

Mary Taylor, CPA
Auditor of State

**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, 2008, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 19, 2008. 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 expressing our opinions on the financial statements, but not to opine 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. However, as discussed below, we identified a certain deficiency in internal control over financial reporting that we consider a significant deficiency.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statement misstatement.

We consider the following deficiency described in the accompanying schedule of findings to be a significant deficiency in internal control over financial reporting: Finding Number 2008-001.

A material weakness is a significant deficiency, or combination of significant deficiencies resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

Our consideration of the 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 the internal control that might be significant deficiencies and accordingly, would not necessarily disclose all significant deficiencies that are also material weaknesses. We do not believe the significant deficiency described above is a material weakness.

We also noted certain internal control matters that we reported to the District's management in a separate letter dated December 19, 2008.

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 no instances of noncompliance or other matters we must report under *Government Auditing Standards*.

We did note certain noncompliance or other matters that we reported to the District's management in a separate letter dated December 19, 2008.

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 the audit committee, management, Board of Education, federal awarding agencies, and pass-through entities. We intend it for no one other than these specified parties.



Mary Taylor, CPA
Auditor of State

December 19, 2008

**MEDINA CITY SCHOOL DISTRICT
MEDINA COUNTY**

**FEDERAL AWARDS RECEIPTS AND EXPENDITURES SCHEDULE
FOR THE YEAR ENDED JUNE 30, 2008**

Federal Grantor/ Pass Through Grantor/ Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
U.S. DEPARTMENT OF AGRICULTURE						
<i>Passed through the Ohio Department of Education:</i>						
Food Donation Program		10.550		\$139,045		\$156,288
Nutrition Cluster:						
School Breakfast Program		10.553	\$6,528		\$6,528	
National School Lunch Program		10.555	377,321		377,321	
Total Nutrition Cluster			383,849		383,849	
Total U.S. Department of Agriculture			383,849	139,045	383,849	156,288
U.S. DEPARTMENT OF EDUCATION						
<i>Passed through the Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies		84.010	13,983		21,503	
			363,900		318,255	
Total Title I Grants to Local Educational Agencies			377,883		339,758	
Title I-D Delinquent Grants to Local Educational Agencies		84.010	21,517		19,937	
			15,465		14,703	
Total Title I/Title I-D Delinquent Grants to Local Educational Agencies			36,982		34,640	
Total Title I/Title I-D Grants			414,865		374,398	
English Language Acquisition Grant		84.365	3,457		2,806	
Special Education Cluster:						
Special Education Grants to States (IDEA, Part B)		84.027	261,777		250,588	
			1,487,500		1,448,862	
Total Special Education Grants to States (IDEA, Part B)			1,749,277		1,699,450	
Special Education Preschool Grants (IDEA, Preschool)		84.173	7,352		4,918	
			34,570		37,066	
Total Special Education Preschool Grants (IDEA, Preschool)			41,922		41,984	
Total Special Education Cluster			1,791,199		1,741,434	
State Grants for Innovative Programs		84.298	(331)		212	
			12,420		10,284	
Total State Grants for Innovative Programs			12,089		10,496	
Safe and Drug Free Schools and Communities State Grants		84.186	(755)			
			17,805		17,060	
Total Safe and Drug Free Schools and Communities State Grants			17,050		17,060	
Education Technology State Grants		84.318	(308)			
			1,628			
			2,660		1,761	
Total Education Technology State Grants			3,980		1,761	
Improving Teacher Quality State Grants		84.367	20,064		18,822	
			155,500		143,768	
Total Improving Teacher Quality State Grants			175,564		162,590	
Total U.S. Department of Education			2,418,204		2,310,545	
Total			\$2,802,053	\$139,045	\$2,694,394	\$156,288

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, 2008**

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying Federal Awards Receipts and Expenditures Schedule (the Schedule) summarizes activity of the District's federal award programs. The Schedule has been prepared on the cash basis of accounting.

NOTE B -- CHILD NUTRITION CLUSTER

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE C -- DONATED FOOD

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture; however the District has elected to track these contributions. This nonmonetary assistance (expenditures) is reported on the Schedule at the fair value of the commodities received and consumed.

NOTE D -- MATCHING REQUIREMENTS

Certain Federal programs require the District contribute non-Federal funds (matching funds) to support the Federally-funded programs. The District has complied with the matching requirements. The expenditure of non-Federal matching funds is not included on the Schedule.



Mary Taylor, CPA

Auditor of State

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

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 apply to each of its major federal programs for the year ended June 30, 2008. 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 contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to reasonably assure whether noncompliance occurred with the types of 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, the District complied, in all material respects, with the requirements referred to above that apply to each of its major federal programs for the year ended June 30, 2008.

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 in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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A *control deficiency* in internal control over compliance exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent or detect noncompliance with a federal program compliance requirement on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that the District's internal control will not prevent or detect more-than-inconsequential noncompliance with a federal program compliance requirement.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that the District's internal control will not prevent or detect material noncompliance with a federal program's compliance requirements.

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 that might be 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, as of and for the year ended June 30, 2008, and have issued our report thereon dated December 19, 2008. Our audit was performed to form opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying Federal Awards Receipts and Expenditures Schedule provides additional information as required by OMB Circular A-133 and is not a required part of the basic financial statements. We subjected this information to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Mary Taylor, CPA
Auditor of State

December 19, 2008

**MEDINA CITY SCHOOL DISTRICT
MEDINA COUNTY**

**SCHEDULE OF FINDING
OMB CIRCULAR A -133 § .505
JUNE 30, 2008**

1. SUMMARY OF AUDITOR'S RESULTS

(d)(1)(i)	Type of Financial Statement Opinion	Unqualified
(d)(1)(ii)	Were there any material control weaknesses reported at the financial statement level (GAGAS)?	No
(d)(1)(ii)	Were there any other significant deficiencies in internal control reported at the financial statement level (GAGAS)?	Yes
(d)(1)(iii)	Was there any reported material noncompliance at the financial statement level (GAGAS)?	No
(d)(1)(iv)	Were there any material internal control weaknesses reported for major federal programs?	No
(d)(1)(iv)	Were there any other significant deficiencies in internal control reported for major federal programs?	No
(d)(1)(v)	Type of Major Programs' Compliance Opinion	Unqualified
(d)(1)(vi)	Are there any reportable findings under § .510?	No
(d)(1)(vii)	Major Programs (list):	Special Education Cluster, CFDA 84.027 and 84.173; Improving Teacher Quality State Grants, CFDA 84.367
(d)(1)(viii)	Dollar Threshold: Type A/B Programs	Type A: > \$ 300,000 Type B: all others
(d)(1)(ix)	Low Risk Auditee?	Yes

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

FINDING NUMBER 2008-001

Significant Deficiency

GAAP Errors

Our testing of various GAAP (accrual) basis financial statement accounts revealed the following:

- Intergovernmental receivable and deferred revenue for the bond retirement fund and the other governmental funds were each understated by \$69,152 due to the District basing its receivable on the estimated sales tax revenue to be received rather than the amount appropriated by Medina County. This was reported to management as an unadjusted item.
- Matured compensated absences were understated in the general fund by \$574,760 due to the District not recording a liability related the amounts owed to retired employees as of fiscal year end. Additionally, related to this error, the governmental fund's long-term liabilities due within one year was overstated by \$574,760. These were reported to management as unadjusted items.
- Matured compensated absences were understated in the general fund by \$97,455 due to the District improperly excluding its employee retirement incentive from the liability calculation. This was reported to management as an unadjusted item.
- Administrative expenditures for the other governmental funds (public school support fund) were overstated by \$489,064 and extracurricular activity expenditures were understated by an equal amount due to the District recording certain items in improper accounts. Additionally, related to this error, the statement of activities program revenue expenditure allocation for extracurricular activities was understated by \$489,064. These reclassification adjustments were posted to the District's financial statements.

Management should review the draft GAAP journal entries and financial statements to help ensure they are supported by sufficient and accurate documentation, free of obvious errors and omissions, and consistent with their financial expectations. Additionally, the District should prepare a written GAAP conversion plan which includes procedures to help ensure the data used to prepare the GAAP journal entries is proper and complete. These procedures should help avoid GAAP financial statement errors and help ensure more accurate financial reporting.

Officials' Response: Management is aware of the issues noted and is taking actions to correct these issues for future reports.

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

Medina City School District

Medina, Ohio

Comprehensive Annual Financial Report

For The Fiscal Year Ended June 30, 2008

Prepared by:

Treasurer/Chief Financial Officer

Wallace M. Gordon

Medina City School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2008
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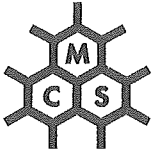
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**Medina
City Schools**

Recognizing Potential–Maximizing Achievement

December 19, 2008

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

We are pleased to present the first annual 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 GASB Statement No. 34.

Superintendent
Randy S. Stepp

Treasurer
Wallace M. Gordon

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.

Board Of Education

Mark L. Dolan

Thomas G. Ebner, M.D.

William P. Grenfell

C. Susan Vleck

Robert B. Wilder, M.D.

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, 2008, 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.mcssoh.org).

PROFILE OF THE SCHOOL DISTRICT

The Medina City School District encompasses 52 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 Highway I-71, I-77, and I-76.

The Medina City Schools has earned the designation of 'Excellent' from the State of Ohio for the past three years. 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. 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. Most recently, the School District participated in HB 264, which is an Energy Conservation Program that gives districts the authority to borrow funds without having to pass a ballot issue. 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.

A focus of the Medina City Schools 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 County 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 opportunities for students through The University of Akron.

Growth is at the forefront of the School District. The School District averages close to 75 new students each year. To address the continued growth, the School District is using a portion of the money received from the sales tax increase to build two new elementary school buildings. Each of these will have the capacity to house 650 students.

Current enrollment is 7,298 students. The School District's facilities include a Kindergarten Center, which serves children from H. G. Blake Elementary School and houses the Helping Hands Preschool; five elementary schools: Ella Canavan, Garfield, Heritage, H. G. Blake and Sidney Fenn; two middle schools: A. I. Root and Claggett; and one high school, Medina High School.

The students enrolled in the Medina City School District attend classes in the following buildings:

- Kindergarten Center, built in 1991, houses students from Blake Elementary and Helping Hands Preschool.
- Blake Elementary, built in 2002, houses students in grades K 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.
- 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, houses students in grades 9 through 12.

The School District is committed to expanded learning opportunities for students. This ranges from consulting teachers in the elementary and middle schools working with students and teachers, to the integration of technology into the curriculum, to staff training and development.

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 six 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 Buckeye Local School District or 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. 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 to be fiscally responsible for the funds granted us by the School District community. The May 2006 Five-Year Forecast Update showed a fund balance at the end of fiscal year 2009 of \$1.9 million. The October 2008 Five-Year Forecast now shows a fund balance of \$11.8 million – an increase of \$9.9 million.

This increase in fund balance between the two Five-Year Forecasts was due to both cost cutting and revenue enhancing measures. The School District reduced estimated total expenditures by \$6.3 million between the two five-year forecasts by reallocating and reducing staff, resulting in more efficient use of scarce resources. Additionally, revenue projections increased by approximately \$3.6 million, mainly due to tangible personal property tax being higher than originally anticipated.

Even though the School District now projects an \$11.8 million fund balance at the end of fiscal year 2009, the School District is still facing a deficit in the following years. While we will continue to search for creative ways to reduce that deficit, the School District will need additional operating funds after fiscal year 2009. The School District and the community are considering various property and income tax options to increase operating funds in the near future.

One important process added to help us better understand and manage our budgets is the addition of a comprehensive budgeting process. 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 House Bill 264 Project. This project enabled us to borrow against energy cost savings to install updated and more efficient equipment across the School District. Because of this project, we have upgraded nearly \$4 million of equipment across the School District at virtually no cost to the taxpayer.

