0	0	0	0	0
<u>127,812</u>	<u>383,453</u>	<u>334,334</u>	<u>17,032</u>	<u>22,000</u>	<u>0</u>	<u>39,699</u>
8,386	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
82,477	0	0	0	0	0	39,699
41,505	0	0	0	0	0	0
0	12,185	0	0	0	0	0
0	0	0	0	0	0	0
1,452	0	0	0	0	0	0
0	0	0	21,349	22,000	0	0
3,346	0	346,641	0	0	0	0
0	0	0	0	0	0	0
0	358,232	0	0	0	0	0
0	0	0	0	0	0	0
<u>137,166</u>	<u>370,417</u>	<u>346,641</u>	<u>21,349</u>	<u>22,000</u>	<u>0</u>	<u>39,699</u>
(9,354)	13,036	(12,307)	(4,317)	0	0	0
31,245	106,959	56,604	4,317	0	66	0
<u>\$21,891</u>	<u>\$119,995</u>	<u>\$44,297</u>	<u>\$0</u>	<u>\$0</u>	<u>\$66</u>	<u>\$0</u>

(continued)

**Medina City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Miscellaneous State Grants	Title VI-B	Federal Stimulus	Technology Title II-D Grant
<b>Revenues</b>				
Intergovernmental	\$50,438	\$2,322,755	\$1,083,652	\$4,055
Interest	0	0	0	0
Tuition and Fees	0	0	0	0
Charges for Services	0	0	0	0
Extracurricular Activities	0	0	0	0
Contributions and Donations	0	0	0	0
Miscellaneous	0	0	0	0
<i>Total Revenues</i>	<u>50,438</u>	<u>2,322,755</u>	<u>1,083,652</u>	<u>4,055</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	0	0	1,258,368	0
Special	0	1,071,083	0	0
Vocational	0	0	0	0
Support Services:				
Pupils	49,516	1,189,126	0	0
Instructional Staff	0	6,712	0	3,832
Administration	0	0	0	0
Business	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	100,134	0	270
Food Service Operations	0	0	0	0
Extracurricular Activities	0	0	0	0
Capital Outlay	0	0	0	0
<i>Total Expenditures</i>	<u>49,516</u>	<u>2,367,055</u>	<u>1,258,368</u>	<u>4,102</u>
<i>Net Change in Fund Balances</i>	922	(44,300)	(174,716)	(47)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>(2,343)</u>	<u>(52,085)</u>	<u>0</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u><u>(\$1,421)</u></u>	<u><u>(\$96,385)</u></u>	<u><u>(\$174,716)</u></u>	<u><u>(\$47)</u></u>

Immigrant Student Grant	Title I	Drug Free Schools	Preschool Grant	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$3,960	\$628,312	\$15,874	\$40,119	\$161,197	\$2,377	\$5,628,042
0	0	0	0	0	0	964
0	0	0	0	0	0	1,084,472
0	0	0	0	0	0	1,469,997
0	0	0	0	0	0	702,592
0	0	0	0	0	0	66,279
0	0	0	0	0	0	171,167
<u>3,960</u>	<u>628,312</u>	<u>15,874</u>	<u>40,119</u>	<u>161,197</u>	<u>2,377</u>	<u>9,123,513</u>
58	22,767	16	0	116,864	0	1,843,831
0	564,405	0	21,548	0	0	1,878,455
0	0	0	0	0	0	7,256
4,156	0	15,704	5,675	0	0	1,508,821
0	13,035	0	14,417	48,800	0	266,641
0	32,606	0	0	0	0	258,834
0	0	0	0	0	0	18,075
0	0	0	0	0	0	204,184
0	0	0	0	0	0	43,349
0	1,413	972	0	5,238	0	458,014
0	0	0	0	0	0	2,321,737
0	0	0	0	0	0	735,521
0	0	0	0	0	0	42,000
<u>4,214</u>	<u>634,226</u>	<u>16,692</u>	<u>41,640</u>	<u>170,902</u>	<u>0</u>	<u>9,586,718</u>
(254)	(5,914)	(818)	(1,521)	(9,705)	2,377	(463,205)
<u>400</u>	<u>(19,422)</u>	<u>689</u>	<u>(3,817)</u>	<u>4,595</u>	<u>(2,377)</u>	<u>1,851,868</u>
<u>\$146</u>	<u>(\$25,336)</u>	<u>(\$129)</u>	<u>(\$5,338)</u>	<u>(\$5,110)</u>	<u>\$0</u>	<u>\$1,388,663</u>

**Medina City School District**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2010*

	<u>Permanent Improvement</u>	<u>Capital Grants</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$161,968	\$456,129	\$618,097
Property Taxes Receivable	553,430	0	553,430
Intergovernmental Receivable	0	874,191	874,191
<i>Total Assets</i>	<u>\$715,398</u>	<u>\$1,330,320</u>	<u>\$2,045,718</u>
<b>Liabilities and Fund Balances</b>			
<b>Liabilities</b>			
Accounts Payable	\$32,500	\$7,496	\$39,996
Intergovernmental Payable	11	0	11
Deferred Revenue	503,946	611,054	1,115,000
<i>Total Liabilities</i>	<u>536,457</u>	<u>618,550</u>	<u>1,155,007</u>
<b>Fund Balances</b>			
Reserved for Encumbrances	11,428	98,799	110,227
Reserved for Property Taxes	49,484	0	49,484
Unreserved, Undesignated	118,029	612,971	731,000
<i>Total Fund Balances</i>	<u>178,941</u>	<u>711,770</u>	<u>890,711</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$715,398</u>	<u>\$1,330,320</u>	<u>\$2,045,718</u>



**Medina City School District**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2010*

	Permanent Improvement	Capital Grants	Total Nonmajor Capital Projects Funds
<b>Revenues</b>			
Property Taxes	\$418,031	\$0	\$418,031
Intergovernmental	192,069	989,684	1,181,753
Miscellaneous	26,189	0	26,189
<i>Total Revenues</i>	<u>636,289</u>	<u>989,684</u>	<u>1,625,973</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular	0	18,644	18,644
Support Services:			
Fiscal	23,555	0	23,555
Operation and Maintenance of Plant	725,852	612,272	1,338,124
Pupil Transportation	0	301,160	301,160
Extracurricular Activities	103,202	0	103,202
Capital Outlay	12,162	0	12,162
<i>Total Expenditures</i>	<u>864,771</u>	<u>932,076</u>	<u>1,796,847</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(228,482)	57,608	(170,874)
<b>Other Financing Sources</b>			
Transfers In	100,000	0	100,000
<i>Net Change in Fund Balances</i>	(128,482)	57,608	(70,874)
<i>Fund Balances Beginning of Year</i>	<u>307,423</u>	<u>654,162</u>	<u>961,585</u>
<i>Fund Balances End of Year</i>	<u><u>\$178,941</u></u>	<u><u>\$711,770</u></u>	<u><u>\$890,711</u></u>

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### *Fund Descriptions – Fiduciary Funds*

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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 School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

#### *Private Purpose Trust Funds*

**Scholarship Trust Fund** – This fund accounts for contributions from individuals which are to be used for college scholarships for graduating high school seniors.

**Scholarship Endowment Fund** – This fund accounts for resources given by individuals with the interest specifically designated to be used for college scholarships for graduating high school seniors and alumni who are attending college.

#### *Agency Funds*

**District Agency Fund** – This fund is used to account for money held for a community performing arts group, which uses School District facilities for performances.

**Student Managed Activities Fund** – This fund accounts for resources that belong to the student bodies of the various schools, accounting for sales and other revenue generating activities.

**Medina City School District**  
*Combining Statement of Fiduciary Net Assets*  
*Private Purpose Trust Funds*  
*June 30, 2010*

	Scholarship Trust	Scholarship Endowment	Total Private Purpose Trust Funds
<b>Assets</b>			
Equity in Pooled Cash and Cash Equivalents	\$25,788	\$0	\$25,788
Investments in Segregated Accounts	0	446,013	446,013
<i>Total Assets</i>	<u>\$25,788</u>	<u>\$446,013</u>	<u>\$471,801</u>
<b>Net Assets</b>			
Held in Trust for Scholarships	\$25,788	\$25,541	\$51,329
Endowments	0	420,472	420,472
<i>Total Net Assets</i>	<u>\$25,788</u>	<u>\$446,013</u>	<u>\$471,801</u>

**Medina City School District**  
*Combining Statement of Changes in Fiduciary Net Assets*  
*Private Purpose Trust Funds*  
*For the Fiscal Year Ended June 30, 2010*

	Scholarship Trust	Scholarship Endowment	Total Private Purpose Trust Funds
<b>Additions</b>			
Interest	\$31	\$77	\$108
Contributions and Donations	13,500	10	13,510
Gain on Sale of Investments	0	54,840	54,840
Miscellaneous	4,154	0	4,154
<i>Total Additions</i>	17,685	54,927	72,612
<b>Deductions</b>			
Scholarships Awarded	18,700	19,250	37,950
<i>Change in Net Assets</i>	(1,015)	35,677	34,662
<i>Net Assets Beginning of Year</i>	26,803	410,336	437,139
<i>Net Assets End of Year</i>	<u>\$25,788</u>	<u>\$446,013</u>	<u>\$471,801</u>

**Medina City School District**  
*Combining Statement of Changes in Assets and Liabilities*  
*All Agency Funds*  
*For the Fiscal Year Ended June 30, 2010*

	Balance 06/30/09	Additions	Deductions	Balance 06/30/10
<b><i>District Agency</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$12,061	\$3,312	\$1,512	\$13,861
<b>Liabilities</b>				
Undistributed Monies	\$12,061	\$3,312	\$1,512	\$13,861
 <b><i>Student Managed Activities</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$230,930	\$247,450	\$260,639	\$217,741
<b>Liabilities</b>				
Due to Students	\$230,930	\$247,450	\$260,639	\$217,741
 <b><i>Total - All Agency Funds</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Cash Equivalents	\$242,991	\$250,762	\$262,151	\$231,602
<b>Liabilities</b>				
Undistributed Monies	\$12,061	\$3,312	\$1,512	\$13,861
Due to Students	230,930	247,450	260,639	217,741
<b><i>Total Liabilities</i></b>	<b>\$242,991</b>	<b>\$250,762</b>	<b>\$262,151</b>	<b>\$231,602</b>

**Individual Fund Schedules of Revenues, Expenditures/Expenses and Changes  
in Fund Balance/Fund Equity – Budget (Non-GAAP Basis) and Actual**

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
<b>Revenues</b>				
Property Taxes	\$41,031,421	\$40,432,030	\$40,432,030	\$0
Intergovernmental	26,643,471	27,266,699	27,266,699	0
Interest	151,500	31,755	31,755	0
Tuition and Fees	330,000	300,104	300,104	0
Charges for Services	50,000	46,070	46,070	0
Extracurricular Activities	146,000	436,957	436,957	0
Rentals	468,293	458,624	458,624	0
Miscellaneous	135,595	599,461	927,889	328,428
<i>Total Revenues</i>	<u>68,956,280</u>	<u>69,571,700</u>	<u>69,900,128</u>	<u>328,428</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular:				
Salaries	27,072,426	26,289,400	24,535,220	1,754,180
Fringe Benefits	10,076,859	9,807,131	9,689,847	117,284
Purchased Services	2,632,900	2,674,496	2,522,884	151,612
Materials and Supplies	872,476	857,443	816,217	41,226
Capital Outlay	66,128	69,793	48,664	21,129
Other	604,999	589,690	588,937	753
Total Regular	<u>41,325,788</u>	<u>40,287,953</u>	<u>38,201,769</u>	<u>2,086,184</u>
Special:				
Salaries	6,062,801	6,058,843	5,396,770	662,073
Fringe Benefits	2,348,215	2,339,216	2,230,337	108,879
Purchased Services	87,173	5,953	5,187	766
Materials and Supplies	11,969	9,313	9,784	(471)
Capital Outlay	3,198	3,198	3,198	0
Total Special	<u>8,513,356</u>	<u>8,416,523</u>	<u>7,645,276</u>	<u>771,247</u>
Vocational:				
Salaries	346,635	346,635	326,552	20,083
Fringe Benefits	127,382	127,379	125,692	1,687
Purchased Services	727	1,747	1,164	583
Materials and Supplies	10,675	9,353	4,559	4,794
Capital Outlay	180	180	0	180
Other	0	113,076	113,005	71
Total Vocational	<u>\$485,599</u>	<u>\$598,370</u>	<u>\$570,972</u>	<u>\$27,398</u>

(continued)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Student Intervention Services:				
Salaries	\$150,198	\$65,166	\$65,166	\$0
Fringe Benefits	57,382	20,599	20,599	0
Purchased Services	45,000	56,551	56,550	1
Materials and Supplies	61,338	45,309	45,309	0
Total Student Intervention Services	313,918	187,625	187,624	1
Total Instruction	50,638,661	49,490,471	46,605,641	2,884,830
Support Services:				
Pupils:				
Salaries	2,400,420	2,400,422	2,247,828	152,594
Fringe Benefits	939,360	939,365	906,996	32,369
Purchased Services	594,459	750,342	745,777	4,565
Materials and Supplies	31,165	11,754	11,754	0
Capital Outlay	10,737	9,958	9,958	0
Other	360	360	160	200
Total Pupils	3,976,501	4,112,201	3,922,473	189,728
Instructional Staff:				
Salaries	2,460,466	2,460,469	3,185,895	(725,426)
Fringe Benefits	978,099	983,533	1,494,884	(511,351)
Purchased Services	144,906	135,765	86,056	49,709
Materials and Supplies	115,960	108,591	101,806	6,785
Capital Outlay	6,269	11,469	11,088	381
Total Instructional Staff	3,705,700	3,699,827	4,879,729	(1,179,902)
Board of Education:				
Salaries	23,231	23,231	18,750	4,481
Fringe Benefits	5,744	5,745	4,419	1,326
Purchased Services	19,798	13,798	13,096	702
Materials and Supplies	1,276	1,276	974	302
Other	59,000	62,700	61,080	1,620
Total Board of Education	\$109,049	\$106,750	\$98,319	\$8,431

(continued)