MAJOR INITIATIVES

Community Collaboration The Medina City School District believes in engaging the community in the decision making process. We have begun the process of redistricting our elementary schools by holding community forums to discuss the steps to be taken and to identify standards by which we need to manage the process. We are also engaging the community in other key decision areas such as: school start times, financial effectiveness, community connectedness, and 21st century student skills. The School District's Citizens Finance Committee is an example of a recently added community advisory group designed to help us make better determinations about community concerns, needs, and desires in reference to district finances.

Alternative Funding Sources The Medina City School District worked with all of the Boards of Education in Medina County to pass a 0.5 percent county levied sales tax increase in May 2007. To date, Medina County is the only county in Ohio to achieve such an accomplishment. This alternative funding initiative resulted from strategic planning in the Medina City School District. As a part of the strategic planning process we challenged ourselves to come up with alternatives to property taxes for our community. All revenue received from this sales tax is to be spent on permanent improvement projects. Certificates of participation were issued in anticipation of the sales tax for the purpose of constructing, renovating, expanding, improving, and furnishing various buildings within the School District. This includes the construction of two new elementary buildings. Even though the passage of the sales tax helped relieve the property tax burden of Medina County residents, the School District is still seeking alternative funding sources so that it might continue to reduce the property tax burden. Currently, we are considering the placement of an income tax on the ballot in exchange for property tax millage already in place.

Student Growth The Medina City School District is a growing district. Currently the School District uses modular classrooms and rented space at its elementary school buildings. As a result, the School District has elementary schools with nearly 800 students. To address the growth issue, the Medina City School District allocated 50 percent of the countywide sales tax passed in May 2007 to fund the construction of two new elementary schools, which are mentioned above. These two schools are a rarity in that they are being completely funded from a revenue stream other than property tax dollars.

Once the construction of the elementary schools is complete, the School District will then 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 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 tax rate because taxpayers would just continue to pay the same rate rather than see a reduction in their taxes. Should this happen, the community would have essentially constructed three schools without increasing the property tax rate.

Technology School The Medina City School District is actively working to open a technology school to meet the many academic needs of our students and to address decreased revenue through lost tuition dollars from students attending other technical schools through open enrollment. The School District has received a grant from the Ohio Department of Education to plan for the opening of a K-12 technology school in fall 2009.

Lean Thinking The Medina City School District has begun exploring “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) awards a Certificate of Achievement for Excellence in Financial Reporting for a Comprehensive Annual Financial Report. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report (CAFR), whose contents conform to program standards. The CAFR must satisfy both generally accepted accounting principles and applicable legal requirements.

We believe our current report conforms to the Certificate of Achievement requirements and we are submitting it to GFOA for consideration.

The publication of the first annual CAFR is an important achievement by the School District to provide significantly enhanced financial accountability to all of the stakeholders of the 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
Chief Financial Officer
Medina City School District

Randolph Stepp
Superintendent
Medina City School District

Medina City School District

Principal Officials

June 30, 2008

Board of Education

Dr. Thomas Ebner	President
Dr. Robert Wilder	Vice President
Mr. Mark Dolan	Member
Mr. William Grenfell	Member
Ms. Susan Vlcek	Member

Treasurer/Chief Financial Officer

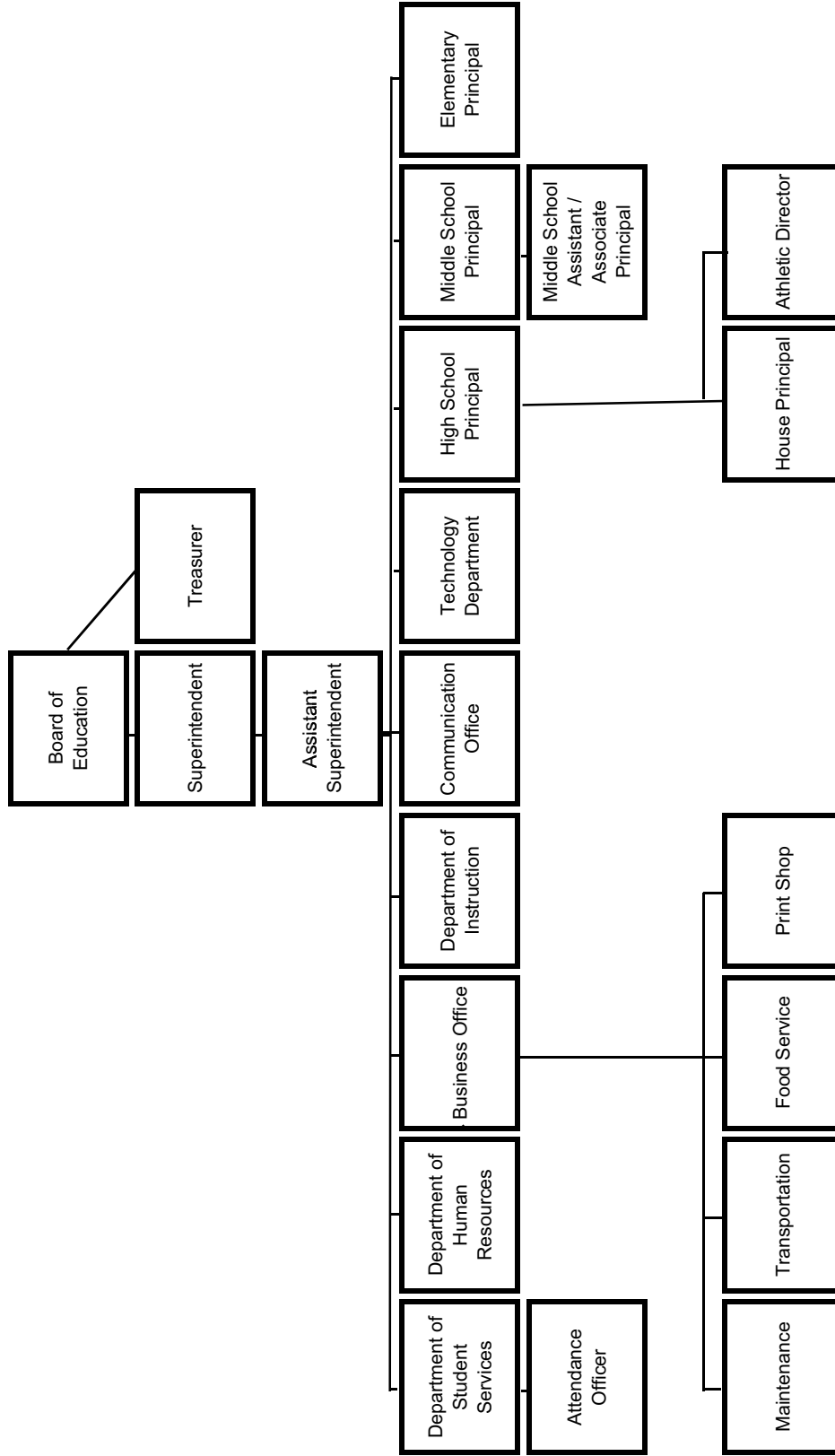
Mr. Wallace M. Gordon

Superintendent

Mr. Randy Stepp



MEDINA CITY SCHOOLS ORGANIZATIONAL CHART



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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, 2008, 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, 2008, 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 19, 2008, 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.

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

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

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

Mary Taylor, CPA
Auditor of State

December 19, 2008

Medina City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

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, 2008. 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 2008 are as follows:

- The total net assets increased by \$1,276,425. The greatest contribution to this increase was the \$1,131,270 increase in program revenues and a \$4,000,976 increase in grants and entitlements. This increase was offset by a \$4,537,771 decrease in general revenue property taxes.
- Expenses totaled \$84,921,753, a 6.17 percent increase from the prior year. Instructional expenses made up 55.50 percent of this total while support services accounted for 33.59 percent. Other expenses rounded out the remaining 10.91 percent.
- Outstanding general obligation bonded debt, certificates of participation, and notes increased to \$105,086,288 from \$80,576,956 in the prior year.
- The School District voters approved a new 7.9 mill continuing property tax levy in February 2005. Collections for the new levy started in 2006. The County Auditor estimated that annual property tax revenue for this levy is approximately \$9 million.

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, 2008
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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 2008?" 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
For the Fiscal Year Ended June 30, 2008
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 2008 compared to 2007:

Table 1
Net Assets

	Governmental Activities		
	2008	2007	Change
Assets			
Current and Other Assets	\$116,917,951	\$84,333,551	\$32,584,400
Capital Assets, Net	94,017,807	92,963,517	1,054,290
Total Assets	<u>210,935,758</u>	<u>177,297,068</u>	<u>33,638,690</u>
Liabilities			
Current and Other Liabilities	66,000,662	59,441,234	6,559,428
Long-Term Liabilities:			
Due Within One Year	5,425,419	2,928,057	2,497,362
Due in More than One Year	<u>106,927,533</u>	<u>83,622,058</u>	<u>23,305,475</u>
Total Liabilities	<u>178,353,614</u>	<u>145,991,349</u>	<u>32,362,265</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	19,614,453	17,700,155	1,914,298
Restricted:			
Capital Projects	862,982	1,760,228	(897,246)
Debt Service	5,591,210	5,209,640	381,570
Other Purposes	2,076,273	1,865,953	210,320
Unrestricted	<u>4,437,226</u>	<u>4,769,743</u>	<u>(332,517)</u>
Total Net Assets	<u>\$32,582,144</u>	<u>\$31,305,719</u>	<u>\$1,276,425</u>

Total assets increased by \$33.6 million. The majority of this increase can be attributed to current and other assets increasing \$32.6 million. This increase was primarily due to recognizing increases in intergovernmental receivables and cash by \$1.9 million and \$29.5 million, respectively. The large increase in cash is due mainly to unspent certificates of participation proceeds. Also, capital assets increased by \$1.1 million in fiscal year 2008.

Total liabilities increased by \$32.4 million. Current and other liabilities increased by \$6.6 million, primarily due to increases of \$1.6 million in accounts payable and \$4.4 million in deferred revenue. Long-term liabilities increased by \$25.8 million due to the issuance of certificates of participation.

The vast majority of revenue supporting all governmental activities is general revenue. General revenue totaled \$75.2 million or 87.27 percent of the total revenue. General revenue decreased by \$744,897 from the prior year. The primary source of the decrease was the timing of property tax receipts. As explained in Note 7, the amount available as an advance at June 30, 2008 was \$1.1 million compared to

Medina City School District
Management's Discussion and Analysis
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\$5.3 million at June 30, 2007. Property taxes comprised of \$47.5 million in 2008, compared to \$52.0 million in 2007. The remaining amount of revenue received was in the form of program revenues, which equaled \$11.0 million or only 12.73 percent of total revenue.

Table 2 shows the changes in net assets for fiscal years 2008 and 2007.

Table 2
Change in Net Assets

	Governmental Activities		
	2008	2007	Change
Revenues			
Program Revenues:			
Charges for Services	\$3,966,455	\$3,252,377	\$714,078
Operating Grants, Contributions, and Interest	6,977,440	6,546,017	431,423
Capital Grants and Contributions	32,178	46,409	(14,231)
Total Program Revenues	<u>10,976,073</u>	<u>9,844,803</u>	<u>1,131,270</u>
General Revenue:			
Property Taxes	47,503,147	52,040,918	(4,537,771)
Grants and Entitlements, not Restricted	23,235,176	21,667,425	1,567,751
Grants and Entitlements, Restricted to Permanent Improvement	2,433,225	0	2,433,225
Investment Earnings	1,558,210	1,657,850	(99,640)
Miscellaneous	492,347	600,809	(108,462)
Total General Revenues	<u>75,222,105</u>	<u>75,967,002</u>	<u>(744,897)</u>
Total Revenues	<u>86,198,178</u>	<u>85,811,805</u>	<u>386,373</u>
Program Expenses			
Instruction			
Regular	37,092,181	36,744,365	347,816
Special	9,487,412	8,791,564	695,848
Vocational	550,842	481,880	68,962
Support Services:			
Pupil	4,403,313	3,849,169	554,144
Instructional Staff	4,199,455	3,771,991	427,464
Board of Education	100,378	94,167	6,211
Administration	5,076,677	5,190,273	(113,596)
Fiscal	1,611,380	1,299,163	312,217
Business	629,012	633,342	(4,330)
Operation and Maintenance of Plant	8,746,641	7,888,331	858,310
Pupil Transportation	3,304,386	3,475,379	(170,993)
Central	451,852	399,289	52,563
Operating of Non-Instructional Services	793,166	680,315	112,851
Food Service Operations	2,012,227	2,042,525	(30,298)
Extracurricular Activities	2,188,722	1,429,926	758,796
Interest and Fiscal Charges	4,274,109	3,213,391	1,060,718
Total Program Expenses	<u>84,921,753</u>	<u>79,985,070</u>	<u>4,936,683</u>
Increase in Net Assets	1,276,425	5,826,735	(4,550,310)
Net Assets Beginning of Year	<u>31,305,719</u>	<u>25,478,984</u>	<u>5,826,735</u>
Net Assets End of Year	<u>\$32,582,144</u>	<u>\$31,305,719</u>	<u>\$1,276,425</u>

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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 million dollars of revenue per year. Collections began in 2006. The full effect of this levy has been realized in fiscal year 2007. This additional income is dedicated to the operational and capital needs of the School District in future years.

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, 55.50 percent of the School Districts budget is used to fund instructional expenses. Additional supporting services for pupils, instructional staff and business operations encompass an additional 33.59 percent. The remaining amount of program expenses, 10.91 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 2.42 percent in total instruction due to a 0.95 percent increase in regular instruction, a 7.91 percent increase in special instruction, and a 14.31 percent increase in vocational instruction, all of which are due to increased salaries and benefits.
- an increase of 10.88 percent in operation and maintenance due to increases in personnel, fuel, and supplies.
- a decrease of 4.92 percent in pupil transportation due to decreases in personnel, fuel, and supplies.
- an increase of 53.07 percent in extracurricular activities due to a difference in coding of expenses from the prior year.
- an increase of 33.01 percent in interest and fiscal charges due to increased debt issuances.

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 2008	Net Cost of Services 2008	Total Cost of Services 2007	Net Cost of Services 2007
Instruction				
Regular	\$37,092,181	(\$36,044,172)	\$36,744,365	(\$35,756,095)
Special	9,487,412	(6,539,496)	8,791,564	(5,888,366)
Vocational	550,842	(539,331)	481,880	(468,576)
Support Services:				
Pupil	4,403,313	(3,677,260)	3,849,169	(3,319,170)
Instructional Staff	4,199,455	(3,679,280)	3,771,991	(3,223,644)
Board of Education	100,378	(99,602)	94,167	(93,004)
Administration	5,076,677	(4,945,524)	5,190,273	(4,642,428)
Fiscal	1,611,380	(1,600,087)	1,299,163	(1,284,375)
Business	629,012	(623,091)	633,342	(605,553)
Operation and Maintenance of Plant	8,746,641	(8,093,488)	7,888,331	(7,800,382)
Pupil Transportation	3,304,386	(1,898,801)	3,475,379	(2,066,878)
Central	451,852	(395,756)	399,289	(343,189)
Operating of Non-Instructional Services	793,166	(218,190)	680,315	(101,533)
Food Service Operations	2,012,227	(108,815)	2,042,525	(139,837)
Extracurricular Activities	2,188,722	(1,208,678)	1,429,926	(1,193,846)
Interest and Fiscal Charges	4,274,109	(4,274,109)	3,213,391	(3,213,391)
Total Expenses	\$84,921,753	(\$73,945,680)	\$79,985,070	(\$70,140,267)

As one can see, the reliance upon local tax revenues for governmental activities is crucial. Over 55.94 percent of expenses are directly supported by local property taxes. Grant and entitlements not restricted to specific programs support 27.36 percent of expenses; grants and entitlements restricted to permanent improvement projects support 2.87 percent of expenses. Investments and other miscellaneous type revenues support 2.41 percent of activity costs. Program revenues only account for 12.92 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 \$84,452,872 and expenditures of \$90,243,804. Property taxes decreased by \$5.9 million primarily due to the delay in billing operating levies in 2008. Grants and entitlements increased by \$2.9 million from the State covering a portion of the decreasing tangible personal property tax. Investments decreased by \$0.06 million due to decreasing investment rates.

The year-end fund balance for the general fund was \$12,979,687 on a modified accrual basis. This is a decrease of \$1,633,750 from fiscal year 2007 ending balance. This decrease was due to the delay in sending out the 2008 property tax bills.

The bond retirement fund saw a slight increase of \$26,657 in fund balance, due to revenues and expenditures being almost equal.

The building fund saw an increase in fund balance of \$24,048,811 due to certificates of participation proceeds that have not been spent.

Medina City School District
Management's Discussion and Analysis
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Unaudited

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 2008, 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 \$71,522,003; this was 0.66 percent above the original budget estimates of \$71,052,382. The main difference between the original and final estimates was due to underestimation in tax receipts and tuition and fees, and overestimated interest receipts. The budget basis expenditures estimate totaled \$70,492,145 compared to original estimates of \$72,984,815. The final budget is 3.42 percent less than the original budget. Actual revenue and expenditures were equal to final budgeted numbers.

The budget and administration set a goal to balance the budget for the 2007 through 2009 fiscal year period. Necessary reductions and reallocations of expenditures were made in 2008 in order to meet the long range goal.

The School District's general fund unencumbered balance totaled \$18,518,961.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal year 2008, the School District had \$94,017,807 invested in land, construction in progress, land improvements, buildings and improvements, furniture and equipment, and vehicles. Table 4 shows fiscal year 2008 values compared to 2007.

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

	Governmental Activities		
	2008	2007	Change
Land	\$3,251,881	\$3,016,769	\$235,112
Construction in Progress	1,933,208	0	1,933,208
Land Improvements	1,384,904	1,439,613	(54,709)
Buildings and Improvements	86,074,775	86,713,362	(638,587)
Furniture and Equipment	267,899	357,899	(90,000)
Vehicles	1,105,140	1,435,874	(330,734)
Totals	\$94,017,807	\$92,963,517	\$1,054,290

All capital assets, except land and construction in progress, are reported net of depreciation. The largest additions to capital assets during the fiscal year occurred in the building and improvements. Overall capital asset values also increased from 2007 due to added construction in progress projects. For more information on capital assets refer to Note 11 of the basic financial statements.

Medina City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Debt

At June 30, 2008 the School District had \$105,086,288 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 2008 and 2007.

Table 5
 Outstanding Debt at Year End

	Governmental Activities		
	2008	2007	Change
Certificates of Participation:			
2008 Certificates of Participation	\$25,379,043	\$0	\$25,379,043
General Obligation Bonds:			
1992 Various School Improvements Bonds	778,396	1,509,620	(731,224)
1998 Refunding Bonds	11,175,507	11,151,004	24,503
1999 Various School Improvements Bonds	6,800,000	9,560,040	(2,760,040)
2005 Refunding Bonds	56,983,342	57,506,292	(522,950)
Long-Term Notes:			
2007 Energy Conservation Notes	3,170,000	0	3,170,000
Short-Term Notes:			
Transportation Facilities Notes	800,000	850,000	(50,000)
Totals	<u>\$105,086,288</u>	<u>\$80,576,956</u>	<u>\$24,509,332</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 1992 various school improvement bonds were issued to add the A. I. Root Middle School and to upgrade the Ella Canavan Elementary School. This debt will be fully repaid in calendar year 2008.

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. This debt will be fully repaid in calendar year 2028.

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 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.

The School District's overall legal debt margin was \$47,178,898 with an unvoted debt margin of \$1,255,497. The School District maintains an Aa3 bond rating. For more information on debt refer to Notes 15 and 16 of the basic financial statements.

Medina City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

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. As stated above, the School District has set a goal of balancing the general fund long-range budget for the 2009 through 2012 fiscal year. The goal is to end each year in the period with a minimum unencumbered fund balance of \$6,300,000. Reductions are being made in these fiscal years in order to meet the long-range goal. The unencumbered fund balance increase was due to revenue increases and expenditure reductions in fiscal year 2008.

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.

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, which 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.

In May 2007, Medina County voters passed a county-wide 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 2008 was \$2.4 million. This is the first time that this type of tax has been used for school districts in the State of Ohio.

Externally, the State of Ohio was found by the Ohio Supreme Court in March 1997 to be operating an unconstitutional educational funding system, one that was neither 'adequate' nor 'equitable'. Since 1997, the State has directed its additional financial support toward School Districts with little property tax wealth. In May of 2001, the Ohio Supreme Court again ruled that, while the State had made some progress, the current funding system for schools is far too dependent on property taxes, which are inherently not 'equitable' nor 'adequate'. The court directed the Governor and the legislature to address the fundamental issue creating the inequities.

Medina City School District has not anticipated any meaningful growth in State revenue due to the constraints set by the State for estimating State funding. The State has stated that the per pupil revenue for a minimum education should be increased at an inflationary rate of 2.2 percent per year for future years. With 60.6 percent of the revenue for the School District coming from property taxes, one can see the significant impact this constraint would have on the School District and ultimately, the residential taxpayers.

As a result of the challenges mentioned above, it is imperative the School District's management continue to carefully and prudently plan in order to provide the resources required to meet student needs over the next several years.

Medina City School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2008
Unaudited

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers and 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@mcsoh.org.

Basic Financial Statements

Medina City School District

Statement of Net Assets

June 30, 2008

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$57,648,377
Accounts Receivable	57,260
Intergovernmental Receivable	2,517,302
Inventory Held for Resale	30,708
Materials and Supplies Inventory	68,368
Property Taxes Receivable	55,563,167
Deferred Charges	1,032,769
Nondepreciable Capital Assets	5,185,089
Depreciable Capital Assets, Net	88,832,718
	<hr/>
<i>Total Assets</i>	210,935,758
	<hr/>
Liabilities	
Accounts Payable	2,299,947
Accrued Wages and Benefits	5,734,436
Intergovernmental Payable	2,571,911
Deferred Revenue	53,022,265
Notes Payable	800,000
Accrued Interest Payable	603,518
Claims Payable	968,585
Long-Term Liabilities:	
Due Within One Year	5,425,419
Due In More Than One Year	106,927,533
	<hr/>
<i>Total Liabilities</i>	178,353,614
	<hr/>
Net Assets	
Invested in Capital Assets, Net of Related Debt	19,614,453
Restricted for:	
Capital Projects	862,982
Debt Service	5,591,210
Public School Support	586,711
Food Service	781,901
Other Purposes	707,661
Unrestricted	4,437,226
	<hr/>
<i>Total Net Assets</i>	\$32,582,144
	<hr/> <hr/>

See accompanying notes to the basic financial statements

Medina City School District
Statement of Activities
For the Fiscal Year Ended June 30, 2008

	Program Revenues			Governmental Activities	Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest		
Governmental Activities					
Instruction:					
Regular	\$37,092,181	\$758,527	\$289,482	\$0	(\$36,044,172)
Special	9,487,412	62,986	2,884,930	0	(6,539,496)
Vocational	550,842	11,511	0	0	(539,331)
Support Services:					
Pupils	4,403,313	28,061	697,992	0	(3,677,260)
Instructional Staff	4,199,455	46,386	473,789	0	(3,679,280)
Board of Education	100,378	776	0	0	(99,602)
Administration	5,076,677	90,100	41,053	0	(4,945,524)
Fiscal	1,611,380	11,293	0	0	(1,600,087)
Business	629,012	5,718	203	0	(623,091)
Operation and Maintenance of Plant	8,746,641	650,036	3,117	0	(8,093,488)
Pupil Transportation	3,304,386	23,306	1,350,101	32,178	(1,898,801)
Central	451,852	3,061	53,035	0	(395,756)
Operation of Non-Instructional Services	793,166	690	574,286	0	(218,190)
Food Service Operations	2,012,227	1,401,029	502,383	0	(108,815)
Extracurricular Activities	2,188,722	872,975	107,069	0	(1,208,678)
Interest and Fiscal Charges	4,274,109	0	0	0	(4,274,109)
Totals	\$84,921,753	\$3,966,455	\$6,977,440	\$32,178	(73,945,680)