**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Administration:</b>				
Salaries	\$3,328,100	\$3,328,098	\$3,221,775	\$106,323
Fringe Benefits	1,499,048	1,499,050	1,512,672	(13,622)
Purchased Services	467,031	400,593	306,063	94,530
Materials and Supplies	141,862	61,734	42,813	18,921
Capital Outlay	2,000	2,000	0	2,000
Other	56,003	33,284	27,228	6,056
<b>Total Administration</b>	<b>5,494,044</b>	<b>5,324,759</b>	<b>5,110,551</b>	<b>214,208</b>
<b>Fiscal:</b>				
Salaries	445,745	445,745	403,412	42,333
Fringe Benefits	177,131	177,131	176,860	271
Purchased Services	43,110	68,110	66,294	1,816
Materials and Supplies	21,467	7,455	7,400	55
Capital Outlay	16,781	4,781	4,781	0
Other	928,727	928,726	635,537	293,189
<b>Total Fiscal</b>	<b>1,632,961</b>	<b>1,631,948</b>	<b>1,294,284</b>	<b>337,664</b>
<b>Business:</b>				
Salaries	313,283	313,284	222,293	90,991
Fringe Benefits	146,507	182,507	154,162	28,345
Purchased Services	119,508	152,936	134,854	18,082
Materials and Supplies	85,785	84,973	65,299	19,674
Capital Outlay	6,000	12,470	10,248	2,222
Other	2,267	2,267	1,927	340
<b>Total Business</b>	<b>673,350</b>	<b>748,437</b>	<b>588,783</b>	<b>159,654</b>
<b>Operation and Maintenance of Plant:</b>				
Salaries	2,887,128	2,887,128	2,849,143	37,985
Fringe Benefits	1,168,178	1,168,180	1,303,768	(135,588)
Purchased Services	3,851,577	3,571,165	2,872,745	698,420
Materials and Supplies	500,933	494,002	492,503	1,499
Capital Outlay	26,262	51,707	51,436	271
Other	39,174	39,174	26,629	12,545
<b>Total Operation and Maintenance of Plant</b>	<b>\$8,473,252</b>	<b>\$8,211,356</b>	<b>\$7,596,224</b>	<b>\$615,132</b>

(continued)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget		
Pupil Transportation:				
Salaries	\$1,792,687	\$1,792,686	\$1,458,864	\$333,822
Fringe Benefits	721,089	721,089	675,754	45,335
Purchased Services	550,902	529,303	529,677	(374)
Materials and Supplies	751,292	804,685	805,136	(451)
Capital Outlay	125,000	107,000	22,000	85,000
<b>Total Pupil Transportation</b>	<b>3,940,970</b>	<b>3,954,763</b>	<b>3,491,431</b>	<b>463,332</b>
Central:				
Salaries	184,125	184,125	169,432	14,693
Fringe Benefits	166,940	166,940	81,009	85,931
Purchased Services	151,014	149,515	145,893	3,622
Materials and Supplies	10,124	13,374	13,070	304
Capital Outlay	2,000	2,000	1,063	937
Other	2,347	1,360	1,360	0
<b>Total Central</b>	<b>516,550</b>	<b>517,314</b>	<b>411,827</b>	<b>105,487</b>
<b>Total Support Services</b>	<b>28,522,377</b>	<b>28,307,355</b>	<b>27,393,621</b>	<b>913,734</b>
Operation of Non-Instructional Services:				
Community Services:				
Salaries	13,458	13,458	9,133	4,325
Fringe Benefits	2,623	2,623	1,459	1,164
Purchased Services	94,309	89,259	46,555	42,704
Materials and Supplies	5,020	5,720	5,694	26
Capital Outlay	23,300	26,300	26,381	(81)
Other	12,616	13,617	8,591	5,026
<b>Total Community Services</b>	<b>151,326</b>	<b>150,977</b>	<b>97,813</b>	<b>53,164</b>
Enterprise Operations				
Salaries	10,000	10,000	0	10,000
Fringe Benefits	1,651	1,651	0	1,651
Purchased Services	33,400	35,803	26,032	9,771
Materials and Supplies	1,000	900	0	900
Capital Outlay	1,000	1,000	0	1,000
<b>Total Enterprise Operations</b>	<b>47,051</b>	<b>49,354</b>	<b>26,032</b>	<b>23,322</b>
<b>Total Operation of Non-Instructional Services</b>	<b>\$198,377</b>	<b>\$200,331</b>	<b>\$123,845</b>	<b>\$76,486</b>

(continued)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries	\$199,624	\$199,622	\$232,299	(\$32,677)
Fringe Benefits	66,237	66,238	61,345	4,893
Purchased Services	1,087	1,087	1,000	87
Total Academic and Subject Oriented Activities	<u>266,948</u>	<u>266,947</u>	<u>294,644</u>	<u>(27,697)</u>
Sport Oriented Activities:				
Salaries	726,007	726,008	728,067	(2,059)
Fringe Benefits	214,862	214,858	182,946	31,912
Purchased Services	35,000	41,704	41,704	0
Materials and Supplies	5,405	4,864	4,872	(8)
Total Sport Oriented Activities	<u>981,274</u>	<u>987,434</u>	<u>957,589</u>	<u>29,845</u>
School and Public Service Co-Curricular Activities:				
Salaries	23,547	23,546	57,483	(33,937)
Fringe Benefits	7,888	7,889	13,463	(5,574)
Purchased Services	841	841	800	41
Total School and Public Service Co-Curricular Activities	<u>32,276</u>	<u>32,276</u>	<u>71,746</u>	<u>(39,470)</u>
Total Extracurricular Activities	<u>1,280,498</u>	<u>1,286,657</u>	<u>1,323,979</u>	<u>(37,322)</u>
Capital Outlay:				
Other Facilities Acquisition and Construction:				
Purchased Services	381,964	381,964	274,846	107,118
<i>Total Expenditures</i>	<u>81,021,877</u>	<u>79,666,778</u>	<u>75,721,932</u>	<u>3,944,846</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(12,065,597)</u>	<u>(10,095,078)</u>	<u>(5,821,804)</u>	<u>4,273,274</u>
<b>Other Financing Sources (Uses)</b>				
Advances In	35,000	0	0	0
Advances Out	(35,000)	(35,000)	0	35,000
Transfers Out	(190,000)	(406,630)	(406,630)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(190,000)</u>	<u>(441,630)</u>	<u>(406,630)</u>	<u>35,000</u>
<i>Net Change in Fund Balance</i>	<u>(12,255,597)</u>	<u>(10,536,708)</u>	<u>(6,228,434)</u>	<u>4,308,274</u>
<i>Fund Balance Beginning of Year</i>	<u>15,306,938</u>	<u>15,306,938</u>	<u>15,306,938</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>1,848,215</u>	<u>1,848,215</u>	<u>1,848,215</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$4,899,556</u>	<u>\$6,618,445</u>	<u>\$10,926,719</u>	<u>\$4,308,274</u>

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Bond Retirement Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$6,881,447	\$6,881,447	\$0
Intergovernmental	1,579,069	2,172,760	593,691
Miscellaneous	149,256	149,257	1
<i>Total Revenues</i>	<u>8,609,772</u>	<u>9,203,464</u>	<u>593,692</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal:			
Other	196,495	99,636	96,859
Debt Service:			
Principal Retirement	4,968,810	4,968,810	0
Interest and Fiscal Charges	5,234,639	5,234,289	350
Total Debt Service	<u>10,203,449</u>	<u>10,203,099</u>	<u>350</u>
<i>Total Expenditures</i>	<u>10,399,944</u>	<u>10,302,735</u>	<u>97,209</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(1,790,172)</u>	<u>(1,099,271)</u>	<u>690,901</u>
<b>Other Financing Sources</b>			
General Obligation Notes Issued	750,000	750,000	0
Transfers In	306,630	306,630	0
<i>Total Other Financing Sources</i>	<u>1,056,630</u>	<u>1,056,630</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(733,542)	(42,641)	690,901
<i>Fund Balance Beginning of Year</i>	5,588,452	5,588,452	0
Prior Year Encumbrances Appropriated	6,495	6,495	0
<i>Fund Balance End of Year</i>	<u>\$4,861,405</u>	<u>\$5,552,306</u>	<u>\$690,901</u>

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Building Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$283,693	\$5,293	(\$278,400)
Miscellaneous	99,810	99,810	0
<i>Total Revenues</i>	<u>383,503</u>	<u>105,103</u>	<u>(278,400)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	174,287	168,138	6,149
Capital Outlay	961,784	960,783	1,001
Total Instruction	<u>1,136,071</u>	<u>1,128,921</u>	<u>7,150</u>
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	60	0	60
Capital Outlay:			
Site Acquisition Services:			
Capital Outlay	146,913	146,913	0
Building Acquisition and Construction Services:			
Purchased Services	1,050,612	852,988	197,624
Capital Outlay	5,830,590	3,505,242	2,325,348
Other	2,648	0	2,648
Total Building Acquisition and Construction Services	<u>6,883,850</u>	<u>4,358,230</u>	<u>2,525,620</u>
Building Improvement Services:			
Capital Outlay	167,945	167,945	0
Other Facilities Acquisition and Construction Services:			
Other	23,152	46	23,106
Total Capital Outlay	<u>7,221,860</u>	<u>4,673,134</u>	<u>2,548,726</u>
<i>Total Expenditures</i>	<u>8,357,991</u>	<u>5,802,055</u>	<u>2,555,936</u>
<i>Net Change in Fund Balance</i>	(7,974,488)	(5,696,952)	2,277,536
<i>Fund Balance Beginning of Year</i>	4,102,717	4,102,717	0
Prior Year Encumbrances Appropriated	<u>4,417,697</u>	<u>4,417,697</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$545,926</u>	<u>\$2,823,462</u>	<u>\$2,277,536</u>

**Medina City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$341,818	\$553,300	\$211,482
Interest	13,133	875	(12,258)
Charges for Services	2,203,617	1,467,807	(735,810)
<i>Total Revenues</i>	<u>2,558,568</u>	<u>2,021,982</u>	<u>(536,586)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	201,418	201,418	0
Food Service Operations:			
Salaries	795,948	782,686	13,262
Fringe Benefits	407,386	394,005	13,381
Purchased Services	225,896	222,571	3,325
Materials and Supplies	961,478	961,478	0
Capital Outlay	135,789	135,789	0
Total Food Service Operations	<u>2,526,497</u>	<u>2,496,529</u>	<u>29,968</u>
<i>Total Expenditures</i>	<u>2,727,915</u>	<u>2,697,947</u>	<u>29,968</u>
<i>Net Change in Fund Balance</i>	(169,347)	(675,965)	(506,618)
<i>Fund Balance Beginning of Year</i>	872,554	872,554	0
Prior Year Encumbrances Appropriated	<u>120,756</u>	<u>120,756</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$823,963</u>	<u>\$317,345</u>	<u>(\$506,618)</u>

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Uniform School Supply Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$408,965	\$319,195	(\$89,770)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	453,386	325,477	127,909
Vocational:			
Materials and Supplies	8,000	7,994	6
Total Instruction	461,386	333,471	127,915
Support Services:			
Business:			
Materials and Supplies	500	0	500
<i>Total Expenditures</i>	461,886	333,471	128,415
<i>Net Change in Fund Balance</i>	(52,921)	(14,276)	38,645
<i>Fund Balance Beginning of Year</i>	298,572	298,572	0
Prior Year Encumbrances Appropriated	50,921	50,921	0
<i>Fund Balance End of Year</i>	\$296,572	\$335,217	\$38,645

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Rotary Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$930,808	\$671,198	(\$259,610)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	175,795	152,168	23,627
Fringe Benefits	77,778	64,215	13,563
Total Regular	253,573	216,383	37,190
Special:			
Salaries	159,447	136,390	23,057
Fringe Benefits	64,497	53,311	11,186
Purchased Services	770	192	578
Materials and Supplies	5,000	1,050	3,950
Total Special	229,714	190,943	38,771
Total Instruction	483,287	407,326	75,961
Support Services:			
Pupils:			
Purchased Services	99,999	90,001	9,998
Instructional Staff:			
Salaries	23,435	19,635	3,800
Fringe Benefits	4,088	3,386	702
Purchased Services	6,000	0	6,000
Total Instructional Staff	33,523	23,021	10,502
Administration:			
Salaries	145,695	134,331	11,364
Fringe Benefits	84,592	58,235	26,357
Purchased Services	1,400	0	1,400
Materials and Supplies	4,000	751	3,249
Total Administration	\$235,687	\$193,317	\$42,370

(continued)



**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Rotary Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation and Maintenance of Plant			
Purchased Services	\$600	\$0	\$600
Total Support Services	369,809	306,339	63,470
Capital Outlay:			
Other Facilities Acquisition and Construction:			
Purchased Services	42,000	42,000	0
<i>Total Expenditures</i>	895,096	755,665	139,431
<i>Net Change in Fund Balance</i>	35,712	(84,467)	(120,179)
<i>Fund Deficit Beginning of Year</i>	(1,319)	(1,319)	0
<i>Fund Balance (Deficit) End of Year</i>	\$34,393	(\$85,786)	(\$120,179)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Tuition and Fees	\$18,000	\$15,114	(\$2,886)
Charges for Services	1,906	1,906	0
Extracurricular Activities	780,544	467,423	(313,121)
Contributions and Donations	172,650	50,664	(121,986)
Miscellaneous	94,766	34,750	(60,016)
<i>Total Revenues</i>	<u>1,067,866</u>	<u>569,857</u>	<u>(498,009)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	8,054	4,027	4,027
Fringe Benefits	1,386	693	693
Total Regular	9,440	4,720	4,720
Special:			
Purchased Services	2,500	1,450	1,050
Total Instruction	<u>11,940</u>	<u>6,170</u>	<u>5,770</u>
Support Services:			
Pupils:			
Salaries	616	308	308
Fringe Benefits	106	53	53
Purchased Services	275	200	75
Materials and Supplies	1,709	1,220	489
Capital Outlay	450	225	225
Other	64,490	32,245	32,245
Total Pupils	<u>67,646</u>	<u>34,251</u>	<u>33,395</u>
Instructional Staff:			
Purchased Services	68,238	35,250	32,988
Materials and Supplies	199,424	109,360	90,064
Total Instructional Staff	<u>\$267,662</u>	<u>\$144,610</u>	<u>\$123,052</u>

(continued)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Business:			
Purchased Services	\$38,808	\$19,404	\$19,404
Operation of Maintenance of Plant:			
Purchased Services	2,708	1,769	939
Total Support Services	376,824	200,034	176,790
Extracurricular Activities:			
Occupational Oriented Activities:			
Purchased Services	52,075	28,090	23,985
Materials and Supplies	296,409	170,081	126,328
Capital Outlay	27,932	14,420	13,512
Other	456,597	225,312	231,285
Total Extracurricular Activities	833,013	437,903	395,110
<i>Total Expenditures</i>	1,221,777	644,107	577,670
<i>Net Change in Fund Balance</i>	(153,911)	(74,250)	79,661
<i>Fund Balance Beginning of Year</i>	486,313	486,313	0
Prior Year Encumbrances Appropriated	84,623	84,623	0
<i>Fund Balance End of Year</i>	\$417,025	\$496,686	\$79,661

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Other Grants Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$122,732	\$122,982	\$250
Contributions and Donations	9,660	4,830	(4,830)
<i>Total Revenues</i>	<u>132,392</u>	<u>127,812</u>	<u>(4,580)</u>
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	11,441	9,565	1,876
Support Services:			
Pupils:			
Purchased Services	82,477	82,477	0
Instructional Staff:			
Salaries	\$26,800	\$26,800	\$0
Fringe Benefits	5,821	5,821	0
Purchased Services	24,306	20,437	3,869
Materials and Supplies	952	252	700
Total Instructional Staff	<u>57,879</u>	<u>53,310</u>	<u>4,569</u>
Operation and Maintenance of Plant:			
Materials and Supplies	1,500	1,452	48
Total Support Services	<u>141,856</u>	<u>137,239</u>	<u>4,617</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries	\$1,600	\$1,000	\$600
Fringe Benefits	320	216	104
Purchased Services	3,840	1,500	2,340
Materials and Supplies	3,900	2,004	1,896
Other	360	360	0
Total Operation of Non-Instructional Services	<u>10,020</u>	<u>5,080</u>	<u>4,940</u>
<i>Total Expenditures</i>	<u>163,317</u>	<u>151,884</u>	<u>11,433</u>
<i>Net Change in Fund Balance</i>	(30,925)	(24,072)	6,853
<i>Fund Balance Beginning of Year</i>	16,890	16,890	0
Prior Year Encumbrances Appropriated	15,534	15,534	0
<i>Fund Balance End of Year</i>	<u>\$1,499</u>	<u>\$8,352</u>	<u>\$6,853</u>

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Student Activity Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Extracurricular Activities	\$516,000	\$235,169	(\$280,831)
Contributions and Donations	40,250	10,785	(29,465)
Miscellaneous	93,445	137,499	44,054
<i>Total Revenues</i>	<u>649,695</u>	<u>383,453</u>	<u>(266,242)</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff			
Materials and Supplies	370	0	370
Administration			
Other	14,000	12,185	1,815
<b>Total Support Services</b>	<u>14,370</u>	<u>12,185</u>	<u>2,185</u>
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	11,985	9,163	2,822
Materials and Supplies	56,198	28,486	27,712
Capital Outlay	6,300	0	6,300
Other	280,900	11,765	269,135
<b>Total Academic Oriented Activities</b>	<u>355,383</u>	<u>49,414</u>	<u>305,969</u>
Occupation Oriented Activities:			
Salaries and Wages	1,500	466	1,034
Materials and Supplies	1,500	930	570
<b>Total Occupation Oriented Activities</b>	<u>3,000</u>	<u>1,396</u>	<u>1,604</u>
Sports Oriented Activities:			
Salaries and Wages	31,500	22,829	8,671
Fringe Benefits	5,872	4,124	1,748
Purchased Services	146,930	145,197	1,733
Materials and Supplies	143,511	110,649	32,862
Capital Outlay	10,087	8,630	1,457
Other	38,226	34,387	3,839
<b>Total Sports Oriented Activities</b>	<u>\$376,126</u>	<u>\$325,816</u>	<u>\$50,310</u>

(continued)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*District Managed Student Activity Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
School and Public Service			
Co-Curricular Activities:			
Purchased Services	\$1,000	\$0	\$1,000
Materials and Supplies	4,800	943	3,857
Other	10,500	3,486	7,014
Total School and Public Service Co-Curricular Activities	16,300	4,429	11,871
Total Extracurricular Activities	750,809	381,055	369,754
<i>Total Expenditures</i>	765,179	393,240	371,939
<i>Net Change in Fund Balance</i>	(115,484)	(9,787)	105,697
<i>Fund Balance Beginning of Year</i>	113,033	113,033	0
Prior Year Encumbrances Appropriated	15,070	15,070	0
<i>Fund Balance End of Year</i>	\$12,619	\$118,316	\$105,697

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Auxiliary Services Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$348,780	\$334,245	(\$14,535)
Interest	8,056	89	(7,967)
<i>Total Revenues</i>	<u>356,836</u>	<u>334,334</u>	<u>(22,502)</u>
<b>Expenditures</b>			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	94,655	82,846	11,809
Fringe Benefits	61,369	51,205	10,164
Purchased Services	223,658	200,879	22,779
Materials and Supplies	60,928	55,018	5,910
Capital Outlay	7,386	7,368	18
<i>Total Expenditures</i>	<u>447,996</u>	<u>397,316</u>	<u>50,680</u>
<i>Net Change in Fund Balance</i>	(91,160)	(62,982)	28,178
<i>Fund Balance Beginning of Year</i>	45,022	45,022	0
Prior Year Encumbrances Appropriated	<u>60,891</u>	<u>60,891</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$14,753</u></u>	<u><u>\$42,931</u></u>	<u><u>\$28,178</u></u>

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Management Information Systems Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$17,032	\$17,032	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Materials and Supplies	25,748	25,748	0
<i>Net Change in Fund Balance</i>	(8,716)	(8,716)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	8,716	8,716	0
<i>Fund Balance End of Year</i>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>



**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Data Communications Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$22,000	\$22,000	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Central:			
Purchased Services	22,000	22,000	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*SchoolNet Professional Development Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Instructional Staff:			
Salaries	16	0	16
Purchased Services	<u>50</u>	<u>0</u>	<u>50</u>
<i>Total Expenditures</i>	<u>66</u>	<u>0</u>	<u>66</u>
<i>Net Change in Fund Balance</i>	(66)	0	66
<i>Fund Balance Beginning of Year</i>	16	16	0
Prior Year Encumbrances Appropriated	<u>50</u>	<u>50</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$66</u></u>	<u><u>\$66</u></u>

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Alternative Schools Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$46,653	\$46,653	\$0
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Purchased Services	39,699	39,699	0
<i>Net Change in Fund Balance</i>	6,954	6,954	0
<i>Fund Deficit Beginning of Year</i>	(6,954)	(6,954)	0
<i>Fund Balance End of Year</i>	\$0	\$0	\$0

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous State Grants Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$83,460	\$57,892	(\$25,568)
<b>Expenditures</b>			
Current:			
Support Services:			
Pupils:			
Salaries	43,365	43,363	2
Fringe Benefits	7,394	7,394	0
Materials and Supplies	619	619	0
Total Pupils	51,378	51,376	2
Instructional Staff:			
Purchased Services	318	0	318
<i>Total Expenditures</i>	51,696	51,376	320
<i>Net Change in Fund Balance</i>	31,764	6,516	(25,248)
<i>Fund Deficit Beginning of Year</i>	(32,383)	(32,383)	0
Prior Year Encumbrances Appropriated	619	619	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$25,248)	(\$25,248)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$3,390,020	\$2,397,955	(\$992,065)
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Salaries	980,755	686,922	293,833
Fringe Benefits	396,028	277,529	118,499
Materials and Supplies	55,293	46,043	9,250
Capital Outlay	60,302	38,476	21,826
Total Instruction	1,492,378	1,048,970	443,408
Support Services:			
Pupils:			
Salaries	505,345	315,695	189,650
Fringe Benefits	263,892	144,254	119,638
Purchased Services	848,612	822,601	26,011
Materials and Supplies	29,846	29,681	165
Total Pupils	1,647,695	1,312,231	335,464
Instructional Staff:			
Salaries	2,500	1,627	873
Fringe Benefits	298	264	34
Purchased Services	30,293	29,726	567
Total Instructional Staff	33,091	31,617	1,474
Total Support Services	\$1,680,786	\$1,343,848	\$336,938

(continued)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	\$75,999	\$51,539	\$24,460
Fringe Benefits	39,912	26,169	13,743
Purchased Services	17,000	17,000	0
Materials and Supplies	3,149	3,149	0
Total Operation of Non-Instructional Services	136,060	97,857	38,203
<i>Total Expenditures</i>	3,309,224	2,490,675	818,549
<i>Net Change in Fund Balance</i>	80,796	(92,720)	(173,516)
<i>Fund Deficit Beginning of Year</i>	(116,200)	(116,200)	0
Prior Year Encumbrances Appropriated	35,404	35,404	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$173,516)	(\$173,516)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Federal Stimulus Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,084,485	\$1,083,652	(\$833)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	722,705	722,285	420
Fringe Benefits	312,097	312,097	0
Purchased Services	49,270	49,270	0
Materials and Supplies	411	0	411
<i>Total Expenditures</i>	1,084,483	1,083,652	831
<i>Net Change in Fund Balance</i>	2	0	(2)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$2	\$0	(\$2)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Technology Title II-D Grant Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$7,516	\$3,148	(\$4,368)
<b>Expenditures</b>			
Current:			
Instruction:			
Support Services:			
Instructional Staff:			
Salaries	\$1,895	\$1,310	\$585
Fringe Benefits	366	247	119
Purchased Services	2,705	0	2,705
Materials and Supplies	2,259	2,259	0
Total Support Services	7,225	3,816	3,409
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	291	289	2
<i>Total Expenditures</i>	7,516	4,105	3,411
<i>Net Change in Fund Balance</i>	0	(957)	(957)
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$957)	(\$957)



**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Immigrant Student Grant Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$5,355	\$4,360	(\$995)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	1,074	400	674
Support Services:			
Pupils:			
Purchased Services	4,156	4,156	0
Instructional Staff:			
Purchased Services	125	0	125
Total Support Services	4,281	4,156	125
<i>Total Expenditures</i>	5,355	4,556	799
<i>Net Change in Fund Balance</i>	0	(196)	(196)
<i>Fund Deficit Beginning of Year</i>	(389)	(389)	0
Prior Year Encumbrances Appropriated	389	389	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$196)	(\$196)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$882,535	\$627,878	(\$254,657)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	29,898	13,192	16,706
Fringe Benefits	5,991	2,570	3,421
Materials and Supplies	5,324	5,002	322
Capital Outlay	4,151	4,083	68
Total Regular	45,364	24,847	20,517
Special:			
Salaries	463,771	350,951	112,820
Fringe Benefits	198,031	154,673	43,358
Purchased Services	6,116	749	5,367
Materials and Supplies	27,101	19,959	7,142
Capital Outlay	37,500	37,490	10
Total Special	732,519	563,822	168,697
Total Instruction	777,883	588,669	189,214
Support Services:			
Instructional Staff:			
Salaries	15,117	7,595	7,522
Fringe Benefits	2,614	1,310	1,304
Purchased Services	12,891	9,005	3,886
Materials and Supplies	3,352	0	3,352
Total Instructional Staff	33,974	17,910	16,064
Administration:			
Salaries	24,458	24,458	0
Fringe Benefits	8,884	7,665	1,219
Total Administration	33,342	32,123	1,219
Total Support Services	\$67,316	\$50,033	\$17,283

(continued)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Title I Fund (continued)*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Community Services:			
Salaries	\$1,069	\$1,069	\$0
Fringe Benefits	599	599	0
Materials and Supplies	7,507	463	7,044
Total Operation of Non-Instructional Services	9,175	2,131	7,044
<i>Total Expenditures</i>	854,374	640,833	213,541
<i>Net Change in Fund Balance</i>	28,161	(12,955)	(41,116)
<i>Fund Deficit Beginning of Year</i>	(50,917)	(50,917)	0
Prior Year Encumbrances Appropriated	22,756	22,756	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$41,116)	(\$41,116)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Free Schools Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$19,254	\$17,082	(\$2,172)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	584	416	168
Support Services:			
Pupils:			
Purchased Services	15,891	15,891	0
Instructional Staff:			
Purchased Services	256	129	127
Total Support Services	16,147	16,020	127
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	972	972	0
Materials and Supplies	669	435	234
Total Operation of Non-Instructional Services	1,641	1,407	234
<i>Total Expenditures</i>	18,372	17,843	529
<i>Net Change in Fund Balance</i>	882	(761)	(1,643)
<i>Fund Deficit Beginning of Year</i>	(1,571)	(1,571)	0
Prior Year Encumbrances Appropriated	689	689	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$1,643)	(\$1,643)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Preschool Grant Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$98,345	\$44,214	(\$54,131)
<b>Expenditures</b>			
Current:			
Instruction:			
Special:			
Materials and Supplies	16,710	12,478	4,232
Capital Outlay	5,000	4,599	401
Total Instruction	21,710	17,077	4,633
Support Services:			
Pupils:			
Purchased Services	45,351	5,000	40,351
Materials and Supplies	675	675	0
Total Pupils	46,026	5,675	40,351
Instructional Staff:			
Salaries	24,881	17,837	7,044
Fringe Benefits	4,313	3,077	1,236
Total Instructional Staff	29,194	20,914	8,280
Total Support Services	75,220	26,589	48,631
<i>Total Expenditures</i>	96,930	43,666	53,264
<i>Net Change in Fund Balance</i>	1,415	548	(867)
<i>Fund Deficit Beginning of Year</i>	(5,617)	(5,617)	0
Prior Year Encumbrances Appropriated	4,202	4,202	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$867)	(\$867)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Reducing Class Size Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$246,042	\$169,116	(\$76,926)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Salaries	95,085	83,565	11,520
Fringe Benefits	39,725	32,976	6,749
Total Instruction	134,810	116,541	18,269
Support Services:			
Instructional Staff:			
Salaries	50,705	20,448	30,257
Fringe Benefits	9,774	3,645	6,129
Purchased Services	28,058	21,066	6,992
Materials and Supplies	5,090	4,445	645
Total Support Services	93,627	49,604	44,023
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	5,896	5,896	0
Materials and Supplies	2,954	2,951	3
Total Operation of Non-Instructional Services	8,850	8,847	3
<i>Total Expenditures</i>	237,287	174,992	62,295
<i>Net Change in Fund Balance</i>	8,755	(5,876)	(14,631)
<i>Fund Deficit Beginning of Year</i>	(22,471)	(22,471)	0
Prior Year Encumbrances Appropriated	13,716	13,716	0
<i>Fund Balance (Deficit) End of Year</i>	\$0	(\$14,631)	(\$14,631)

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$2,590	\$2,590	\$0
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	2,590	2,590	0
<i>Fund Deficit Beginning of Year</i>	(2,647)	(2,647)	0
Prior Year Encumbrances Appropriated	<u>57</u>	<u>57</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Permanent Improvement Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Property Taxes	\$399,361	\$399,361	\$0
Intergovernmental	136,800	192,069	55,269
Miscellaneous	26,189	26,189	0
<i>Total Revenues</i>	<u>562,350</u>	<u>617,619</u>	<u>55,269</u>
<b>Expenditures</b>			
Current:			
Support Services:			
Fiscal:			
Other	24,547	23,627	920
Operation and Maintenance of Plant:			
Purchased Services	643,004	624,935	18,069
Materials and Supplies	57,634	37,941	19,693
Capital Outlay	96,606	96,606	0
Total Operation and Maintenance of Plant	<u>797,244</u>	<u>759,482</u>	<u>37,762</u>
Total Support Services	821,791	783,109	38,682
Extracurricular Activities:			
Sport Oriented Activities:			
Capital Outlay	103,243	103,202	41
Capital Outlay:			
Site Acquisition Services:			
Capital Outlay	12,162	12,162	0
<i>Total Expenditures</i>	<u>937,196</u>	<u>898,473</u>	<u>38,723</u>
<i>Excess of Revenues Under Expenditures</i>	(374,846)	(280,854)	93,992
<b>Other Financing Sources</b>			
Transfers In	100,000	100,000	0
<i>Net Change in Fund Balance</i>	(274,846)	(180,854)	93,992
<i>Fund Balance Beginning of Year</i>	182,035	182,035	0
Prior Year Encumbrances Appropriated	116,848	116,848	0
<i>Fund Balance End of Year</i>	<u>\$24,037</u>	<u>\$118,029</u>	<u>\$93,992</u>