General Revenues

Property Taxes Levied for:	
General Purposes	40,064,362
Debt Service	6,896,827
Capital Projects	541,958
Grants and Entitlements not Restricted to Specific Programs	23,235,176
Grants and Entitlements Restricted to Permanent Improvement Projects	2,433,225
Investment Earnings	1,558,210
Miscellaneous	492,347
Total General Revenues	75,222,105
Change in Net Assets	1,276,425
Net Assets Beginning of Year - Restated (See Note 3)	31,305,719
Net Assets End of Year	\$32,582,144

See accompanying notes to the basic financial statements

Medina City School District*Balance Sheet**Governmental Funds**June 30, 2008*

	General	Bond Retirement	Building	Other Governmental Funds
Assets				
Equity in Pooled Cash and Cash Equivalents	\$20,087,359	\$5,310,127	\$26,625,719	\$3,159,338
Property Taxes Receivable	48,158,585	6,774,933	0	629,649
Accounts Receivable	21,725	0	5,200	27,858
Interfund Receivable	2,496	0	0	0
Intergovernmental Receivable	73,463	904,277	0	1,539,562
Inventory Held for Resale	0	0	0	30,708
Materials and Supplies Inventory	62,286	0	0	6,082
<i>Total Assets</i>	<u>\$68,405,914</u>	<u>\$12,989,337</u>	<u>\$26,630,919</u>	<u>\$5,393,197</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$482,909	\$350	\$1,547,339	\$269,349
Accrued Wages and Benefits	5,392,735	0	0	341,701
Intergovernmental Payable	2,345,718	0	0	226,193
Interfund Payable	0	0	0	2,496
Deferred Revenue	47,204,865	7,225,779	0	1,593,270
Notes Payable	0	0	800,000	0
Accrued Interest Payable	0	0	2,301	0
<i>Total Liabilities</i>	<u>55,426,227</u>	<u>7,226,129</u>	<u>2,349,640</u>	<u>2,433,009</u>
Fund Balances				
Reserved for Encumbrances	1,301,387	0	2,081,532	1,026,472
Reserved for Property Taxes	953,720	184,070	0	9,130
Unreserved: Undesignated, Reported in:				
General Fund	10,724,580	0	0	0
Special Revenue Funds	0	0	0	1,538,348
Debt Service Funds	0	5,579,138	0	0
Capital Projects Funds	0	0	22,199,747	386,238
<i>Total Fund Balances</i>	<u>12,979,687</u>	<u>5,763,208</u>	<u>24,281,279</u>	<u>2,960,188</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$68,405,914</u>	<u>\$12,989,337</u>	<u>\$26,630,919</u>	<u>\$5,393,197</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, 2008*

<table border="0" style="width: 100%;"> <tr> <td style="text-align: center;">Total Governmental Funds</td> <td style="border-top: 1px solid black; border-bottom: 1px solid black;"></td> </tr> <tr> <td style="text-align: right;">\$55,182,543</td> <td></td> </tr> <tr> <td style="text-align: right;">55,563,167</td> <td></td> </tr> <tr> <td style="text-align: right;">54,783</td> <td></td> </tr> <tr> <td style="text-align: right;">2,496</td> <td></td> </tr> <tr> <td style="text-align: right;">2,517,302</td> <td></td> </tr> <tr> <td style="text-align: right;">30,708</td> <td></td> </tr> <tr> <td style="text-align: right;">68,368</td> <td></td> </tr> <tr> <td style="text-align: right; border-top: 1px solid black; border-bottom: 3px double black;">\$113,419,367</td> <td></td> </tr> <tr> <td style="text-align: right;">\$2,299,947</td> <td></td> </tr> <tr> <td style="text-align: right;">5,734,436</td> <td></td> </tr> <tr> <td style="text-align: right;">2,571,911</td> <td></td> </tr> <tr> <td style="text-align: right;">2,496</td> <td></td> </tr> <tr> <td style="text-align: right;">56,023,914</td> <td></td> </tr> <tr> <td style="text-align: right;">800,000</td> <td></td> </tr> <tr> <td style="text-align: right;">2,301</td> <td></td> </tr> <tr> <td style="text-align: right; 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Medina City School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2008

	General	Bond Retirement	Building	Other Governmental Funds
Revenues				
Property Taxes	\$39,805,848	\$6,890,327	\$86,125	\$446,159
Intergovernmental	25,234,218	1,467,880	0	4,343,303
Interest	1,378,066	0	180,144	38,799
Tuition and Fees	490,218	0	0	579,189
Charges for Services	53,201	0	0	1,404,829
Extracurricular Activities	169,228	0	0	677,392
Contributions and Donations	0	0	0	123,201
Rentals	592,398	0	0	0
Miscellaneous	270,088	4,523	5,200	212,536
<i>Total Revenues</i>	<u>67,993,265</u>	<u>8,362,730</u>	<u>271,469</u>	<u>7,825,408</u>
Expenditures				
Current:				
Instruction:				
Regular	34,494,593	0	0	594,288
Special	8,024,172	0	0	1,175,377
Vocational	489,821	0	0	6,164
Support Services:				
Pupils	3,552,160	0	0	696,977
Instructional Staff	3,320,462	0	0	548,438
Board of Education	100,378	0	0	0
Administration	4,744,128	0	0	73,470
Fiscal	1,441,355	0	0	0
Business	650,735	0	0	1,956
Operation and Maintenance of Plant	7,413,513	0	0	3,210
Pupil Transportation	2,996,693	0	0	0
Central	391,759	0	0	55,317
Operation of Non-Instructional Services	89,192	0	0	537,668
Food Service Operations	0	0	0	2,007,057
Extracurricular Activities	1,274,532	0	0	859,961
Capital Outlay	367,178	141,762	4,130,571	1,036,336
Debt Service:				
Principal Retirement	81,730	2,476,592	0	0
Interest and Fiscal Charges	14,114	3,309,311	34,566	0
Capital Appreciation Bonds Interest	0	2,498,408	0	0
Issuance Costs	0	0	609,860	0
<i>Total Expenditures</i>	<u>69,446,515</u>	<u>8,426,073</u>	<u>4,774,997</u>	<u>7,596,219</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,453,250)</u>	<u>(63,343)</u>	<u>(4,503,528)</u>	<u>229,189</u>
Other Financing Sources (Uses)				
Certificates of Participation Issued	0	0	25,000,000	0
Premium on Certificates of Participation	0	0	382,339	0
General Obligation Notes Issued	0	0	3,170,000	0
Transfers In	0	90,000	0	90,500
Transfers Out	(180,500)	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>(180,500)</u>	<u>90,000</u>	<u>28,552,339</u>	<u>90,500</u>
<i>Net Change in Fund Balances</i>	<u>(1,633,750)</u>	<u>26,657</u>	<u>24,048,811</u>	<u>319,689</u>
<i>Fund Balances Beginning of Year</i>	<u>14,613,437</u>	<u>5,736,551</u>	<u>232,468</u>	<u>2,640,499</u>
<i>Fund Balances End of Year</i>	<u>\$12,979,687</u>	<u>\$5,763,208</u>	<u>\$24,281,279</u>	<u>\$2,960,188</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, 2008*

	Net Change in Fund Balances - Total Governmental Funds	\$22,761,407
Total Governmental Funds	<i>Amounts reported for governmental activities in the statement of activities are different because</i>	
\$47,228,459	Governmental funds report capital outlays as expenditures.	
31,045,401	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 capital outlay exceeded depreciation in the current period.	
1,597,009	Capital Outlay	4,319,747
1,069,407	Current Year Depreciation	(3,265,457)
1,458,030	Total	1,054,290
846,620		
123,201	Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	
592,398	Delinquent Property Taxes	274,688
492,347	Intergovernmental	200,787
84,452,872	County Levied Sales Tax	1,269,831
	Total	1,745,306
35,088,881	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.	5,056,730
9,199,549	Other financing sources in the governmental funds increase long-term liabilities in the statement of net assets.	
495,985	Certificates of Participation	(25,000,000)
4,249,137	Energy Conservation Note	(3,170,000)
3,868,900	Premium on Certificates of Participation	(382,339)
100,378	Total	(28,552,339)
4,817,598	In the statement of activities, bond issuance costs are amortized over the term of the bonds, whereas in governmental funds a bond issuance expenditure is reported when the bonds are issued.	609,860
1,441,355	In the statement of activities, interest is accrued on outstanding bonds, and bond accretion, bond premium, bond issuance costs and loss on refunding are amortized over the term of the bonds, whereas in governmental funds an interest expenditure is reported when due and premiums and issuance costs are reported when the bonds are issued.	
652,691	Accrued Interest	92,540
7,416,723	Annual Accretion	(1,006,701)
2,996,693	Amortization of Bond and Certificates of Participation Premium	169,326
447,076	Amortization of Bond Issuance Costs	(26,665)
626,860	Amortization of Loss on Refunding	(144,618)
2,007,057	Total	(916,118)
2,134,493	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.	(1,325,235)
5,675,847	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.	
2,558,322		
3,357,991		
2,498,408		
609,860		
90,243,804		
(5,790,932)		
25,000,000		
382,339		
3,170,000		
180,500		
(180,500)		
28,552,339		
22,761,407		
23,222,955		
\$45,984,362		842,524
	<i>Change in Net Assets of Governmental Activities</i>	<u>\$1,276,425</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, 2008

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$42,870,419	\$43,328,657	\$43,328,657	\$0
Intergovernmental	25,192,789	25,232,318	25,232,318	0
Interest	1,555,518	1,378,066	1,378,066	0
Tuition and Fees	375,468	471,226	471,226	0
Charges for Services	40,053	53,201	53,201	0
Extracurricular Activities	168,763	169,228	169,228	0
Rentals	594,723	590,731	590,731	0
Miscellaneous	254,649	298,576	298,576	0
<i>Total Revenues</i>	<u>71,052,382</u>	<u>71,522,003</u>	<u>71,522,003</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular	37,893,755	35,291,246	35,291,246	0
Special	7,410,863	7,932,810	7,932,810	0
Vocational	457,544	478,398	478,398	0
Support Services:				
Pupils	3,380,990	3,587,532	3,587,532	0
Instructional Staff	3,232,954	3,332,559	3,332,559	0
Board of Education	134,962	104,747	104,747	0
Administration	4,979,353	4,809,481	4,809,481	0
Fiscal	1,601,654	1,473,801	1,473,801	0
Business	750,166	714,622	714,622	0
Operation and Maintenance of Plant	7,950,165	7,544,253	7,544,253	0
Pupil Transportation	3,108,219	3,077,049	3,077,049	0
Central	413,087	399,862	399,862	0
Operation of Non-Instructional Services	126,512	106,274	106,274	0
Extracurricular Activities	1,132,215	1,255,598	1,255,598	0
Capital Outlay	412,376	383,913	383,913	0
<i>Total Expenditures</i>	<u>72,984,815</u>	<u>70,492,145</u>	<u>70,492,145</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,932,433)</u>	<u>1,029,858</u>	<u>1,029,858</u>	<u>0</u>
Other Financing Sources (Uses)				
Advances In	108,140	32,310	32,310	0
Transfers Out	(100,000)	(180,500)	(180,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>8,140</u>	<u>(148,190)</u>	<u>(148,190)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(1,924,293)	881,668	881,668	0
<i>Fund Balance Beginning of Year</i>	15,506,510	15,506,510	15,506,510	0
Prior Year Encumbrances Appropriated	2,130,783	2,130,783	2,130,783	0
<i>Fund Balance End of Year</i>	<u>\$15,713,000</u>	<u>\$18,518,961</u>	<u>\$18,518,961</u>	<u>\$0</u>

See accompanying notes to the basic financial statements

Medina City School District
Statement of Fund Net Assets
Internal Service Fund
June 30, 2008

Assets	
Equity in Pooled Cash and Cash Equivalents	\$2,465,834
Accounts Receivable	<u>2,477</u>
<i>Total Assets</i>	2,468,311
Liabilities	
Claims Payable	<u>968,585</u>
Net Assets	
Unrestricted	<u><u>\$1,499,726</u></u>