**Medina City School District**  
*Schedule of Revenues, Expenditures and Changes*  
*In Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Grants Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Intergovernmental	\$1,200,000	\$985,837	(\$214,163)
<b>Expenditures</b>			
Current:			
Instruction:			
Regular:			
Materials and Supplies	225,652	0	225,652
Capital Outlay	82,732	82,732	0
Total Instruction	308,384	82,732	225,652
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	616,252	616,252	0
Materials and Supplies	85,383	85,383	0
Total Operation and Maintenance of Plant	701,635	701,635	0
Pupil Transportation			
Capital Outlay	309,160	309,160	0
Total Support Services	1,010,795	1,010,795	0
<i>Total Expenditures</i>	1,319,179	1,093,527	225,652
<i>Net Change in Fund Balance</i>	(119,179)	(107,690)	11,489
<i>Fund Balance Beginning of Year</i>	338,345	338,345	0
Prior Year Encumbrances Appropriated	119,179	119,179	0
<i>Fund Balance End of Year</i>	\$338,345	\$349,834	\$11,489

**Medina City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Self Insurance Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Charges for Services	\$9,000,000	\$10,129,062	\$1,129,062
<b>Expenses</b>			
Purchased Services	1,626,587	520,255	1,106,332
Claims	8,278,214	8,278,214	0
<i>Total Expenses</i>	9,904,801	8,798,469	1,106,332
<i>Net Change in Fund Equity</i>	(904,801)	1,330,593	2,235,394
<i>Fund Equity Beginning of Year</i>	2,487,164	2,487,164	0
Prior Year Encumbrances Appropriated	4,800	4,800	0
<i>Fund Equity End of Year</i>	\$1,587,163	\$3,822,557	\$2,235,394

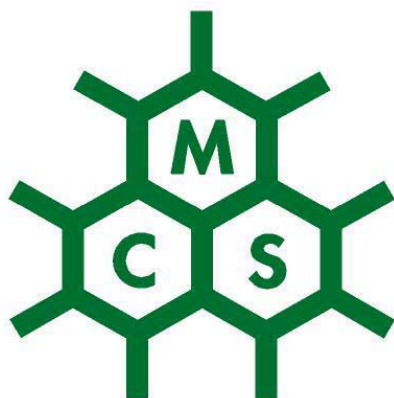
**Medina City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Scholarship Trust Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$32	\$31	(\$1)
Contributions and Donations	13,500	13,500	0
Miscellaneous	5,338	4,154	(1,184)
<i>Total Revenues</i>	18,870	17,685	(1,185)
<b>Expenses</b>			
Scholarships Awarded	18,700	18,700	0
<i>Net Change in Fund Equity</i>	170	(1,015)	(1,185)
<i>Fund Equity Beginning of Year</i>	26,803	26,803	0
<i>Fund Equity End of Year</i>	\$26,973	\$25,788	(\$1,185)

**Medina City School District**  
*Schedule of Revenues, Expenses and Changes*  
*In Fund Equity - Budget (Non-GAAP Basis) and Actual*  
*Scholarship Endowment Fund*  
*For the Fiscal Year Ended June 30, 2010*

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
<b>Revenues</b>			
Interest	\$1,213	\$77	(\$1,136)
Contributions and Donations	10	10	0
Gain on Sale of Investments	73,000	54,840	(18,160)
<i>Total Revenues</i>	74,223	54,927	(19,296)
<b>Expenses</b>			
Scholarships Awarded	26,500	19,250	7,250
<i>Net Change in Fund Equity</i>	47,723	35,677	(12,046)
<i>Fund Equity Beginning of Year</i>	410,336	410,336	0
<i>Fund Equity End of Year</i>	\$458,059	\$446,013	(\$12,046)

# STATISTICAL SECTION





# Statistical Section

This part of School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District'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 School District's financial position has changed over time.	<b>S2 - S13</b>
<b>Revenue Capacity</b> These schedules contain information to help the reader understand and assess the factors affecting the School District's ability to generate its most significant local revenue source, the property tax.	<b>S14 - S22</b>
<b>Debt Capacity</b> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	<b>S23 - S27</b>
<b>Economic and Demographic Information</b> These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.	<b>S28 - S29</b>
<b>Operating Information</b> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	<b>S30 - S36</b>

**Sources:** Unless otherwise noted, the information in these schedules is derived from annual financial reports for the relevant year. The School District implemented GASB Statement 34 in fiscal year 2002; schedules presenting government-wide information include information beginning in that fiscal year.

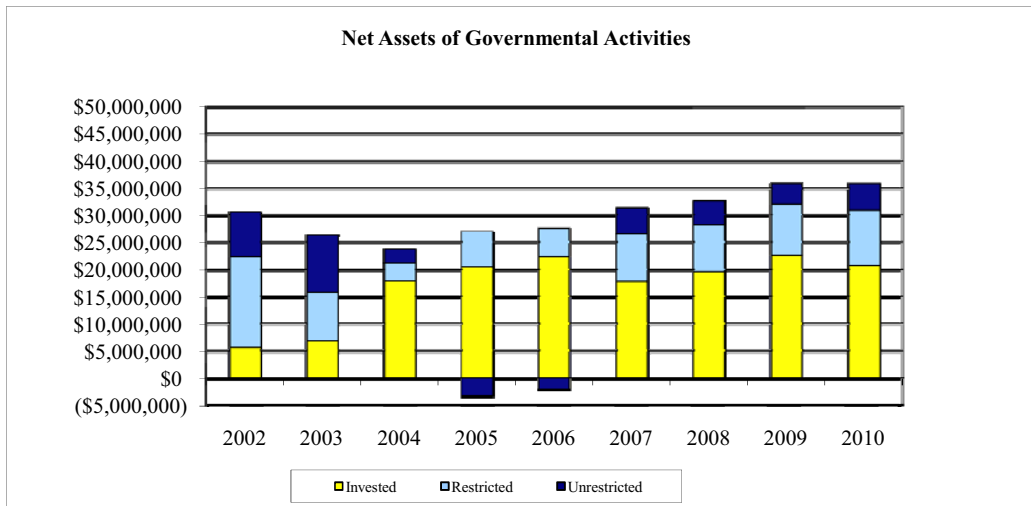
**Medina City School District**

*Net Assets by Component*

*Last Nine Fiscal Years*

*(accrual basis of accounting)*

	2002	2003	2004	2005
<b>Governmental Activities:</b>				
Invested in Capital Assets, Net of Related Debt	\$5,518,722	\$6,819,919	\$17,761,333	\$20,408,352
Restricted for:				
Capital Projects	11,385,291	3,131,158	1,471,099	1,433,038
Debt Service	3,600,523	4,128,826	0	3,165,430
Other Purposes	1,766,841	1,645,886	1,933,783	1,926,767
Unrestricted	8,303,474	10,585,856	2,490,551	(3,269,376)
<b>Total Governmental Activities Net Assets</b>	<b>\$30,574,851</b>	<b>\$26,311,645</b>	<b>\$23,656,766</b>	<b>\$23,664,211</b>





2006	2007	2008	2009	2010
\$22,299,979	\$17,700,155	\$19,614,453	\$22,536,416	\$20,592,489
1,604,086	1,760,228	862,982	1,164,128	1,824,993
1,734,303	5,209,640	5,591,210	6,536,372	6,700,126
1,925,389	1,865,953	2,076,273	1,797,588	1,764,729
(2,084,773)	4,769,743	4,437,226	3,766,695	4,909,776
<u>\$25,478,984</u>	<u>\$31,305,719</u>	<u>\$32,582,144</u>	<u>\$35,801,199</u>	<u>\$35,792,113</u>

**Medina City School District**  
*Changes in Net Assets*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*

	2002	2003	2004	2005
<b>Expenses</b>				
<b>Governmental Activities:</b>				
Regular Instruction	\$26,732,501	\$34,552,865	\$30,492,589	\$33,894,621
Special Instruction	6,248,452	6,990,267	7,360,275	7,745,506
Vocational Instruction	752,011	490,174	726,501	533,037
Student Intervention Services	0	0	0	0
Pupil Support	3,111,111	3,436,933	3,634,259	3,372,936
Instructional Staff Support	3,337,817	3,785,835	3,923,053	3,674,329
Board of Education	63,572	98,298	100,340	106,870
Administration	3,883,649	4,489,018	4,945,246	4,806,107
Fiscal	1,253,851	1,482,539	1,484,397	1,348,827
Business	863,975	904,089	714,165	657,150
Operation and Maintenance of Plant	5,646,902	8,511,346	7,491,936	7,211,009
Pupil Transportation	2,939,372	3,538,502	3,073,033	3,570,296
Central	346,088	440,298	410,944	395,968
Operation of Non-Instructional Services	1,825,595	777,586	721,010	704,692
Food Service Operations	0	1,335,125	1,346,962	1,622,179
Extracurricular Activities	1,181,801	1,735,382	1,443,639	1,386,898
Interest and Fiscal Charges	5,521,585	5,657,230	4,546,606	3,649,358
<i>Total Expenses</i>	<u>63,708,282</u>	<u>78,225,487</u>	<u>72,414,955</u>	<u>74,679,783</u>
<b>Program Revenues</b>				
<b>Governmental Activities:</b>				
<b>Charges for Services</b>				
Regular Instruction	176,406	513,780	601,338	583,575
Special Instruction	228,995	207,972	133,465	193,759
Vocational Instruction	238,888	5,353	6,962	2,294
Student Intervention Services	0	0	0	0
Pupil Support	0	0	0	0
Instructional Staff Support	0	94,664	94,409	90,964
Board of Education	0	0	0	0
Administration	0	407,252	377,679	248,167
Fiscal	0	0	0	0
Business	0	2,610	9,402	18,811
Operation and Maintenance of Plant (1)	0	178,087	29,735	782,748
Pupil Transportation	0	145	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	1,227,614	390	0	0
Food Service Operations	0	1,173,822	1,388,649	1,445,796
Extracurricular Activities	640,590	319,944	201,285	454,286
<b>Operating Grants and Contributions</b>				
Regular Instruction	235,183	338,299	319,892	265,205
Special Instruction (1)	483,206	667,259	768,927	942,921
Vocational Instruction	0	0	180,919	669
Pupil Support	249,565	251,627	520,687	453,126
Instructional Staff Support	339,619	332,448	488,510	465,446
Administration	162,091	134,456	159,301	120,681
Fiscal	0	0	0	0
Business	4,016	400	1,657	4,455
Operation and Maintenance of Plant	0	0	0	0
Pupil Transportation (1)	848	1,187	627	3,385
Central	52,763	33,309	52,909	49,950
Operation of Non-Instructional Services	758,400	597,690	602,771	581,375
Food Service Operations	0	58,139	152,946	57,393
Extracurricular Activities	162,494	7,156	2,786	158
<b>Capital Grants and Contributions</b>				
Regular Instruction	0	0	0	55,860
Fiscal	0	0	0	0
Operation and Maintenance of Plant	0	0	0	226,168
Pupil Transportation	0	69,609	35,400	84,745
<i>Total Program Revenues</i>	<u>4,960,678</u>	<u>5,395,598</u>	<u>6,130,256</u>	<u>7,131,937</u>
<b>Net Expense</b>	<u>(\$58,747,604)</u>	<u>(\$72,829,889)</u>	<u>(\$66,284,699)</u>	<u>(\$67,547,846)</u>

2006	2007	2008	2009	2010
\$33,744,540	\$36,744,365	\$37,092,181	\$38,791,761	\$40,850,005
8,352,258	8,791,564	9,487,412	9,923,657	9,327,136
478,747	481,880	550,842	526,069	596,707
0	0	0	258,806	173,193
3,686,406	3,849,169	4,403,313	4,685,731	5,286,398
3,714,245	3,771,991	4,199,455	4,046,616	5,524,180
122,422	94,167	100,378	145,179	37,768
5,002,065	5,190,273	5,076,677	5,131,913	5,324,016
1,236,246	1,299,163	1,611,380	1,646,461	1,274,255
594,498	633,342	629,012	564,226	504,809
7,290,435	7,888,331	8,746,641	7,860,756	8,939,810
3,288,084	3,475,379	3,304,386	3,533,089	3,669,112
392,850	399,289	451,852	499,527	430,762
670,885	680,315	793,166	599,204	537,853
1,580,863	2,042,525	2,012,227	2,306,158	2,463,652
1,619,951	1,429,926	2,188,722	2,460,624	2,140,399
5,542,505	3,213,391	4,274,109	5,327,443	5,228,011
77,317,000	79,985,070	84,921,753	88,307,220	92,308,066
667,572	818,231	758,527	717,053	694,557
22,796	91,104	62,986	52,877	259,128
6,107	13,304	11,511	11,459	13,022
0	0	0	1,626	855
9,744	40,196	28,061	23,807	105,091
114,156	101,066	46,386	43,484	49,412
397	1,163	776	912	187
349,614	418,251	90,100	73,772	234,754
3,675	14,788	11,293	9,396	5,680
10,876	23,858	5,718	4,318	2,898
465,129	87,949	650,036	523,832	488,848
9,473	38,790	23,306	20,388	13,201
1,069	4,296	3,061	2,847	1,904
207	692	690	641	453
1,459,644	1,396,564	1,401,029	1,478,800	1,467,807
616,125	202,125	872,975	1,088,132	1,158,321
193,173	170,039	289,482	125,780	154,642
1,015,786	2,812,094	2,884,930	2,976,572	1,807,304
311	0	0	0	0
575,251	489,803	697,992	836,424	1,375,545
462,386	447,281	473,789	130,787	150,378
111,983	129,594	41,053	3,173	37,907
0	0	0	945,493	0
1,279	3,931	203	2,814	1,662
0	0	3,117	387	1,474
1,944	1,323,302	1,350,101	1,373,641	1,453,134
51,515	51,804	53,035	49,050	39,032
656,832	578,090	574,286	482,875	445,950
105,987	506,124	502,383	648,501	780,220
241	33,955	107,069	51,880	45,128
0	0	0	0	0
0	0	0	1,775	0
88,158	0	0	158,809	0
0	46,409	32,178	43,745	0
7,001,430	9,844,803	10,976,073	11,885,050	10,788,494
(\$70,315,570)	(\$70,140,267)	(\$73,945,680)	(\$76,422,170)	(\$81,519,572)

(continued)

**Medina City School District**  
*Changes in Net Assets (continued)*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*

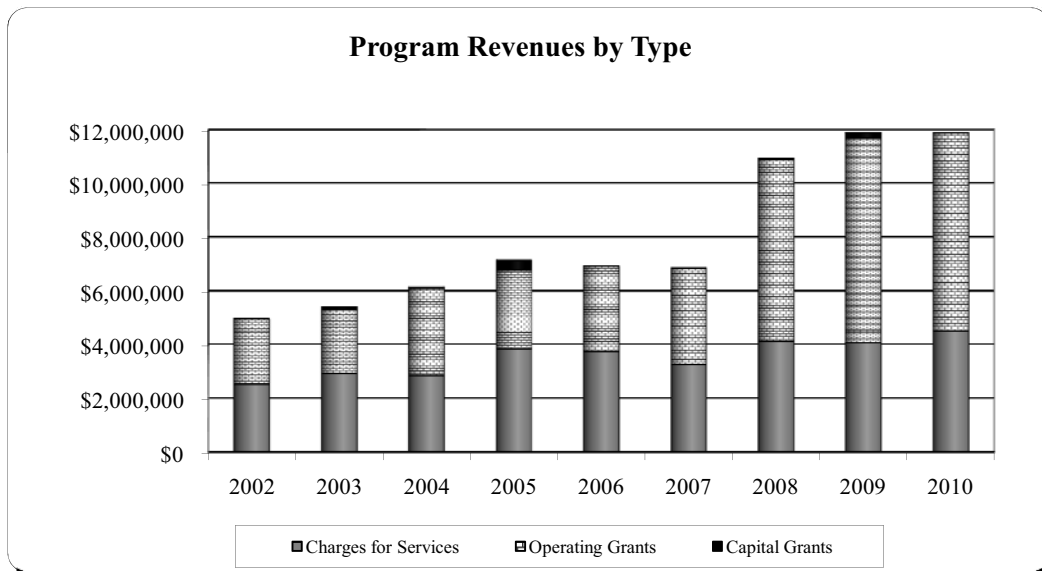
	2002	2003	2004	2005
<b>General Revenues</b>				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	\$32,867,815	\$33,300,571	\$33,838,374	\$36,255,307
Debt Service	6,552,274	6,551,886	6,768,939	7,597,318
Capital Projects	522,837	520,899	520,050	542,871
Grants and Entitlements not Restricted to Specific Programs	23,175,644	24,361,727	21,935,229	22,126,256
Grants and Entitlements Restricted to Permanent Improvement Projects	0	0	0	0
Investment Earnings	2,372,405	2,131,019	277,491	521,427
Gain on Sale of Capital Assets	0	0	0	0
Miscellaneous	278,974	1,700,581	289,737	512,112
<i>Total General Revenues</i>	<u>65,769,949</u>	<u>68,566,683</u>	<u>63,629,820</u>	<u>67,555,291</u>
<i>Change in Net Assets</i>	<u>\$7,022,345</u>	<u>(\$4,263,206)</u>	<u>(\$2,654,879)</u>	<u>\$7,445</u>

(1) The large increases from fiscal year 2006 to fiscal year 2007 are due to the method of classification used for program revenues.

2006	2007	2008	2009	2010
\$40,211,316	\$44,178,727	\$40,064,362	\$43,781,561	\$42,511,123
7,081,869	7,270,269	6,896,827	7,740,170	7,173,693
611,367	591,922	541,958	521,027	436,947
22,629,905	21,667,425	23,235,176	23,975,167	28,178,307
0	0	2,433,225	2,436,132	1,844,356
1,020,569	1,657,850	1,558,210	751,130	36,593
148,570	0	0	0	0
426,747	600,809	492,347	436,038	1,329,467
72,130,343	75,967,002	75,222,105	79,641,225	81,510,486
<u>\$1,814,773</u>	<u>\$5,826,735</u>	<u>\$1,276,425</u>	<u>\$3,219,055</u>	<u>(\$9,086)</u>

**Medina City School District**  
*Program Revenues of Governmental Activities by Function*  
*Last Nine Fiscal Years*  
*(accrual basis of accounting)*

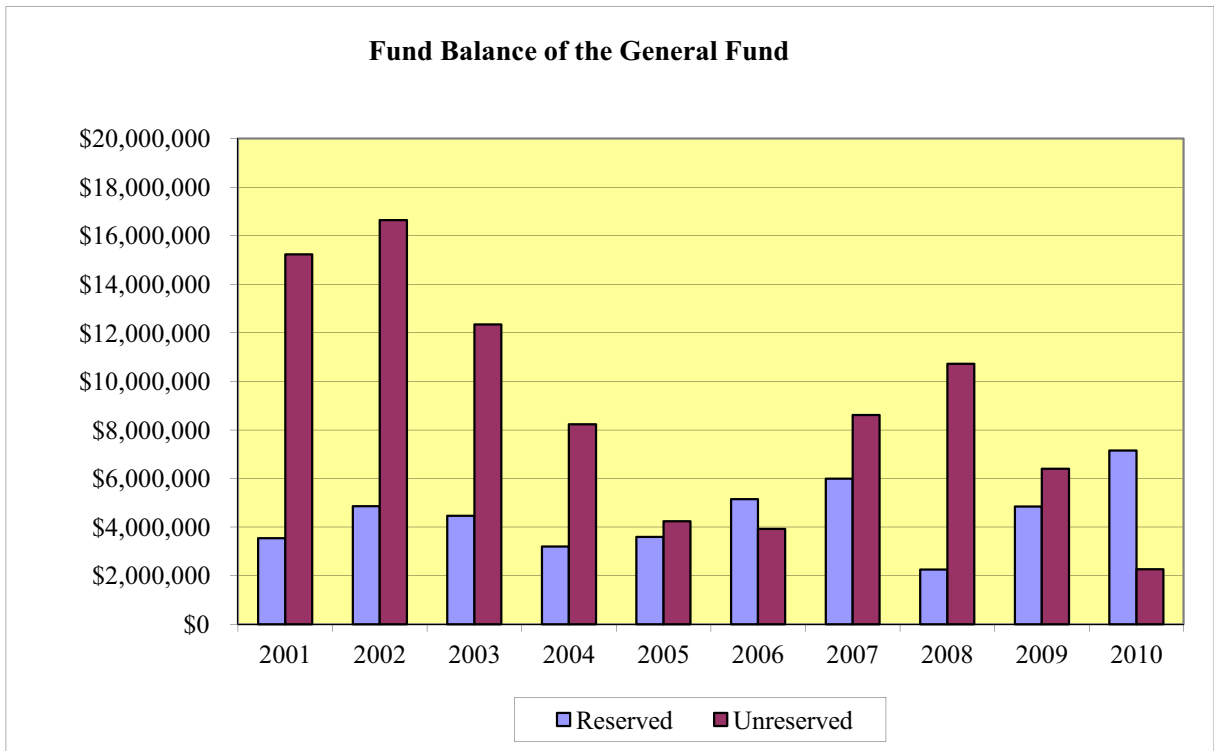
<i>Governmental Activities</i>	2002	2003	2004	2005
<i>Function:</i>				
Regular Instruction	\$411,589	\$852,079	\$921,230	\$904,640
Special Instruction	712,201	875,231	902,392	1,136,680
Vocational Instruction	238,888	5,353	187,881	2,963
Student Intervention Services	0	0	0	0
Pupil Support	249,565	251,627	520,687	453,126
Instructional Staff Support	339,619	427,112	582,919	556,410
Board of Education	0	0	0	0
Administration	162,091	541,708	536,980	368,848
Fiscal	0	0	0	0
Business	4,016	3,010	11,059	23,266
Operation and Maintenance of Plant	0	178,087	29,735	1,008,916
Pupil Transportation	848	70,941	36,027	88,130
Central	52,763	33,309	52,909	49,950
Operation of Non-Instructional Services	1,986,014	598,080	602,771	581,375
Food Service Operations	0	1,231,961	1,541,595	1,503,189
Extracurricular Activities	803,084	327,100	204,071	454,444
<i>Total Program Revenues</i>	<u>\$4,960,678</u>	<u>\$5,395,598</u>	<u>\$6,130,256</u>	<u>\$7,131,937</u>



2006	2007	2008	2009	2010
\$860,745	\$988,270	\$1,048,009	\$842,833	\$849,199
1,038,582	2,903,198	2,947,916	3,029,449	2,066,432
6,418	13,304	11,511	11,459	13,022
0	0	0	1,626	855
584,995	529,999	726,053	860,231	1,480,636
576,542	548,347	520,175	174,271	199,790
397	1,163	776	912	187
461,597	547,845	131,153	76,945	272,661
3,675	14,788	11,293	956,664	5,680
12,155	27,789	5,921	7,132	4,560
553,287	87,949	653,153	683,028	490,322
11,417	1,408,501	1,405,585	1,437,774	1,466,335
52,584	56,100	56,096	51,897	40,936
657,039	578,782	574,976	483,516	446,403
1,565,631	1,902,688	1,903,412	2,127,301	2,248,027
616,366	236,080	980,044	1,140,012	1,203,449
<u>\$7,001,430</u>	<u>\$9,844,803</u>	<u>\$10,976,073</u>	<u>\$11,885,050</u>	<u>\$10,788,494</u>

**Medina City School District**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(modified accrual basis of accounting)*

	2001	2002	2003	2004
<b>General Fund</b>				
Reserved	\$3,541,841	\$4,860,646	\$4,466,961	\$3,197,370
Unreserved	15,238,593	16,646,254	12,344,523	8,232,862
<b>Total General Fund</b>	<b>18,780,434</b>	<b>21,506,900</b>	<b>16,811,484</b>	<b>11,430,232</b>
<b>All Other Governmental Funds</b>				
Reserved	46,175,759	21,943,990	5,874,382	1,811,467
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	1,276,059	1,513,524	1,333,356	1,695,070
Debt Service Funds	2,572,618	2,920,494	3,536,898	4,113,974
Capital Projects Funds (Deficit)	7,088,986	3,945,262	(387,375)	259,711
<b>Total All Other Governmental Funds</b>	<b>57,113,422</b>	<b>30,323,270</b>	<b>10,357,261</b>	<b>7,880,222</b>
<b>Total Governmental Funds</b>	<b>\$75,893,856</b>	<b>\$51,830,170</b>	<b>\$27,168,745</b>	<b>\$19,310,454</b>





2005	2006	2007	2008	2009	2010
\$3,593,934	\$5,145,286	\$5,997,867	\$2,255,107	\$4,844,264	\$7,148,951
4,237,501	3,927,924	8,615,570	10,724,580	6,396,755	2,265,664
7,831,435	9,073,210	14,613,437	12,979,687	11,241,019	9,414,615
1,317,841	1,539,235	1,794,755	3,301,204	4,179,267	2,231,422
1,469,558	1,724,219	1,566,533	1,538,348	1,521,634	585,350
6,357,861	5,092,357	4,875,440	5,579,138	5,848,813	5,815,272
(87,960)	87,110	372,790	22,585,985	4,108,683	2,795,444
9,057,300	8,442,921	8,609,518	33,004,675	15,658,397	11,427,488
\$16,888,735	\$17,516,131	\$23,222,955	\$45,984,362	\$26,899,416	\$20,842,103

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

	2001	2002	2003	2004
<b>Revenues</b>				
Property Taxes	\$37,840,227	\$39,925,707	\$40,326,704	\$41,270,977
Intergovernmental	18,916,553	25,504,290	26,705,031	25,031,308
Interest	5,624,294	2,382,163	2,131,019	277,491
Tuition and Fees	306,279	228,995	742,484	719,625
Charges for Services	19,240	1,642,908	1,310,795	1,418,384
Extracurricular Activities	695,911	640,590	809,626	648,650
Contributions and Donations	116,539	161,470	109,784	97,329
Rentals	25,521	0	41,114	56,265
Miscellaneous	188,519	258,974	1,700,581	289,737
<i>Total Revenues</i>	<u>63,733,083</u>	<u>70,745,097</u>	<u>73,877,138</u>	<u>69,809,766</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	22,890,504	25,634,525	29,769,452	30,730,888
Special	5,274,314	6,111,779	6,854,606	7,110,159
Vocational	532,444	748,895	477,478	708,077
Adult/Continuing	1,175,316	0	0	0
Student Intervention Services	0	0	0	0
Support Services:				
Pupils	2,651,897	3,047,752	3,280,511	3,502,390
Instructional Staff	2,923,907	3,186,795	3,546,502	3,648,014
Board of Education	67,116	63,572	98,298	100,340
Administration	3,679,788	3,760,093	4,435,579	4,729,199
Fiscal	1,148,474	1,229,106	1,408,111	1,461,971
Business	730,694	838,703	829,984	712,154
Operation and Maintenance of Plant	4,670,870	5,460,356	6,934,014	7,190,117
Pupil Transportation	2,859,476	2,647,721	3,050,301	2,658,335
Central	212,400	332,019	360,824	409,528
Operation of Non-Instructional Services	519,931	1,788,332	721,548	585,285
Food Service Operations	0	0	1,330,243	1,346,962
Extracurricular Activities	1,031,084	1,139,742	1,682,521	1,426,146
Capital Outlay	28,102,248	32,195,765	26,992,228	4,380,538
Debt Service:				
Principal Retirement	505,542	1,874,555	2,255,243	2,479,867
Interest and Fiscal Charges	4,287,355	4,243,632	4,165,430	4,087,954
Capital Appreciation Bonds Interest	469,458	505,441	369,757	400,133
Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>83,732,818</u>	<u>94,808,783</u>	<u>98,562,630</u>	<u>77,668,057</u>
<i>Excess of Revenues Over</i> <i>(Under) Expenditures</i>	<u>(19,999,735)</u>	<u>(24,063,686)</u>	<u>(24,685,492)</u>	<u>(7,858,291)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	21,472	0	24,067	0
Certificates of Participation Issued	0	0	0	0
Premium on Certificates of Participation	0	0	0	0
Refunding Bonds Issued	0	0	0	0
Long-Term Notes Issued	0	0	0	0
Premium on Debt Issuance	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Refund of Prior Year Expenditures	1,404,377	0	0	0
Inception of Capital Lease	0	0	0	0
Transfers In	185,700	230,800	7,767	0
Transfers Out	(191,700)	(230,800)	(7,767)	0
<i>Total Other Financing Sources (Uses)</i>	<u>1,419,849</u>	<u>0</u>	<u>24,067</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u><u>(\$18,579,886)</u></u>	<u><u>(\$24,063,686)</u></u>	<u><u>(\$24,661,425)</u></u>	<u><u>(\$7,858,291)</u></u>
Debt Service as a Percentage of Noncapital Expenditures	9.5%	10.6%	8.9%	9.7%