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, 2008*

Operating Revenues	
Charges for Services	\$8,243,664
Miscellaneous	1,884
	<hr/>
<i>Total Operating Revenues</i>	8,245,548
	<hr/>
Operating Expenses	
Purchased Services	746,808
Claims	6,656,216
	<hr/>
<i>Total Operating Expenses</i>	7,403,024
	<hr/>
<i>Change in Net Assets</i>	842,524
<i>Net Assets Beginning of Year</i>	657,202
	<hr/>
<i>Net Assets End of Year</i>	\$1,499,726
	<hr/> <hr/>

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, 2008

Increase (Decrease) in Cash and Cash Equivalents

Cash Flows from Operating Activities

Cash Received from Interfund Services Provided	\$8,242,962
Cash Received from Other Revenue Sources	1,884
Cash Payments for Goods and Services	(746,808)
Cash Payments for Claims	(6,689,726)

Net Cash Provided by Operating Activities 808,312

Cash and Cash Equivalents Beginning of Year 1,657,522

Cash and Cash Equivalents End of Year 2,465,834

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

Operating Income \$842,524

Adjustments

Increase in Accounts Receivable	(702)
Decrease in Claims Payable	(33,510)

Net Cash Provided by Operating Activities 808,312

See accompanying notes to the basic financial statements

Medina City School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2008

	Private Purpose Trust Funds	Agency
Assets		
Equity in Pooled Cash and Cash Equivalents	\$35,407	\$237,566
Investments in Segregated Accounts	646,445	0
<i>Total Assets</i>	681,852	\$237,566
Liabilities		
Undistributed Monies	0	\$13,665
Due to Students	0	223,901
<i>Total Liabilities</i>	0	\$237,566
Net Assets		
Held in Trust for Scholarships	64,979	
Endowments	616,873	
<i>Total Net Assets</i>	\$681,852	

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, 2008

	Private Purpose Trust Funds
Additions	
Interest	\$14,309
Contributions and Donations	13,500
Miscellaneous	4,163
	31,972
<i>Total Additions</i>	<i>31,972</i>
 Deductions	
Scholarships Awarded	44,615
	(12,643)
<i>Change in Net Assets</i>	<i>(12,643)</i>
 <i>Net Assets Beginning of Year</i>	 <i>694,495</i>
	 <i>694,495</i>
<i>Net Assets End of Year</i>	 <i>\$681,852</i>
	 <i>\$681,852</i>

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, 2008

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 six elementary schools, two middle schools and one comprehensive high school, which are staffed by 34 administrators, 7 psychologists, 3 administrative secretaries, 486 certificated full-time teaching personnel and 257.5 full-time-equivalent classified employees, who provide services to 7,298 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 and an insurance purchasing pool. These organizations are the Medina County Joint Vocational School District, Ohio Schools Council Association, and the Ohio Association of School Business Officials (OASBO) Group Rating Workers' Compensation Plan. These organizations are addressed in Notes 18 and 19 to the basic financial statements.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

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.

A. 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.

B. 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, 2008

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.

C. 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, 2008

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.

D. Basis of Accounting

Basis of accounting determines when transactions are recorded in the financial records and reported on the financial statements. Government-wide financial statements 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, 2008

Property taxes for which there is an enforceable legal claim as of June 30, 2008, but which were levied to finance fiscal year 2009 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.

E. 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.

During fiscal year 2008, investments were limited to repurchase agreements, mutual funds, and STAROhio. Repurchase agreements are reported at cost; mutual funds are reported at fair values based on current share price.

STAROhio is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio’s share price which is the price the investment could be sold for on June 30, 2008.

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 2008 amounted to \$1,378,066, which included \$796,728 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.

F. 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
For the Fiscal Year Ended June 30, 2008

G. 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

H. 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.

I. 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.

J. 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.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

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.

K. 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.

L. 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.

M. 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.

N. 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.

O. 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.

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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.

P. 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 Board of Education at the function and object level for the general fund, the capital projects funds and the debt service 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 capital projects funds and the debt service 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 equaled actual revenue.

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. Prior to June 30, the Board passed an appropriation resolution which matched actual expenditures during the fiscal year plus encumbrances outstanding at fiscal year end.

Q. Bond Issuance Costs

On the government-wide financial statements, bond issuance costs are deferred and amortized over the term of the applicable bonds using the effective interest method. Within the governmental fund statements, bond issuance costs are expended when incurred. Bond issuance costs are generally paid from the bond proceeds.

R. 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.

Medina City School District
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S. 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 and Restatement of Prior Year Net Assets

A. Change in Accounting Principles

For fiscal year 2008, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 45, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions", GASB Statement No. 48, "Sales and Pledges of Receivables and Future Revenues and Intra-Entity Transfers of Assets and Future Revenues", and GASB Statement No. 50, "Pension Disclosures".

GASB Statement No. 45 improves the relevance and usefulness of financial reporting by requiring systematic, accrual-basis measurement and recognition of OPEB costs over a period that approximates employees' years of service and providing information about actuarial accrued liabilities associated with OPEB and whether and to what extent progress is being made in funding the plan. An OPEB liability at transition was determined in accordance with this statement for both the STRS and the SERS post-employment healthcare plan in the amount of \$46,410 and \$134,714, respectively, which are the same as the previously reported liabilities.

GASB Statement No. 48 addresses how to account for the exchange of an interest in expected cash flows from collecting specific receivables or specific future revenues for immediate cash payments. The statement established criteria used to determine whether the transaction should be recorded as revenue or as a liability (a sale or a collateralized borrowing). The implementation of this statement did not result in any change to the financial statements.

GASB Statement No. 50 requires employers contributing to defined benefit pension plans to include the legal or contractual maximum contribution rates in the notes to the financial statements. The implementation of this statement did not result in any change to the financial statements.

B. Restatement of Prior Year Net Assets

During fiscal year 2008, it was determined that governmental activities net assets were understated by \$3,412,330 at June 30, 2007 due to long-term liabilities being overstated. This restatement increased net assets from \$27,893,389 to \$31,305,719.

Note 4 - Legal Compliance and Accountability

A. Legal Compliance

The School District had a negative cash fund balance of \$2,496 in the preschool grant special revenue fund indicating that revenue from another source was used to pay obligations of this fund. In order to eliminate future negative cash, the School District will make cash advances during the year.

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The following funds had total final appropriations in excess of estimated resources plus carryover balances in violation of Section 5705.39, Ohio Revised Code:

	Estimated Resources Plus Carryover Balances	Appropriations	Excess
<i>Special Revenue Funds:</i>			
Title VI-B	\$1,738,088	\$1,744,647	\$6,559
Immigrant Student Grant	3,457	4,958	1,501
Title V	12,632	18,445	5,813
Drug Free Schools	17,805	18,110	305
Preschool Grant	39,488	44,809	5,321
Reducing Class Size	174,322	194,370	20,048

Management has indicated that appropriations will be closely monitored in order to avoid any future violations.

B. Accountability

The following funds had deficit fund balances at June 30, 2008:

Fund	Amount
<i>Special Revenue Funds:</i>	
Entry Year Programs	\$359
Miscellaneous State Grants	229
Preschool Grant	3,141

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.

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).

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4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions (GAAP basis).

The following tables summarize the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the General Fund.

Net Change in Fund Balance	
GAAP Basis	(\$1,633,750)
Net Adjustment for Revenue Accruals	3,528,738
Advances In	32,310
Net Adjustment for Expenditure Accruals	525,264
Adjustment for Encumbrances	<u>(1,570,894)</u>
Budget Basis	<u><u>\$881,668</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.

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;

Medina City School District
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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.

Deposits

Custodial Credit Risk Custodial credit risk for deposits is the risk that in the event of bank failure, the School District will not be able to recover deposits or collateral securities that are in the possession of an outside party. At fiscal year end, \$1,200,085 of the School District’s bank balance of \$1,300,085 was uninsured and uncollateralized. Although the securities were held by the pledging institutions’ trust department and all statutory requirements for the deposit of money had been followed, noncompliance with federal requirements for the deposit of money had been followed; noncompliance with federal requirements could potentially subject the School District to a successful claim by the FDIC.

The School District has no deposit policy for custodial credit risk beyond the requirements of State statute. Ohio law requires that deposits be either insured or be protected by eligible securities pledged to and deposited either with the School District or a qualified trustee by the financial institution as security for repayment, or by a collateral pool of eligible securities deposited with a qualified trustee and pledged to secure repayment of all public monies deposited in the financial institution whose market value at all times shall be at least one hundred five percent of the deposits being secured.

Investments

As of June 30, 2008, the School District had the following investments:

	Fair Value	Maturity
STAROhio	\$56,462,532	Average 54 Days
Repurchase Agreement	320,000	Average 1 Day
Scudder Mutual Funds	207,009	1 Day
T. Rowe Price Mutual Funds	424,951	1 Day
Kanehl Mutual Funds	10,585	1 Day
Total Portfolio	\$57,425,077	

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.

Medina City School District
Notes to the Basic Financial Statements
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Credit Risk STAROhio carries a credit rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The Federal Home Loan Mortgage Bonds, which serve as the underlying securities for the repurchase agreement, carry a rating of AAA by Standard and Poor's. The School District has no investment policy that addresses credit risk.

Concentration of Credit Risk is defined by the Governmental Accounting Standards Board as having investments of five percent or more in the securities of a single issuer. The School District's investment policy requires diversification of the portfolio but does not indicate specific percentage allocations. The following is the School District's allocation as of June 30, 2008:

Investment Issuer	Percentage of Investments
STAROhio	98.32 %
Repurchase Agreement	0.56
Mutual Funds	1.12
Total	100.00 %

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 2008 represents collections of calendar year 2007 taxes. Real property taxes received in calendar year 2008 were levied after April 1, 2007, on the assessed value listed as of January 1, 2007, the lien date. Assessed values for real property taxes are established by State law at thirty-five 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 2008 represents collections of calendar year 2007 taxes. Public utility real and tangible personal property taxes received in calendar year 2008 became a lien December 31, 2006, were levied after April 1, 2007 and are collected in 2008 with real property taxes. Public utility real property is assessed at thirty-five 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 2008 (other than public utility property tax) represents the collection of 2008 taxes. Tangible personal property taxes received in calendar year 2008 were levied after April 1, 2007, on the value listed as of December 31, 2007. The tangible personal property tax is being phased out – the assessment percentage for all property including inventory for 2008 is 6.25 percent. This will be reduced to zero for 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.

Medina City School District
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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, 2008, are available to finance fiscal year 2008 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, 2007 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, 2008, was \$953,720 in the general fund, \$184,070 in the bond retirement debt service fund, and \$9,130 in the permanent improvement capital projects fund. The amount available as an advance at June 30, 2007, was \$4,476,529 in the general fund, \$798,238 in the bond retirement debt service fund and \$43,581 in the permanent improvement capital projects fund.

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 2008 taxes were collected are:

	2007 Second Half Collections		2008 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$1,140,198,840	94.29%	\$1,241,670,010	96.78%
Public Utility Personal Property	22,138,960	1.84	17,596,650	1.37
Tangible Personal Property	46,847,577	3.87	23,720,795	1.85
	\$1,209,185,377	100.00%	\$1,282,987,455	100.00%
Tax rate per \$1,000 of assessed valuation	\$91.48		\$91.48	

Note 8 - Interfund Transactions

A. Interfund Balances

As of June 30, 2008, the general fund had a \$2,496 interfund receivable and the preschool grant fund had a corresponding \$2,496 interfund payable. The interfund receivable and payable are due to the general fund covering a deficit cash balance in the preschool grant fund.

Medina City School District
Notes to the Basic Financial Statements
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B. Interfund Transfers

Transfers made during the year ended June 30, 2008 were as follows:

Transfers To	Transfers From General
<i>Major Fund:</i>	
Bond Retirement	\$90,000
<i>Other Governmental Funds:</i>	
Permanent Improvement	90,000
Public School Support	500
<i>Total Governmental Funds</i>	<i>\$180,500</i>

The transfers of \$90,000 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. The transfer to the public school support fund was to cover \$500 in student awards.

Note 9 - Receivables

Receivables at June 30, 2008, consisted of taxes, accounts (rent and student fees), interfund and intergovernmental grants. Beginning in fiscal year 2008, the School District is receiving 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	\$1,808,553
Title VI-B	247,793
Title I	157,065
Rotary	149,989
Reducing Class Size	60,212
Recreation Center Operations	58,977
Other	14,486
Preschool Grant	10,055
Title VI	5,816
Miscellaneous Federal Grants	2,550
Immigrant Student Grant	1,501
Drug Free Schools	305
Total	<i>\$2,517,302</i>

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 10 - Risk Management

A. Workers' Compensation

The School District participates in the Ohio Association of School Business Officials (OASBO) Group Rating Plan (GRP), an insurance purchasing pool (Note 19). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald and Co. provides administrative, cost control, and actuarial services to the GRP.

B. 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 2008, the School District contracted with several companies for various types of insurance as follows:

Company	Type of Coverage	Coverage Amount
Indiana Insurance Company	Education Liability	\$11,000,000
	Umbrella	10,010,000
	Property	189,410,203
	Fleet	2,000,000
	Crime	150,000
	Inland Marine	3,905,000
Travelers Insurance Company	Boiler and Machinery	30,000,000

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.

C. 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. The claims liability of \$968,585 reported in the internal service fund at June 30, 2008 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. Changes in fund's claim liability amount in fiscal years 2007 and 2008 were:

	Beginning of Year	Year Claims	Claims Payments	End of Year
2007	\$727,617	\$7,390,914	\$7,116,436	\$1,002,095
2008	1,002,095	6,656,216	6,689,726	968,585

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 11 - Capital Assets

Capital asset activity for the fiscal year ended June 30, 2008, was as follows:

	Balance 6/30/2007	Additions	Deletions	Balance 6/30/2008
Governmental Activities				
<i>Capital Assets, not being depreciated:</i>				
Land	\$3,016,769	\$235,112	\$0	\$3,251,881
Construction in Progress	0	1,933,208	0	1,933,208
<i>Total Capital Assets, not being depreciated</i>	3,016,769	2,168,320	0	5,185,089
<i>Capital Assets, being depreciated:</i>				
Land Improvements	2,188,367	0	0	2,188,367
Buildings and Improvements	110,812,211	2,066,192	0	112,878,403
Furniture and Equipment	1,411,722	85,235	26,288	1,470,669
Vehicles	4,304,527	0	0	4,304,527
<i>Total Capital Assets, being depreciated</i>	118,716,827	2,151,427	26,288	120,841,966
Less Accumulated Depreciation:				
Land Improvements	(748,754)	(54,709)	0	(803,463)
Buildings and Improvements	(24,098,849)	(2,704,779)	0	(26,803,628)
Furniture and Equipment	(1,053,823)	(175,235)	(26,288)	(1,202,770)
Vehicles	(2,868,653)	(330,734)	0	(3,199,387)
<i>Total Accumulated Depreciation</i>	(28,770,079)	(3,265,457) *	(26,288)	(32,009,248)
Total Capital Assets, being depreciated, net	89,946,748	(1,114,030)	0	88,832,718
Governmental Activities Capital Assets, Net	\$92,963,517	\$1,054,290	\$0	\$94,017,807

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,553,297
Special	270,927
Vocational	57,027
Support Services:	
Pupils	116,631
Instructional Staff	303,453
Administration	217,147
Operation and Maintenance of Plant	225,942
Pupil Transportation	323,082
Central	1,394
Operation of Non-Instructional Services	154,746
Extracurricular Activities	41,811
Total Depreciation Expense	\$3,265,457

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 12 - Defined Benefit Pension Plans

A. 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, OH 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 2008, 9.16 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, 2008, 2007 and 2006 were \$858,925, \$889,595, and \$948,125, respectively; 41.64 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

B. 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, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. 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 monthly annuity at age 50. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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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, 2008, 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 2007, the portion used to fund pension obligations 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, 2008, 2007, and 2006 were \$4,498,548, \$4,222,044, and \$4,367,652, respectively; 84.64 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006. Contributions to the DC and Combined Plans for fiscal year 2008 were \$42,505 made by the School District and \$94,471 made by the plan members.

Note 13 - Postemployment Benefits

A. 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, OH 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 2008, 4.18 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 2008, this amount was \$192,120.

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, 2008, 2007, and 2006 were \$584,075, \$478,091, and \$462,810, respectively; 41.64 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

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Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare B Fund. For 2008, this actuarially required allocation was 0.66 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2008, 2007, and 2006 were \$61,888, \$60,492, and \$75,463, respectively; 41.64 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

B. 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 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 2008, 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, 2008, 2007, and 2006 were \$346,042, \$324,773, and \$311,975, respectively; 84.64 percent has been contributed for fiscal year 2008 and 100 percent for fiscal years 2007 and 2006.

Note 14 - Other Employee Benefits

A. 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.

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.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

B. Health Insurance Benefits

The School Board and the teachers and classified staff share the cost of insurance coverage. Administrators contribute ten percent to the cost of the premiums for their insurance coverage as well as paying a co-pay for office visits and prescriptions. 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:

Effective Date	Single Contribution	Family Contribution
September 1, 2007	\$25.00	\$65.00
September 1, 2008	\$40.00	\$80.00

C. 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:

Debt Issue	Interest Rate	Original Issue Amount	Date of Maturity
<i>Certificates of Participation:</i>			
Certificates of Participation - 2008	3.25% - 5.25%	\$25,000,000	December 1, 2037
<i>General Obligation Bonds:</i>			
Various School Improvements - 1992	3.7 - 10.50%	3,674,245	December 1, 2008
Refunding - 1998	3.6 - 15.70%	11,009,701	December 1, 2018
Various School Improvements - 1999	4.05%	77,649,923	December 1, 2028
Refunding - 2005	3.0 - 5.0%	59,239,818	December 1, 2028
<i>Long-Term Note:</i>			
Energy Conservation - 2007	4.20%	3,170,000	October 1, 2022

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

The changes in the School District's long-term obligations during the year consist of the following:

	Restated Principal Outstanding 6/30/07	Additions	Reductions	Principal Outstanding 6/30/08	Amount Due in One Year
Certificates of Participation:					
2008 Certificates of Participation	\$0	\$25,000,000	\$0	\$25,000,000	\$0
Premium	0	382,339	(3,296)	379,043	0
<i>Total Certificates of Participation</i>	<u>0</u>	<u>25,382,339</u>	<u>(3,296)</u>	<u>25,379,043</u>	<u>0</u>
General Obligation Bonds:					
1992 Various School Improvements					
Capital Appreciation Bonds	613,025	0	(318,500)	294,525	294,525
Accretion on Capital Appreciation Bonds	896,595	93,776	(506,500)	483,871	530,475
1998 Refunding Bonds					
Serial Bonds	2,555,000	0	(200,000)	2,355,000	210,000
Term Bonds	6,380,000	0	0	6,380,000	0
Capital Appreciation Bonds	464,701	0	0	464,701	0
Accretion on Capital Appreciation Bonds	1,751,303	224,503	0	1,975,806	0
1999 Various School Improvements					
Serial Bonds	6,800,000	0	0	6,800,000	3,210,000
Capital Appreciation Bonds	998,092	0	(998,092)	0	0
Accretion on Capital Appreciation Bonds	1,761,948	229,960	(1,991,908)	0	0
2005 Refunding Bonds					
Serial Bonds	53,000,000	0	(960,000)	52,040,000	240,000
Accounting Loss/Gain	(3,036,968)	144,618	0	(2,892,350)	0
Premium	3,486,710	0	(166,030)	3,320,680	0
Capital Appreciation Bonds	3,244,818	0	0	3,244,818	0
Accretion on Capital Appreciation Bonds	811,732	458,462	0	1,270,194	0
<i>Total General Obligation Bonds</i>	<u>79,726,956</u>	<u>1,151,319</u>	<u>(5,141,030)</u>	<u>75,737,245</u>	<u>4,485,000</u>
Other Long-term Obligations:					
2007 Energy Conservation Note	0	3,170,000	0	3,170,000	155,000
Capital Lease	357,558	0	(81,730)	275,828	82,908
Compensated Absences	6,465,601	1,811,049	(485,814)	7,790,836	702,511
<i>Total Other Long-term Obligations</i>	<u>6,823,159</u>	<u>4,981,049</u>	<u>(567,544)</u>	<u>11,236,664</u>	<u>940,419</u>
Total Governmental Activities					
<i>Long-Term Liabilities</i>	<u>\$86,550,115</u>	<u>\$31,514,707</u>	<u>(\$5,711,870)</u>	<u>\$112,352,952</u>	<u>\$5,425,419</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, title VI-B, title I, preschool, and class size reduction special revenue funds.

In 1992, the School District issued bonds for the renovation of various school buildings. The bond issue included serial bonds and capital appreciation bonds. Payment of capital appreciation bonds began in 2001 and will continue until fiscal year 2009. For fiscal year 2008, \$93,776 represents the annual accretion of interest.

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. The final amount of the capital appreciation bonds will be \$3,135,000. For fiscal year 2008, \$224,503 represents the annual accretion of interest. The refunded bonds have been fully retired.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

The term bonds maturing on December 1, 2018 are subject to mandatory sinking fund. The mandatory redemption is to occur on December 1 in each of the years 2014 through 2017 (with the remaining principal amount of \$1,400,000 to be paid at stated maturity on December 1, 2018) at a redemption price of 100 percent of the principal amount to be redeemed, plus accrued interest to the date of redemption, according to the following schedule:

<u>Year</u>	<u>Amount</u>
2014	\$1,155,000
2015	1,210,000
2016	1,275,000
2017	1,340,000
2018	1,400,000

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.

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, 2008. 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, 2008 is \$6,380,000. The accretion recorded for 2008 was \$458,462, for a total outstanding bond liability of \$4,515,012.

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, 2008, \$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 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.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

The School District's overall debt margin was \$47,178,898 with an unvoted debt margin of \$1,255,497 at June 30, 2008. Principal and interest requirements to retire general obligation bonds and capital appreciation bonds outstanding at June 30, 2008, are as follows:

	General Obligation Bonds					
	Serial		Term		Capital Appreciation	
	Principal	Interest	Principal	Interest	Principal	Interest
2009	\$3,660,000	\$3,208,048	\$0	\$0	\$294,525	\$530,475
2010	3,840,000	2,611,643	0	0	178,810	866,190
2011	167,025	2,523,800	0	0	2,428,080	2,931,920
2012	72,975	2,525,800	0	0	1,102,629	2,007,371
2013	3,050,000	2,883,825	0	0	0	0
2014-2018	12,620,000	11,180,250	4,980,000	793,500	0	0
2019-2023	14,700,000	7,572,000	1,400,000	35,000	0	0
2024-2028	18,755,000	3,409,875	0	0	0	0
2029	4,330,000	97,419	0	0	0	0
Total	\$61,195,000	\$36,012,660	\$6,380,000	\$828,500	\$4,004,044	\$6,335,956

	2007 Energy Conservation Note		2008 Certificates of Participation	
	Principal	Interest	Principal	Interest
2009	\$155,000	\$129,442	\$0	\$1,475,579
2010	160,000	126,630	25,000	1,252,444
2011	170,000	119,910	25,000	1,251,632
2012	175,000	112,770	25,000	1,250,819
2013	185,000	105,420	25,000	1,249,975
2014-2018	1,040,000	404,460	2,495,000	6,056,223
2019-2023	1,285,000	166,740	3,720,000	5,353,726
2024-2028	0	0	4,725,000	4,305,169
2029-2033	0	0	6,095,000	2,896,818
2034-2038	0	0	7,865,000	1,074,806
Total	\$3,170,000	\$1,165,372	\$25,000,000	\$26,167,191

Note 16 - Notes Payable

A summary of the note transactions for the year ended June 30, 2008, follows:

	Outstanding 6/30/2007	Issued	Retired	Outstanding 6/30/2008
Building:				
2% Transportation Facilities Note	\$850,000	\$800,000	(\$850,000)	\$800,000

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 21, 2009.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 17 - Leases

A. 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, the Drake Theater, and copiers and modular buildings used throughout the School District. The following is a schedule by year of future minimum lease payments required under operating leases that have initial or remaining noncancellable lease terms in excess of one year as of June 30, 2008.