2005	2006	2007	2008	2009	2010
\$42,249,888	\$48,715,509	\$53,119,044	\$47,228,459	\$51,907,319	\$50,086,333
25,309,411	25,805,432	28,117,339	31,045,401	34,112,475	36,253,102
521,427	1,020,569	1,657,850	1,597,009	761,888	37,468
777,883	761,931	811,381	1,069,407	1,066,584	1,384,576
1,480,687	1,515,108	1,419,814	1,458,030	1,525,545	1,516,067
777,201	1,016,174	768,423	846,620	1,060,465	1,139,549
90,179	78,071	139,342	123,201	68,517	66,279
784,629	443,371	252,759	592,398	484,553	455,926
512,112	426,747	600,809	492,347	436,038	1,329,467
<u>72,503,417</u>	<u>79,782,912</u>	<u>86,886,761</u>	<u>84,452,872</u>	<u>91,423,384</u>	<u>92,268,767</u>
31,140,962	33,440,222	34,604,124	35,088,881	38,352,050	40,722,369
7,442,654	7,980,189	8,527,594	9,199,549	9,685,269	9,388,438
458,008	428,675	428,889	495,985	477,130	555,315
0	0	0	0	0	0
0	0	0	0	258,806	176,667
3,282,455	3,519,652	3,737,001	4,249,137	4,673,382	5,329,477
3,455,254	3,418,478	3,490,156	3,868,900	3,817,629	5,287,886
106,870	122,422	94,167	100,378	145,179	38,526
4,597,127	4,747,689	4,997,116	4,817,598	5,021,242	5,340,461
1,399,417	1,229,836	1,312,713	1,441,355	1,654,704	1,312,446
710,053	587,202	626,923	652,691	573,209	521,036
7,174,756	7,089,627	7,674,882	7,416,723	9,135,307	8,406,180
2,979,467	2,914,756	3,142,437	2,996,693	3,261,478	3,072,311
418,908	390,522	396,554	447,076	499,968	442,770
2,079,589	666,722	679,614	626,860	607,120	551,705
119,736	1,427,477	1,902,266	2,007,057	2,184,081	2,321,737
1,360,476	1,576,337	1,386,813	2,134,493	2,419,252	2,148,753
2,547,691	507,844	374,509	5,675,847	18,268,649	3,446,502
2,738,112	5,020,293	2,654,658	2,558,322	4,262,433	4,381,952
2,486,713	3,781,436	3,386,848	3,357,991	4,680,967	4,391,833
426,888	454,707	2,199,305	2,498,408	530,475	866,190
513,798	0	0	609,860	131,525	0
<u>75,438,934</u>	<u>79,304,086</u>	<u>81,616,569</u>	<u>90,243,804</u>	<u>110,639,855</u>	<u>98,702,554</u>
(2,935,517)	478,826	5,270,192	(5,790,932)	(19,216,471)	(6,433,787)
0	148,570	0	0	0	0
0	0	0	25,000,000	0	0
0	0	0	382,339	0	0
59,239,897	0	0	0	8,485,000	0
0	0	0	3,170,000	0	0
3,984,721	0	0	0	351,600	0
(62,710,820)	0	0	0	(8,705,075)	0
0	0	0	0	0	0
0	0	436,632	0	0	376,474
69,944	0	32,929	180,500	474,442	406,630
(69,944)	0	(32,929)	(180,500)	(474,442)	(406,630)
<u>513,798</u>	<u>148,570</u>	<u>436,632</u>	<u>28,552,339</u>	<u>131,525</u>	<u>376,474</u>
<u>(\$2,421,719)</u>	<u>\$627,396</u>	<u>\$5,706,824</u>	<u>\$22,761,407</u>	<u>(\$19,084,946)</u>	<u>(\$6,057,313)</u>
8.4%	11.7%	10.1%	10.5%	10.6%	10.1%

**Medina City School District**  
*Assessed and Estimated Actual Value of Taxable Property*  
*Last Ten Years*

Collection Year	Real Property			Tangible Personal Property		
	Assessed Value			Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU	Total		Assessed Value	Estimated Actual Value
2001	\$557,970,630	\$165,858,630	\$723,829,260	\$2,068,083,600	\$30,260,250	\$34,386,648
2002	668,180,860	215,055,980	883,236,840	2,523,533,829	23,228,930	26,396,511
2003	704,730,030	208,816,270	913,546,300	2,610,132,286	23,748,830	26,987,307
2004	744,955,270	211,624,090	956,579,360	2,733,083,886	23,534,820	26,744,114
2005	829,829,190	223,328,390	1,053,157,580	3,009,021,657	23,297,300	26,474,205
2006	863,362,980	243,524,080	1,106,887,060	3,162,534,457	22,065,210	25,074,102
2007	889,927,300	250,271,540	1,140,198,840	3,257,710,971	22,138,960	25,157,909
2008	985,845,270	255,824,740	1,241,670,010	3,547,628,600	17,596,650	19,996,193
2009	999,525,210	254,884,650	1,254,409,860	3,584,028,171	18,070,420	20,534,568
2010	1,006,393,860	264,389,070	1,270,782,930	3,630,808,371	22,391,666	25,445,075

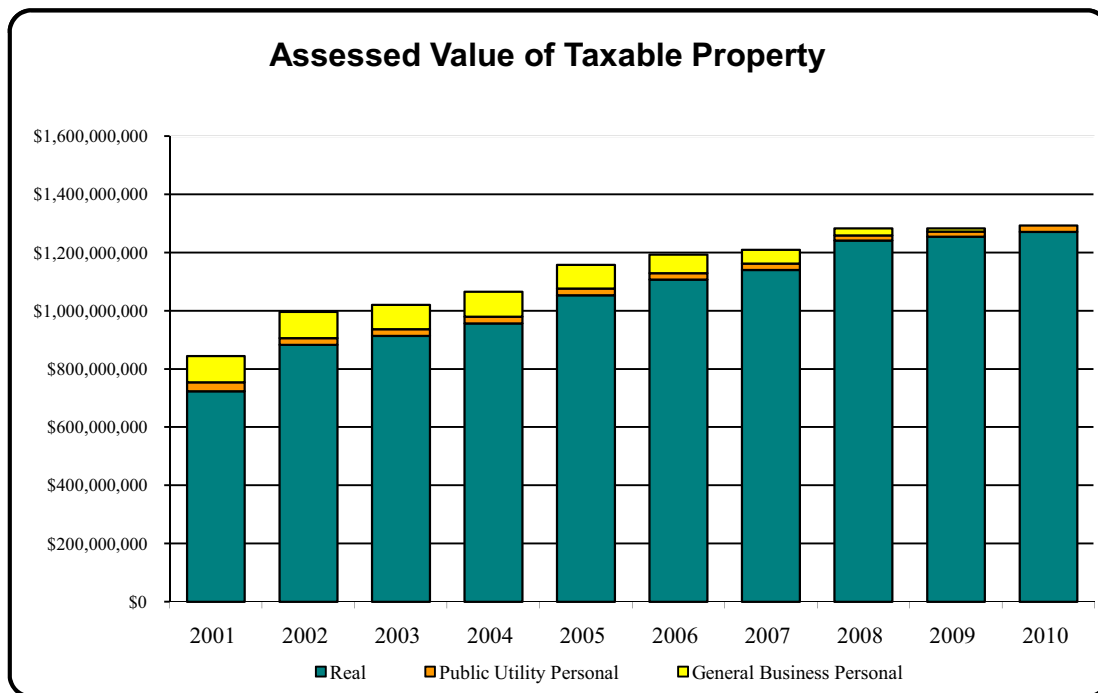
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and equipment and 23 percent for inventories. General business tangible personal property tax started being phased out beginning in 2006.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent, 2 1/2 percent and homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback for commercial/industrial property has been eliminated.

**Source:** Office of the County Auditor, Medina County, Ohio

Tangible Personal Property		Total			Weighted Average Tax Rate
General Business		Assessed Value	Estimated Actual Value	Ratio	
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Weighted Average Tax Rate
\$90,154,190	\$360,616,760	\$844,243,700	\$2,463,087,008	34.28 %	\$50.976125
90,041,161	360,164,644	996,506,931	2,910,094,984	34.24	44.104033
83,605,814	334,423,256	1,020,900,944	2,971,542,849	34.36	43.628943
85,820,799	343,283,196	1,065,934,979	3,103,111,196	34.35	43.384828
81,703,115	326,812,460	1,158,157,995	3,362,308,322	34.45	41.354746
64,548,655	344,259,493	1,193,500,925	3,531,868,052	33.79	47.855349
46,847,577	374,780,616	1,209,185,377	3,657,649,496	33.06	46.972877
23,720,795	379,532,720	1,282,987,455	3,947,157,513	32.50	43.220997
11,091,325	177,461,200	1,283,571,605	3,782,023,939	33.94	42.221356
0	0	1,293,174,596	3,656,253,446	35.37	41.782587



**Medina City School District**  
*Property Tax Rates - Direct and Overlapping Governments*  
(per \$1,000 of assessed value)  
*Last Ten Years*

	2000	2001	2002	2003
<b>Unvoted Millage</b>				
Operating	\$4.300000	\$4.300000	\$4.300000	\$4.300000
<b>Voted Millage - by levy</b>				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	5.758500	5.762000	4.996900	4.956300
Commercial/Industrial and Public Utility Real	9.770700	9.636900	7.462500	7.566100
General Business and Public Utility Personal	30.100000	30.100000	30.100000	30.100000
1976 Permanent Improvement				
Effective Millage Rates				
Residential/Agricultural Real	0.382600	0.382900	0.332000	0.329300
Commercial/Industrial and Public Utility Real	0.649200	0.640300	0.495900	0.502700
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000
1983 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	4.551500	4.554300	3.949500	3.917500
Commercial/Industrial and Public Utility Real	5.115300	5.045300	3.906900	3.961100
General Business and Public Utility Personal	8.910000	8.910000	8.910000	8.910000
1986 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	3.690100	3.692400	3.202000	3.176000
Commercial/Industrial and Public Utility Real	4.126900	4.070400	3.152000	3.195700
General Business and Public Utility Personal	6.480000	6.480000	6.480000	6.480000
1987 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	2.813100	2.814900	2.441100	2.421200
Commercial/Industrial and Public Utility Real	3.146100	3.103000	2.402900	2.436200
General Business and Public Utility Personal	4.940000	4.940000	4.940000	4.940000
1990 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	7.622200	7.626900	6.614000	6.560300
Commercial/Industrial and Public Utility Real	8.345800	8.231600	6.374300	6.462700
General Business and Public Utility Personal	11.700000	11.700000	11.700000	11.700000
1992 Bond (\$17,900,000)	2.020000	2.020000	1.250000	1.250000
1995 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	6.353400	6.357300	5.513100	5.468300
Commercial/Industrial and Public Utility Real	6.297200	6.211000	4.809600	4.876400
General Business and Public Utility Personal	8.400000	8.400000	8.400000	8.400000

2004	2005	2006	2007	2008	2009	2010
\$4.300000	\$4.300000	\$4.300000	\$4.300000	\$4.300000	\$4.300000	\$4.300000
4.921000	4.590500	4.560400	4.526200	4.172500	4.163000	4.184500
7.592200	7.339600	7.444100	7.480600	6.881300	6.919700	6.961300
30.100000	30.100000	30.100000	30.100000	30.100000	30.100000	30.100000
0.327000	0.305000	0.303000	0.300700	0.277200	0.276600	0.278000
0.504500	0.487700	0.494600	0.497100	0.457200	0.459800	0.462500
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
3.889500	3.628300	3.604500	3.577500	3.297900	3.290300	3.307300
3.974800	3.842500	3.897200	3.916300	3.602500	3.622600	3.644500
8.910000	8.910000	8.910000	8.910000	8.910000	8.910000	8.910000
3.153400	2.941600	2.922300	2.900400	2.673700	2.667600	2.681400
3.206700	3.100000	3.144200	3.159600	2.906400	2.922600	2.940200
6.480000	6.480000	6.480000	6.480000	6.480000	6.480000	6.480000
2.404000	2.242500	2.227800	2.211100	2.038300	2.033600	2.044100
2.444600	2.363300	2.397000	2.408700	2.215700	2.228100	2.241500
4.940000	4.940000	4.940000	4.940000	4.940000	4.940000	4.940000
6.513500	6.076100	6.036200	5.990900	5.522800	5.510100	5.538600
6.485000	6.269200	6.358500	6.389700	5.877700	5.910500	5.946100
11.700000	11.700000	11.700000	11.700000	11.700000	11.700000	11.700000
1.250000	1.250000	1.100000	1.100000	1.100000	1.100000	1.100000
5.429200	5.064600	5.031400	4.993700	4.603500	4.592900	4.616600
4.893200	4.730400	4.797700	4.821300	4.435000	4.459700	4.486600
8.400000	8.400000	8.400000	8.400000	8.400000	8.400000	8.400000

(continued)

**Medina City School District**  
*Property Tax Rates - Direct and Overlapping Governments (continued)*  
(per \$1,000 of assessed value)  
Last Ten Years

	2000	2001	2002	2003
1999 Bond (\$77,650,000)	\$6.440000	\$6.440000	\$6.000000	\$6.000000
2005 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	0.000000	0.000000	0.000000	0.000000
Commercial/Industrial and Public Utility Real	0.000000	0.000000	0.000000	0.000000
General Business and Public Utility Personal	0.000000	0.000000	0.000000	0.000000
<b>Total Voted Millage by type of Property</b>				
Residential/Agricultural Real	\$39.631400	\$39.650700	\$34.298600	\$34.078900
Commercial/Industrial and Public Utility Real	45.911200	45.398500	35.854100	36.250900
General Business and Public Utility Personal	80.990000	80.990000	79.780000	79.780000
<b>Total Millage by type of Property</b>				
Residential/Agricultural Real	\$43.931400	\$43.950700	\$38.598600	\$38.378900
Commercial/Industrial and Public Utility Real	50.211200	49.698500	40.154100	40.550900
General Business and Public Utility Personal	85.290000	85.290000	84.080000	84.080000
<b>Overlapping Rates by Taxing District</b>				
Medina County				
Effective Millage Rates				
Residential/Agricultural Real	\$5.699300	\$7.051300	\$6.516600	\$6.679000
Commercial/Industrial and Public Utility Real	6.163600	7.267300	6.245100	6.453600
General Business and Public Utility Personal	8.200000	8.190000	8.060000	8.240000
City of Medina				
Effective Millage Rates				
Residential/Agricultural Real	5.233000	5.800000	5.420000	5.408900
Commercial/Industrial and Public Utility Real	5.438000	5.784200	5.208300	5.230100
General Business and Public Utility Personal	6.000000	5.800000	5.700000	5.700000
Medina County Joint Vocational School District				
Effective Millage Rates				
Residential/Agricultural Real	2.000000	2.004500	1.999600	2.000000
Commercial/Industrial and Public Utility Real	2.180500	2.165500	2.000000	2.012200
General Business and Public Utility Personal	3.050000	3.050000	3.050000	3.050000
Medina County Library				
Effective Millage Rates				
Residential/Agricultural Real	0.804700	0.807800	0.696800	0.693300
Commercial/Industrial and Public Utility Real	0.898000	0.892000	0.686900	0.691900
General Business and Public Utility Personal	1.250000	1.250000	1.250000	1.250000
Medina County Park District				
Effective Millage Rates				
Residential/Agricultural Real	0.474900	0.476800	0.412100	0.410600
Commercial/Industrial and Public Utility Real	0.492700	0.489100	0.377100	0.380200
General Business and Public Utility Personal	0.500000	0.500000	0.500000	0.500000

The rates presented for a particular calendar year are the rates that, when applied to the assessed values presented in the Assessed Value Table, generated the property tax revenue billed in that year.

Rates may only be raised by obtaining the approval of a majority of the voters at a public election.

Real property tax rates for continuing operating levies are reduced so that inflationary increases in value do not generate additional taxes.

Overlapping rates are those of local and county governments that apply to property owners within the School District.

**Source:** Ohio Department of Taxation

Note: Emergency and Debt Service levies are designed to raise a fixed amount of revenue each year. A rate is set each year so that when it is applied to the total assessed value, that fixed amount is generated.



2004	2005	2006	2007	2008	2009	2010
\$6.000000	\$6.000000	\$5.650000	\$5.650000	\$5.650000	\$5.150000	\$4.800000
0.000000	0.000000	7.848200	7.789300	7.180600	7.164100	7.201200
0.000000	0.000000	7.900000	7.900000	7.267000	7.307500	7.351500
0.000000	0.000000	7.900000	7.900000	7.900000	7.900000	7.900000
\$33.887600	\$32.098600	\$39.283800	\$39.039800	\$36.516500	\$35.948200	\$35.751700
36.351000	35.382700	43.183300	43.323300	40.392800	40.080500	39.934200
79.780000	79.780000	87.180000	87.180000	87.180000	86.680000	86.330000
\$38.187600	\$36.398600	\$43.583800	\$43.339800	\$40.816500	\$40.248200	\$40.051700
40.651000	39.682700	47.483300	47.623300	44.692800	44.380500	44.234200
84.080000	84.080000	91.480000	91.480000	91.480000	90.980000	90.630000
\$6.650400	\$6.356000	\$6.336100	\$6.251000	\$5.925900	\$5.916700	\$5.980600
6.466900	6.256500	6.280500	6.203800	5.975200	5.989100	6.063100
8.230000	8.220000	8.210000	8.070000	8.070000	8.070000	8.040000
5.412700	5.308500	5.206600	5.055200	4.929100	4.929300	4.934900
5.237600	5.188100	5.094500	4.951600	4.819600	4.814700	4.825600
5.700000	5.700000	5.600000	5.450000	5.450000	5.450000	5.450000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000	2.004800
2.028100	2.000000	2.027400	2.021400	2.000000	2.008100	2.015800
3.050000	3.050000	3.050000	3.050000	3.050000	3.050000	3.050000
1.690300	1.641100	1.639700	1.634800	2.138800	2.135200	1.937800
1.697400	1.658500	1.667700	1.666100	2.160500	2.165100	1.969600
2.250000	2.250000	2.250000	2.250000	2.250000	2.250000	2.050000
0.408800	0.380100	0.379000	0.744600	0.677700	0.675800	0.677500
0.382600	0.362600	0.365400	0.742400	0.692200	0.695100	0.696900
0.500000	0.500000	0.500000	0.750000	0.750000	0.750000	0.750000

**Medina City School District**  
*Property Tax Levies and Collections (1)*  
*Last Three Collection Years (2)*

Collection Year (3)	Current Tax Levy	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (4)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2007	\$51,658,212	\$49,715,569	96.24%	\$1,536,214	\$51,251,783	99.21%
2008	53,318,853	50,883,310	95.43	1,700,742	52,584,052	98.62
2009	53,189,578	50,952,836	95.79	1,924,479	52,877,315	99.41

**Source:** Office of the County Auditor, Medina County, Ohio

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental revenue.
- (2) Information prior to 2007 was not available.
- (3) The 2010 information cannot be presented because all collections have not been made by June 30, 2010.
- (4) The County does not identify delinquent tax collections by tax year.

**Medina City School District**

*Principal Taxpayers*

*Real Estate Tax*

*2010 and 2008 (1)*

Name of Taxpayer	2010	
	Assessed Valuation	Percent of Real Assessed Value
Surrey Medwick Acquisition, LLC	\$5,733,980	0.45 %
Nationwide Health Properties, Incorporated	5,337,610	0.42
Octagon Associates, Limited	5,207,350	0.41
Aegon USA Realty	4,477,880	0.35
Zaremba Grande, LLC	4,022,710	0.32
CNL Income Weymouth, LLC	3,982,590	0.31
Hardware Wholesalers, Incorporated	3,856,320	0.30
MRR Properties, LLC	3,804,560	0.30
Waterford Village Apartments, Limited	3,674,630	0.29
Western Reserve Masonic Community	3,547,540	0.28
<b>Total</b>	<b>\$43,645,170</b>	<b>3.43 %</b>
<b>Total Real Estate Valuation</b>	<b>\$1,270,782,930</b>	

Name of Taxpayer	2008 (1)	
	Assessed Valuation	Percent of Real Assessed Value
Surrey Medwick Acquisition, LLC	\$6,371,260	0.51 %
Waterford Village Apartments, Limited	4,418,860	0.36
MRR Properties, LLC	4,268,560	0.34
Zaremba Grande, LLC	4,002,720	0.32
Hardware Wholesalers, Incorporated	3,856,320	0.31
BCC Medina Realty, LLC	3,635,300	0.29
Nationwide Health Properties, Incorporated	3,587,500	0.29
Inland Medina Marketplace, LLC	3,548,430	0.29
CNL Income Weymouth, LLC	3,464,990	0.28
Western Reserve Masonic Community	3,420,800	0.28
<b>Total</b>	<b>\$40,574,740</b>	<b>3.27 %</b>
<b>Total Real Estate Valuation</b>	<b>\$1,241,670,010</b>	

**Source:** Office of the Auditor, Medina County, Ohio

(1) Information prior to 2008 was not available from the County.

**Medina City School District**

*Principal Taxpayers*

*Public Utilities Tax*

*2010 and 2008 (1)*

2010		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Ohio Edison Gas Company	\$13,643,440	60.93 %
American Transmission Systems, Incorporated	5,010,500	22.38
Columbia Gas of Ohio	2,946,550	13.16
 Total	\$21,600,490	96.47 %
 Total Public Utility Valuation	\$22,391,666	
2008 (1)		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Ohio Edison Gas Company	\$11,862,030	67.41 %
Columbia Gas of Ohio, Incorporated	2,641,710	15.01
American Transmission Systems, Incorporated	2,046,720	11.63
 Total	\$16,550,460	94.05 %
 Total Public Utility Valuation	\$17,596,650	

**Source:** Office of the Auditor, Medina County, Ohio

(1) Information prior to 2008 was not available from the County.

**Medina City School District**  
*Computation of Direct and Overlapping*  
*Debt Attributable to Governmental Activities*  
*June 30, 2010*

	Governmental Activities Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Medina City School District			
Certificates of Participation	\$25,327,675	100.00 %	\$25,327,675
General Obligation Bonds	67,909,831	100.00	67,909,831
Energy Conservation Notes	2,855,000	100.00	2,855,000
Transportation Facility Note	750,000	100.00	750,000
Capital Lease Obligations	406,252	100.00	406,252
Total Direct	<u>97,248,758</u>	100.00	<u>97,248,758</u>
Overlapping:			
Medina County			
General Obligation Bonds	5,399,541	27.23	1,470,295
Special Assessment Bonds	1,230,364	27.23	335,028
OWDA Loans	84,914	27.23	23,122
OPWC Loans	100,702	27.23	27,421
City of Medina			
General Obligation Bonds	725,000	89.93	651,993
Special Assessment Bonds	1,035,698	89.93	931,403
OPWC Loans	139,948	89.93	125,855
Medina County Library			
General Obligation Bonds	32,265,000	31.91	10,295,762
Total Overlapping	<u>40,981,167</u>		<u>13,860,879</u>
Total	<u>\$138,229,925</u>		<u>\$111,109,637</u>

Source: Office of the Auditor, Medina County, Ohio

(1) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision. The valuations used were for the 2009 collection year.

**Medina City School District**  
*Ratio of Outstanding Debt*  
*to Estimated Actual Value, Personal Income, and Population*  
*Last Ten Fiscal Years*

Fiscal Year	Estimated Population	Estimated Actual Value	General Bonded Debt		
			General Bonded Debt	Ratio of General Bonded Debt to Estimated Actual Value	General Bonded Debt per Capita
2001	25,139	\$2,463,087,008	\$90,999,472	3.69%	\$3,620
2002	25,139	2,910,094,984	94,174,100	3.24	3,746
2003	25,139	2,971,542,849	92,646,358	3.12	3,685
2004	25,139	3,103,111,196	90,227,551	2.91	3,589
2005	25,139	3,362,308,322	88,705,636	2.64	3,529
2006	25,139	3,531,868,052	84,743,360	2.40	3,371
2007	25,139	3,657,649,496	79,726,956	2.18	3,171
2008	25,139	3,947,157,513	75,737,245	1.92	3,013
2009	25,139	3,782,023,939	72,070,438	1.91	2,867
2010	25,139	3,656,253,446	67,909,831	1.86	2,701

**Source:** Office of the Treasurer, Medina City School District and the U.S. Census Bureau (Census 2000)

(1) Personal income for this calculation is from the Demographic and Economic Statistics table on S28.

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Other Governmental Activities Debt

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Energy Conservation Notes	Certificates of Participation	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita
\$180,000	\$0	\$0	\$91,179,472	16.71%	\$3,627
0	0	0	94,174,100	17.26	3,746
0	0	0	92,646,358	16.98	3,685
0	0	0	90,227,551	16.53	3,589
0	0	0	88,705,636	16.25	3,529
0	0	0	84,743,360	15.53	3,371
0	0	357,558	80,084,514	14.67	3,186
3,170,000	25,379,043	275,828	104,562,116	19.16	4,159
3,015,000	25,365,859	192,920	100,644,217	18.44	4,004
2,855,000	25,327,675	406,252	96,498,758	17.68	3,839

**Medina City School District**  
*Computation of Legal Debt Margin*  
*Last Nine Fiscal Years (1)*

	2002	2003	2004	2005
Total Assessed Valuation	\$996,506,931	\$1,020,900,944	\$1,065,934,979	\$1,158,157,995
Less Railroad and Telephone Property Valuation	0	0	0	0
Less General Business Tangible Personal Property Valuation	0	0	0	0
Total Assessed Valuation used to Calculate Legal Debt Margin (2)	<u>\$996,506,931</u>	<u>\$1,020,900,944</u>	<u>\$1,065,934,979</u>	<u>\$1,158,157,995</u>
Debt Limit - 9% of Assessed Value (3)	\$89,685,624	\$91,881,085	\$95,934,148	\$104,234,220
Amount of Debt Outstanding				
Certificates of Participation	0	0	0	0
General Obligation Bonds	84,000,000	82,200,000	80,145,000	74,560,000
Capital Appreciation Bonds	5,124,917	4,669,674	4,244,807	7,091,513
Energy Conservation Note	0	0	0	0
Less Amount Available in Debt Service	<u>(3,435,927)</u>	<u>(3,956,601)</u>	<u>(4,508,428)</u>	<u>(6,828,222)</u>
Total	<u>85,688,990</u>	<u>82,913,073</u>	<u>79,881,379</u>	<u>74,823,291</u>
Exemptions:				
Certificates of Participation	0	0	0	0
Energy Conservation Note	0	0	0	0
Total	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Amount of Debt Subject to Limit	<u>85,688,990</u>	<u>82,913,073</u>	<u>79,881,379</u>	<u>74,823,291</u>
Overall Debt Margin	<u>\$3,996,634</u>	<u>\$8,968,012</u>	<u>\$16,052,769</u>	<u>\$29,410,929</u>
Legal Debt Margin as a Percentage of Debt Limit	4.46%	9.76%	16.73%	28.22%
Unvoted Legal Debt Limit - .10% of Assessed Value (1)	\$996,507	\$1,020,901	\$1,065,935	\$1,158,158
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Debt Margin	<u>\$996,507</u>	<u>\$1,020,901</u>	<u>\$1,065,935</u>	<u>\$1,158,158</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%
Additional Limit for Unvoted Energy Conservation Bonds/Loans				
Debt Limit - 1% of Assessed Valuation	\$9,965,069	\$10,209,009	\$10,659,350	\$11,581,580
Energy Conservation Note	0	0	0	0
Additional Unvoted Debt Margin	<u>\$9,965,069</u>	<u>\$10,209,009</u>	<u>\$10,659,350</u>	<u>\$11,581,580</u>
Additional Unvoted Debt Margin as a Percentage of the Unvoted Debt Limitation	100.00%	100.00%	100.00%	100.00%

**Source:** Medina County Auditor and School District Financial Records

- (1) Information prior to 2002 is not available.
- (2) Beginning in fiscal year 2006, HB530 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.
- (3) Ohio Bond Law sets a limit of 9% for overall debt and 1/10 of 1% for unvoted debt.