Fiscal Year Ending June 30	Amounts
2009	\$92,930
2010	12,731
2011	9,000
Total Minimum Payments Required	\$114,661

B. Capital Leases

In a prior fiscal year, the School District entered into a lease agreement for copiers. This lease meets 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	\$436,632
Less: Accumulated depreciation	(124,752)
Total	\$311,880

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

	Governmental Activities
2009	\$95,844
2010	95,844
2011	95,844
2012	15,974
Total Minimum Lease Payment	303,506
Less: Amount Representing Interest	(27,678)
Present Value of Minimum Lease Payment	\$275,828

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 18 - Jointly Governed Organizations

A. 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 2008, \$19,087 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.

B. Ohio Schools Council Association

The Ohio Schools Council Association (Council) is a jointly governed organization among 121 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 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 through 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 2008, the School District paid \$2,345 to the Council. Financial information can be obtained by contacting Dr. David A. Cottrell, the Executive Director of the Ohio Schools Council at 6133 Rockside Road, Suite 10, Independence, Ohio 44131.

The Council provides participating school districts the ability to purchase natural gas at reduced rates, if the school districts will commit to participating for a twelve year period. There are currently 137 districts in the Program, including 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.

The School District also participates in the Council's electric purchase program. The Council provides 238 school districts and 11 MR/DD boards in the First Energy territory (Cleveland Electric Illuminating, Ohio Edison, Toledo Edison) the ability to purchase electricity at reduced rates if the school district committed to participating in either a thirty-six month (Cleveland Electric Illuminating Company) or a forty-four month (Ohio Edison and Toledo Edison) program beginning either May 1, 2005 or January 1, 2006 and ending December 31, 2008. Each month, the Council invoices participants based on estimated usage that was determined when the program was established. Each September, these estimated payments are compared to their actual usage for the year (July to June). Refund checks are issued to districts that consumed less than their projected usage of electrical energy and districts that over-consumed are invoiced.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 19 - Insurance Purchasing Pool

The School District participates in the Ohio Association of School Business Officials (OASBO) Group Rating Workers' Compensation Plan (GRP) which was established under Section 4123.29 of the Ohio Revised Code. The GRP's business and affairs are conducted by a five member Board of Directors. Each year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

Note 20 - Contingencies

A. 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, 2008.

B. 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 21 - 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
Set-aside Reserve Balances as of June 30, 2007	(\$7,627,794)	\$0
Current Year Set-aside Requirement	1,139,452	1,139,452
Qualifying Disbursements	(1,624,054)	(6,321,137)
Totals	<u>(\$8,112,396)</u>	<u>(\$5,181,685)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>(\$8,112,396)</u>	<u>\$0</u>
Set-aside Reserve Balance as of June 30, 2008	<u>\$0</u>	<u>\$0</u>

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

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.

Note 22 - 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 will each report their respective shares of the operating costs.

Note 23 - Donor Restricted Endowments

The School District's scholarship endowment fund includes donor restricted endowments. Endowments, in the amount of \$616,873, represent the principal portion. The amount of interest on donor restricted investments that is available for expenditures by the School District is \$29,572 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.

Medina City School District
Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2008

Note 24 - Subsequent Event

On September 2, 2008, the School District issued \$8,485,000 in general obligation bonds. The bonds have been issued for the purpose of refunding a portion of the School District's General Obligation Refunding Bonds, Series 1998. The bonds will mature on December 1, 2018, and have an interest rate of 3.00-5.00 percent.

Combining and Individual Fund

Statements and Schedules

Fund Descriptions - Nonmajor Governmental Funds

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.

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.

Entry Year Programs Fund – This fund accounts for State monies spent on teacher in-service training for first year teachers.

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)

Ohio Reads Fund – This fund accounts for State monies used for discovering and helping students who have reading deficiencies.

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.

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.

Title V Fund – This fund accounts for Federal monies which support the implementation of a variety of programs such as computer education, gifted and talented programs and in-service and staff development.

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)

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.

SchoolNet Fund – This fund accounts for grant money used to purchase computer hardware and software.

Medina City School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$2,346,109	\$813,229	\$3,159,338
Property Taxes Receivable	0	629,649	629,649
Accounts Receivable	27,858	0	27,858
Intergovernmental Receivable	635,286	904,276	1,539,562
Inventory Held for Resale	30,708	0	30,708
Materials and Supplies Inventory	6,082	0	6,082
<i>Total Assets</i>	<u>\$3,046,043</u>	<u>\$2,347,154</u>	<u>\$5,393,197</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$122,426	\$146,923	\$269,349
Accrued Wages and Benefits	341,701	0	341,701
Intergovernmental Payable	226,193	0	226,193
Interfund Payable	2,496	0	2,496
Deferred Revenue	337,836	1,255,434	1,593,270
<i>Total Liabilities</i>	<u>1,030,652</u>	<u>1,402,357</u>	<u>2,433,009</u>
Fund Balances			
Reserved for Encumbrances	477,043	549,429	1,026,472
Reserved Property Taxes	0	9,130	9,130
Unreserved, Undesignated Reported in:			
Special Revenue Funds	1,538,348	0	1,538,348
Capital Projects Funds	0	386,238	386,238
<i>Total Fund Balances</i>	<u>2,015,391</u>	<u>944,797</u>	<u>2,960,188</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$3,046,043</u>	<u>\$2,347,154</u>	<u>\$5,393,197</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, 2008

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues			
Property Taxes	\$0	\$446,159	\$446,159
Intergovernmental	3,587,779	755,524	4,343,303
Interest	38,799	0	38,799
Tuition and Fees	579,189	0	579,189
Charges for Services	1,404,829	0	1,404,829
Extracurricular Activities	677,392	0	677,392
Contributions and Donations	123,201	0	123,201
Miscellaneous	191,450	21,086	212,536
<i>Total Revenues</i>	<u>6,602,639</u>	<u>1,222,769</u>	<u>7,825,408</u>
Expenditures			
Current:			
Instruction:			
Regular	594,288	0	594,288
Special	1,175,377	0	1,175,377
Vocational	6,164	0	6,164
Support Services:			
Pupils	696,977	0	696,977
Instructional Staff	548,438	0	548,438
Administration	73,470	0	73,470
Fiscal	0	0	0
Business	1,956	0	1,956
Operation and Maintenance of Plant	3,210	0	3,210
Central	55,317	0	55,317
Operation of Non-Instructional Services	537,668	0	537,668
Food Service Operations	2,007,057	0	2,007,057
Extracurricular Activities	859,961	0	859,961
Capital Outlay	0	1,036,336	1,036,336
<i>Total Expenditures</i>	<u>6,559,883</u>	<u>1,036,336</u>	<u>7,596,219</u>
<i>Excess of Revenues Over Expenditures</i>	42,756	186,433	229,189
Other Financing Sources			
Transfers In	500	90,000	90,500
<i>Net Change in Fund Balances</i>	43,256	276,433	319,689
<i>Fund Balances Beginning of Year</i>	<u>1,972,135</u>	<u>668,364</u>	<u>2,640,499</u>
<i>Fund Balances End of Year</i>	<u>\$2,015,391</u>	<u>\$944,797</u>	<u>\$2,960,188</u>

Medina City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2008

	Food Service	Uniform School Supply	Rotary	Public School Support
Assets				
Equity in Pooled Cash and				
Cash Equivalents	1,054,111	\$332,441	\$6,462	\$584,815
Accounts Receivable	0	0	0	27,858
Intergovernmental Receivable	0	0	149,989	0
Inventory Held for Resale	30,708	0	0	0
Materials and Supplies Inventory	6,082	0	0	0
<i>Total Assets</i>	<u>\$1,090,901</u>	<u>\$332,441</u>	<u>\$156,451</u>	<u>\$612,673</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$1,525	\$20,511	\$0	\$22,308
Accrued Wages and Benefits	109,364	0	25,960	0
Intergovernmental Payable	109,058	0	11,363	3,654
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	83,803	0
<i>Total Liabilities</i>	<u>219,947</u>	<u>20,511</u>	<u>121,126</u>	<u>25,962</u>
Fund Balances				
Reserved for Encumbrances	201,668	44,681	0	78,194
Unreserved, Undesignated (Deficit)	669,286	267,249	35,325	508,517
<i>Total Fund Balances (Deficit)</i>	<u>870,954</u>	<u>311,930</u>	<u>35,325</u>	<u>586,711</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,090,901</u>	<u>\$332,441</u>	<u>\$156,451</u>	<u>\$612,673</u>

<u>Other Grants</u>	<u>District Managed Student Activity</u>	<u>Auxiliary Services</u>	<u>Management Information Systems</u>	<u>Entry Year Programs</u>	<u>Data Communications</u>	<u>SchoolNet Professional Development</u>
\$6,002	\$124,448	\$116,180	\$10,457	\$99	\$5,732	\$2,585
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>\$6,002</u>	<u>\$124,448</u>	<u>\$116,180</u>	<u>\$10,457</u>	<u>\$99</u>	<u>\$5,732</u>	<u>\$2,585</u>
\$0	\$21,097	\$25,009	\$10,457	\$0	\$43	\$716
0	0	13,450	0	0	0	0
3,534	7,064	5,438	0	458	5,357	0
0	0	0	0	0	0	0
0	0	0	0	0	0	0
<u>3,534</u>	<u>28,161</u>	<u>43,897</u>	<u>10,457</u>	<u>458</u>	<u>5,400</u>	<u>716</u>
665	25,774	30,049	0	0	332	500
1,803	70,513	42,234	0	(359)	0	1,369
<u>2,468</u>	<u>96,287</u>	<u>72,283</u>	<u>0</u>	<u>(359)</u>	<u>332</u>	<u>1,869</u>
<u>\$6,002</u>	<u>\$124,448</u>	<u>\$116,180</u>	<u>\$10,457</u>	<u>\$99</u>	<u>\$5,732</u>	<u>\$2,585</u>

(continued)

Medina City School District
Combining Balance Sheet
Nonmajor Special Revenue Funds (continued)
June 30, 2008

	Ohio Reads	Miscellaneous State Grants	Title VI-B	Immigrant Student Grant
Assets				
Equity in Pooled Cash and				
Cash Equivalents	\$31	\$1,541	\$38,638	\$650
Accounts Receivable	0	0	0	0
Intergovernmental Receivable	0	0	247,793	1,501
Inventory Held for Resale	0	0	0	0
Materials and Supplies Inventory	0	0	0	0
<i>Total Assets</i>	<u>\$31</u>	<u>\$1,541</u>	<u>\$286,431</u>	<u>\$2,151</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	\$0	\$0	\$9,867	\$1,926
Accrued Wages and Benefits	0	0	141,061	0
Intergovernmental Payable	0	1,770	60,136	0
Interfund Payable	0	0	0	0
Deferred Revenue	0	0	63,808	0
<i>Total Liabilities</i>	<u>0</u>	<u>1,770</u>	<u>274,872</u>	<u>1,926</u>
Fund Balances				
Reserved for Encumbrances	0	291	33,927	225
Unreserved, Undesignated (Deficit)	31	(520)	(22,368)	0
<i>Total Fund Balances (Deficit)</i>	<u>31</u>	<u>(229)</u>	<u>11,559</u>	<u>225</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$31</u>	<u>\$1,541</u>	<u>\$286,431</u>	<u>\$2,151</u>