2006	2007	2008	2009	2010
\$1,193,500,925	\$1,209,185,377	\$1,282,987,455	\$1,283,571,605	\$1,293,174,596
0	(5,677,960)	(3,769,620)	(2,684,420)	(2,684,420)
(64,548,655)	(46,847,577)	(23,720,795)	(11,091,325)	0
<u>\$1,128,952,270</u>	<u>\$1,156,659,840</u>	<u>\$1,255,497,040</u>	<u>\$1,269,795,860</u>	<u>\$1,290,490,176</u>
\$101,605,704	\$104,099,386	\$112,994,734	\$114,281,627	\$116,144,116
0	0	25,000,000	25,000,000	24,975,000
69,910,000	68,735,000	67,575,000	63,805,000	59,710,000
6,721,220	5,320,636	4,004,044	3,709,519	3,770,788
0	0	3,170,000	3,015,000	2,855,000
(5,749,628)	(5,736,551)	(5,763,208)	(6,470,208)	(6,741,617)
<u>70,881,592</u>	<u>68,319,085</u>	<u>93,985,836</u>	<u>89,059,311</u>	<u>84,569,171</u>
0	0	(25,000,000)	(25,000,000)	(24,975,000)
0	0	(3,170,000)	(3,015,000)	(2,855,000)
0	0	(28,170,000)	(28,015,000)	(27,830,000)
<u>70,881,592</u>	<u>68,319,085</u>	<u>65,815,836</u>	<u>61,044,311</u>	<u>56,739,171</u>
<u>\$30,724,112</u>	<u>\$35,780,301</u>	<u>\$47,178,898</u>	<u>\$53,237,316</u>	<u>\$59,404,945</u>
30.24%	34.37%	41.75%	46.58%	51.15%
\$1,128,952	\$1,156,660	\$1,255,497	\$1,269,796	\$1,290,490
0	0	0	0	0
<u>\$1,128,952</u>	<u>\$1,156,660</u>	<u>\$1,255,497</u>	<u>\$1,269,796</u>	<u>\$1,290,490</u>
100.00%	100.00%	100.00%	100.00%	100.00%
\$11,289,523	\$11,566,598	\$12,554,970	\$12,697,959	\$12,904,902
0	0	(3,170,000)	(3,015,000)	(2,855,000)
<u>\$11,289,523</u>	<u>\$11,566,598</u>	<u>\$9,384,970</u>	<u>\$9,682,959</u>	<u>\$10,049,902</u>
100.00%	100.00%	74.75%	76.26%	77.88%

**Medina City School District**  
*Demographic and Economic Statistics*  
*Last Ten Years*

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Year	Population	Personal Income	Per Capita Personal Income	Medina County Unemployment Rate
2000	25,139	\$545,742,551	\$21,709	3.3%
2001	25,139	545,742,551	21,709	3.7
2002	25,139	545,742,551	21,709	4.6
2003	25,139	545,742,551	21,709	5.1
2004	25,139	545,742,551	21,709	5.1
2005	25,139	545,742,551	21,709	4.9
2006	25,139	545,742,551	21,709	4.8
2007	25,139	545,742,551	21,709	5.2
2008	25,139	545,742,551	21,709	5.8
2009	25,139	545,742,551	21,709	8.2

**Sources:** U.S. Census Bureau  
Medina County Auditor's Office  
Ohio Department of Job and Family Services

**Medina City School District**

*Principal Employers (1)*

*December 31, 2009, and December 31, 2007 (2)*

2009			
Employer	Nature of Business or Activity	Number of Employees	Percentage of Total County Employment
Westfield Companies	Insurance	1,560	3.07 %
Medina County	County Government	1,324	2.61
Medina General Hospital	Health Services	1,000	1.97
Medina City School District	Public Education	850	1.68
Brunswick City School District	Public Education	789	1.56
Shiloh Industries, Incorporated	Auto Parts Manufacturer	610	1.20
MTD Products	Lawn Equipment Manufacturer	500	0.99
Wadsworth City School District	Public Education	485	0.96
Discount Drug Mart	Retail Sales	420	0.83
Sandridge Food Corporation	Food Manufacturing	400	0.79
Total		<u>7,938</u>	<u>15.66 %</u>
Total Employment within County		<u>50,732</u>	

2007 (2)			
Employer	Nature of Business or Activity	Number of Employees	Percentage of Total County Employment
Westfield Companies	Insurance	1,472	2.98 %
Medina County	County Government	1,320	2.67
Medina City School District	Public Education	810	1.64
Brunswick City School District	Public Education	802	1.62
Medina General Hospital	Health Services	750	1.52
Shiloh Industries, Incorporated	Auto Parts Manufacturer	643	1.30
Wadsworth City Schools	Public Education	493	1.00
Discount Drug Mart	Retail Sales	383	0.77
Cloverleaf Local School District	Public Education	379	0.76
Highland Local School District	Public Education	375	0.76
Total		<u>7,427</u>	<u>15.02 %</u>
Total Employment within County		<u>49,447</u>	

**Source:** Medina County Economic Development Corporation

(1) This information is for Medina County, number of employees within the School District was not available.

(2) Information prior to 2007 was not available from the Medina County Economic Development Corporation.

**Medina City School District**  
*Building Statistics by School Building/Facility*  
*Last Ten Fiscal Years*

	2001	2002	2003	2004	2005
<b>Blake Elementary</b>					
Constructed in 2002					
Total Building Square Footage	N/A	78,071	78,071	78,071	78,071
Enrollment - Grades K - 5	N/A	538	558	659	644
Student Capacity	N/A	600	600	600	600
<b>Canavan Elementary</b>					
Constructed in 1959					
Total Building Square Footage	71,760	71,760	71,760	71,760	71,760
Enrollment - Grades K - 5	801	585	677	706	726
Student Capacity	625	625	625	625	625
<b>Fenn Elementary</b>					
Constructed in 1968					
Total Building Square Footage	71,880	71,880	71,880	71,880	71,880
Enrollment - Grades K - 5	692	580	597	548	582
Student Capacity	650	650	650	650	650
<b>Garfield Elementary</b>					
Constructed in 1937					
Total Building Square Footage	66,000	66,000	66,000	66,000	66,000
Enrollment - Grades K - 5	583	567	551	545	581
Student Capacity	650	650	650	650	650
<b>Heritage Elementary</b>					
Constructed in 1976					
Total Building Square Footage	48,440	48,440	48,440	48,440	48,440
Enrollment - Grades K - 5	449	424	451	472	483
Student Capacity	450	450	450	450	450
<b>Northrop Elementary</b>					
Constructed in 2009					
Total Building Square Footage	N/A	N/A	N/A	N/A	N/A
Enrollment - Grades K	N/A	N/A	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A	N/A	N/A
<b>Waite Elementary</b>					
Constructed in 2009					
Total Building Square Footage	N/A	N/A	N/A	N/A	N/A
Enrollment - Grades K	N/A	N/A	N/A	N/A	N/A
Student Capacity	N/A	N/A	N/A	N/A	N/A
<b>Claggett Middle School</b>					
Constructed in 1956					
Total Building Square Footage	101,760	101,760	101,760	101,760	101,760
Enrollment - Grades 6 - 8	793	786	803	828	791
Student Capacity	819	819	819	819	819
<b>A.I. Root Middle School</b>					
Constructed in 1995					
Total Building Square Footage	133,760	133,760	133,760	133,760	133,760
Enrollment - Grades 6 - 8	798	812	831	865	919
Student Capacity	893	893	893	893	893
<b>Medina High School</b>					
Constructed in 1974					
Total Building Square Footage	546,000	546,000	546,000	546,000	546,000
Enrollment - Grades 9 - 12	2,166	2,166	2,166	2,272	2,287
Student Capacity	2,400	2,400	2,400	2,400	2,400

Source: Medina City School District Records

N/A - Not Available

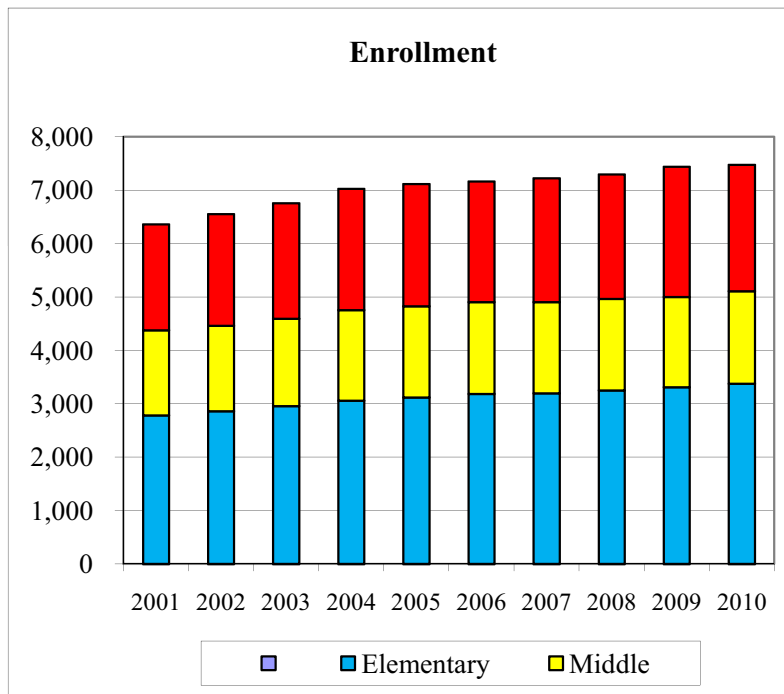
2006	2007	2008	2009	2010
78,071	78,071	78,071	78,071	78,071
687	747	664	685	520
600	600	600	600	600
71,760	71,760	71,760	71,760	71,760
741	730	747	727	531
625	625	625	625	625
71,880	71,880	71,880	71,880	71,880
566	540	678	705	499
650	650	650	650	650
66,000	66,000	66,000	66,000	66,000
571	585	610	623	438
650	650	650	650	650
48,440	48,440	48,440	48,440	48,440
507	518	498	477	447
450	450	450	450	450
N/A	N/A	N/A	N/A	71,200
N/A	N/A	N/A	N/A	454
N/A	N/A	N/A	N/A	650
N/A	N/A	N/A	N/A	71,200
N/A	N/A	N/A	N/A	487
N/A	N/A	N/A	N/A	650
101,760	101,760	101,760	101,760	101,760
777	744	818	843	925
819	819	819	819	819
133,760	133,760	133,760	133,760	133,760
946	965	895	846	810
893	893	893	893	893
546,000	546,000	546,000	546,000	546,000
2,255	2,320	2,335	2,443	2,366
2,400	2,400	2,400	2,400	2,400

## Medina City School District

### *Enrollment Statistics*

#### *Last Ten Fiscal Years*

Fiscal Year	Elementary Schools	Middle Schools	High School	Total
2001	2,785	1,591	1,987	6,363
2002	2,863	1,598	2,094	6,555
2003	2,957	1,634	2,166	6,757
2004	3,061	1,693	2,272	7,026
2005	3,118	1,710	2,287	7,115
2006	3,184	1,723	2,255	7,162
2007	3,195	1,709	2,320	7,224
2008	3,250	1,713	2,335	7,298
2009	3,311	1,689	2,443	7,443
2010	3,376	1,735	2,366	7,477



**Source:** Ohio Department of Education Local Report Cards and Data Warehouse Reports.

**Medina City School District**  
*Attendance and Graduation Rates*  
*Last Ten Fiscal Years*

Fiscal Year	Medina City School District Attendance Rate	State Average	Medina City School District Graduation Rate	State Average
2001	95.80%	93.90%	98.90%	81.20%
2002	95.90	94.30	97.90	82.80
2003	95.80	94.50	96.20	83.90
2004	96.00	94.50	98.30	84.30
2005	95.60	94.30	97.30	85.90
2006	95.80	94.10	96.50	86.20
2007	95.80	94.10	95.60	86.10
2008	95.80	94.20	95.60	86.90
2009	95.60	94.30	97.00	84.60
2010	95.40	94.30	97.10	83.00

Source: Ohio Department of Education Local Report Cards  
and Data Warehouse Reports.

N/A - Not Available

**Medina City School District**  
*Per Pupil Cost*  
*Last Ten Fiscal Years*

Fiscal Year	Student Enrollment		General Governmental		Governmental Activities		Students Receiving Free and Reduced Lunches	
	Average Enrollment	Percentage of Change	Total Expenditures (1)	Per Pupil Cost	Total Expenses (1)(2)	Per Pupil Cost	Number of Students (3)	Percentage of Average Enrollment
2001	6,363	5.19 %	\$78,470,463	\$12,332	N/A	N/A	375	5.89 %
2002	6,555	3.02	88,185,155	13,453	\$58,186,697	\$8,877	472	7.20
2003	6,757	3.08	91,772,200	13,582	72,568,257	10,740	525	7.77
2004	7,026	3.98	70,700,103	10,063	67,868,349	9,660	569	8.10
2005	7,115	1.27	69,273,423	9,736	71,030,425	9,983	649	9.12
2006	7,162	0.66	70,047,650	9,780	71,774,495	10,022	782	10.92
2007	7,224	0.87	73,375,758	10,157	76,771,679	10,627	807	11.17
2008	7,298	1.02	81,219,223	11,129	80,647,644	11,051	930	12.74
2009	7,443	1.99	101,034,455	13,574	82,979,777	11,149	1,037	13.93
2010	7,477	0.46	89,062,579	11,912	87,080,055	11,646	1,218	16.29

(1) Debt Service totals have been excluded.

(2) The School District implemented GASB Statement No. 34 in fiscal year 2002.

(3) School District Records.



**Medina City School District**  
*Certified School District Employees by Function/Program*  
*Last Three Fiscal Years (1)*

Function/Program	2008	2009	2010
<b>Regular Instruction</b>			
Elementary Classroom Teachers	179	176	173
Middle School Classroom Teachers	76	76	63
High School Classroom Teachers	92	93	82
Alternative Education Teachers	2	2	3
<b>Special Instruction</b>			
Gifted Education Teachers	8	9	4
Special Education Teachers	72	74	73
Title I Teachers	6	5	5
Preschool	0	0	5
Intervention Teachers	3	3	0
Vocational Instruction	5	5	3
<b>Pupil Support Services</b>			
Guidance Counselors	16	16	9
Psychologist Intern	0	0	1
Speech Pathology Teachers	8	7	7
<b>Instructional Staff Support Services</b>			
District Coordinators	0	3	2
Educational Media Services	4	4	4
<b>Administration Support Services</b>			
Administrative Intern	0	2	0
<b>Extracurricular Activities</b>			
Auxiliary Services Teachers	3	2	1
<b>Non-Instructional Activities</b>			
Athletic Intern	0	1	0
<b>Total</b>	<u>474</u>	<u>478</u>	<u>435</u>

**Method:** The amounts are based on a headcount by function including both full and part-time employees, as of June 30.

**Source:** School District Payroll Records

(1) Information prior to 2008 was not available.

**Medina City School District**  
*Full-Time Equivalent Certified School District Employees by Education*  
*Last Three Fiscal Years (1)*

Degree	2008	2009	2010
Bachelor	31	29	16
Bachelor + 10	23	19	12
Bachelor + 20	18	24	12
Bachelor + 30	56	51	39
Master	105	107	116
Master + 10	62	61	65
Master + 20	51	54	46
Master + 30	128	133	129
Total	474	478	435

(1) Information prior to 2008 was not available.

**Source:** School District Records



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# Dave Yost • Auditor of State

**MEDINA CITY SCHOOL DISTRICT**

**MEDINA 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  
MAY 19, 2011**