<u>Title I</u>	<u>Title V</u>	<u>Drug Free Schools</u>	<u>Preschool Grant</u>	<u>Reducing Class Size</u>	<u>Miscellaneous Federal Grants</u>	<u>Total Nonmajor Special Revenue Funds</u>
\$46,406	\$2,136	\$745	\$0	\$11,732	\$898	\$2,346,109
0	0	0	0	0	0	27,858
157,065	5,816	305	10,055	60,212	2,550	635,286
0	0	0	0	0	0	30,708
0	0	0	0	0	0	6,082
<u>\$203,471</u>	<u>\$7,952</u>	<u>\$1,050</u>	<u>\$10,055</u>	<u>\$71,944</u>	<u>\$3,448</u>	<u>\$3,046,043</u>
\$850	\$165	\$0	\$376	\$7,538	\$38	\$122,426
36,706	0	0	3,816	11,344	0	341,701
10,526	1,137	0	2,629	4,037	32	226,193
0	0	0	2,496	0	0	2,496
132,890	5,816	0	3,879	45,090	2,550	337,836
<u>180,972</u>	<u>7,118</u>	<u>0</u>	<u>13,196</u>	<u>68,009</u>	<u>2,620</u>	<u>1,030,652</u>
24,586	7,784	1,050	2,449	24,355	513	477,043
(2,087)	(6,950)	0	(5,590)	(20,420)	315	1,538,348
<u>22,499</u>	<u>834</u>	<u>1,050</u>	<u>(3,141)</u>	<u>3,935</u>	<u>828</u>	<u>2,015,391</u>
<u>\$203,471</u>	<u>\$7,952</u>	<u>\$1,050</u>	<u>\$10,055</u>	<u>\$71,944</u>	<u>\$3,448</u>	<u>\$3,046,043</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, 2008

	Food Service	Uniform School Supply	Rotary	Public School Support	Other Grants
Revenues					
Intergovernmental	\$467,696	\$0	\$66,186	\$0	\$80,505
Interest	34,687	0	0	0	0
Tuition and Fees	0	330,849	232,410	15,930	0
Charges for Services	1,401,029	0	0	3,800	0
Extracurricular Activities	0	0	0	442,736	0
Contributions and Donations	0	0	0	92,493	0
Miscellaneous	7	0	0	69,252	0
<i>Total Revenues</i>	<u>1,903,419</u>	<u>330,849</u>	<u>298,596</u>	<u>624,211</u>	<u>80,505</u>
Expenditures					
Current:					
Instruction:					
Regular	0	258,254	195,811	15,801	6
Special	0	0	0	0	0
Vocational	0	6,164	0	0	0
Support Services:					
Pupils	0	0	0	303	79,483
Instructional Staff	0	0	21,030	83,453	0
Administration	0	0	63,398	0	0
Business	0	657	0	1,299	0
Operation and Maintenance of Plant	0	0	0	0	3,210
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	0	200
Food Service Operations	2,007,057	0	0	0	0
Extracurricular Activities	0	0	0	490,953	0
<i>Total Expenditures</i>	<u>2,007,057</u>	<u>265,075</u>	<u>280,239</u>	<u>591,809</u>	<u>82,899</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(103,638)	65,774	18,357	32,402	(2,394)
Other Financing Sources					
Transfers In	0	0	0	500	0
<i>Net Change in Fund Balances</i>	(103,638)	65,774	18,357	32,902	(2,394)
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>974,592</u>	<u>246,156</u>	<u>16,968</u>	<u>553,809</u>	<u>4,862</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$870,954</u>	<u>\$311,930</u>	<u>\$35,325</u>	<u>\$586,711</u>	<u>\$2,468</u>

District Managed Student Activity	Auxiliary Services	Management Information Systems	Entry Year Programs	Data Communications	SchoolNet Professional Development
\$0	\$440,075	\$26,035	\$10,400	\$27,000	\$2,722
0	4,112	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
234,656	0	0	0	0	0
30,708	0	0	0	0	0
122,191	0	0	0	0	0
<u>387,555</u>	<u>444,187</u>	<u>26,035</u>	<u>10,400</u>	<u>27,000</u>	<u>2,722</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	28,649	0	26,668	0
0	413,086	0	0	0	0
0	0	0	0	0	0
369,008	0	0	0	0	0
<u>373,490</u>	<u>413,086</u>	<u>28,649</u>	<u>10,349</u>	<u>26,668</u>	<u>1,071</u>
14,065	31,101	(2,614)	51	332	1,651
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
14,065	31,101	(2,614)	51	332	1,651
82,222	41,182	2,614	(410)	0	218
<u>\$96,287</u>	<u>\$72,283</u>	<u>\$0</u>	<u>(\$359)</u>	<u>\$332</u>	<u>\$1,869</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, 2008

	Ohio Reads	Alternative Schools	Miscellaneous State Grants	Title VI-B	Immigrant Student Grant
Revenues					
Intergovernmental	\$0	\$58,631	\$80,189	\$1,684,542	\$4,958
Interest	0	0	0	0	0
Tuition and Fees	0	0	0	0	0
Charges for Services	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
Contributions and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>58,631</u>	<u>80,189</u>	<u>1,684,542</u>	<u>4,958</u>
Expenditures					
Current:					
Instruction:					
Regular	0	0	0	0	3,233
Special	0	0	0	822,171	0
Vocational	0	0	0	0	0
Support Services:					
Pupils	0	58,317	75,534	445,504	1,500
Instructional Staff	124	317	4,093	328,720	0
Administration	0	0	0	928	0
Business	0	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services	0	0	0	105,265	0
Food Service Operations	0	0	0	0	0
Extracurricular Activities	0	0	0	0	0
<i>Total Expenditures</i>	<u>124</u>	<u>58,634</u>	<u>79,627</u>	<u>1,702,588</u>	<u>4,733</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(124)	(3)	562	(18,046)	225
Other Financing Sources					
Transfers In	0	0	0	0	0
<i>Net Change in Fund Balances</i>	(124)	(3)	562	(18,046)	225
<i>Fund Balances (Deficit) Beginning of Year</i>	<u>155</u>	<u>3</u>	<u>(791)</u>	<u>29,605</u>	<u>0</u>
<i>Fund Balances (Deficit) End of Year</i>	<u>\$31</u>	<u>\$0</u>	<u>(\$229)</u>	<u>\$11,559</u>	<u>\$225</u>

Title I	Title V	Drug Free Schools	Preschool Grant	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$396,542	\$12,089	\$17,355	\$41,398	\$169,106	\$2,350	\$3,587,779
0	0	0	0	0	0	38,799
0	0	0	0	0	0	579,189
0	0	0	0	0	0	1,404,829
0	0	0	0	0	0	677,392
0	0	0	0	0	0	123,201
0	0	0	0	0	0	191,450
<u>396,542</u>	<u>12,089</u>	<u>17,355</u>	<u>41,398</u>	<u>169,106</u>	<u>2,350</u>	<u>6,602,639</u>
16,663	325	238	0	103,957	0	594,288
345,000	0	0	8,206	0	0	1,175,377
0	0	0	0	0	0	6,164
0	9,836	16,500	10,000	0	0	696,977
12,288	0	0	24,350	61,171	1,472	548,438
4,662	0	0	0	0	0	73,470
0	0	0	0	0	0	1,956
0	0	0	0	0	0	3,210
0	0	0	0	0	0	55,317
12,472	0	322	0	6,058	265	537,668
0	0	0	0	0	0	2,007,057
0	0	0	0	0	0	859,961
<u>391,085</u>	<u>10,161</u>	<u>17,060</u>	<u>42,556</u>	<u>171,186</u>	<u>1,737</u>	<u>6,559,883</u>
5,457	1,928	295	(1,158)	(2,080)	613	42,756
0	0	0	0	0	0	500
5,457	1,928	295	(1,158)	(2,080)	613	43,256
17,042	(1,094)	755	(1,983)	6,015	215	1,972,135
<u>\$22,499</u>	<u>\$834</u>	<u>\$1,050</u>	<u>(\$3,141)</u>	<u>\$3,935</u>	<u>\$828</u>	<u>\$2,015,391</u>

Medina City School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2008

	<u>Permanent Improvement</u>	<u>Capital Grants</u>	<u>Total Nonmajor Capital Projects Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$531,394	\$281,835	\$813,229
Property Taxes Receivable	629,649	0	629,649
Intergovernmental Receivable	0	904,276	904,276
<i>Total Assets</i>	<u>\$1,161,043</u>	<u>\$1,186,111</u>	<u>\$2,347,154</u>
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	\$59,437	\$87,486	\$146,923
Deferred Revenue	620,519	634,915	1,255,434
<i>Total Liabilities</i>	<u>679,956</u>	<u>722,401</u>	<u>1,402,357</u>
Fund Balances			
Reserved for Encumbrances	357,483	191,946	549,429
Reserved for Property Taxes	9,130	0	9,130
Unreserved, Undesignated	114,474	271,764	386,238
<i>Total Fund Balances</i>	<u>481,087</u>	<u>463,710</u>	<u>944,797</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$1,161,043</u>	<u>\$1,186,111</u>	<u>\$2,347,154</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, 2008

	Permanent Improvement	Capital Grants	SchoolNet	Total Nonmajor Capital Projects Funds
Revenues				
Property Taxes	\$446,159	\$0	\$0	\$446,159
Intergovernmental	126,267	581,697	47,560	755,524
Miscellaneous	21,086	0	0	21,086
<i>Total Revenues</i>	593,512	581,697	47,560	1,222,769
Expenditures				
Capital Outlay	870,789	117,987	47,560	1,036,336
<i>Excess of Revenues Over (Under) Expenditures</i>	(277,277)	463,710	0	186,433
Other Financing Sources				
Transfers In	90,000	0	0	90,000
<i>Net Change in Fund Balances</i>	(187,277)	463,710	0	276,433
<i>Fund Balances Beginning of Year</i>	668,364	0	0	668,364
<i>Fund Balances End of Year</i>	<u>\$481,087</u>	<u>\$463,710</u>	<u>\$0</u>	<u>\$944,797</u>

Fund Descriptions – Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the 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, 2008

	Scholarship Trust Fund	Scholarship Endowment Fund	Total Private Purpose Trust Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$35,407	\$0	\$35,407
Investments in Segregated Accounts	0	646,445	646,445
<i>Total Assets</i>	<u>35,407</u>	<u>646,445</u>	<u>681,852</u>
Net Assets			
Held in Trust for Scholarships	35,407	29,572	64,979
Endowments	0	616,873	616,873
<i>Total Net Assets</i>	<u>\$35,407</u>	<u>\$646,445</u>	<u>\$681,852</u>

See accompanying notes to the basic financial statements

Medina City School District
Combining Statement of Changes in Fiduciary Net Assets
Private Purpose Trust Funds
For the Fiscal Year Ended June 30, 2008

	Scholarship Trust Fund	Scholarship Endowment Fund	Total Private Purpose Trust Funds
Additions			
Interest	\$1,075	\$13,234	\$14,309
Contributions and Donations	13,500	0	13,500
Miscellaneous	4,163	0	4,163
<i>Total Additions</i>	18,738	13,234	31,972
Deductions			
Scholarships Awarded	18,115	26,500	44,615
<i>Change in Net Assets</i>	623	(13,266)	(12,643)
<i>Net Assets Beginning of Year</i>	34,784	659,711	694,495
<i>Net Assets End of Year</i>	<u>\$35,407</u>	<u>\$646,445</u>	<u>\$681,852</u>

See accompanying notes to the basic financial statements

Medina City School District
Combining Statement of Changes in Assets and Liabilities
All Agency Funds
For the Fiscal Year Ended June 30, 2008

	Balance 06/30/07	Additions	Deductions	Balance 06/30/08
<i>District Agency</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$15,341	\$6,564	\$8,240	\$13,665
Liabilities				
Undistributed Monies	\$15,341	\$6,564	\$8,240	\$13,665
 <i>Student Managed Activities</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$203,040	\$256,837	\$235,976	\$223,901
Liabilities				
Due to Students	\$203,040	\$256,837	\$235,976	\$223,901
 <i>Total - All Agency Funds</i>				
Assets				
Equity in Pooled Cash and Cash Equivalents	\$218,381	\$263,401	\$244,216	\$237,566
Liabilities				
Undistributed Monies	\$15,341	\$6,564	\$8,240	\$13,665
Due to Students	203,040	256,837	235,976	223,901
<i>Total Liabilities</i>	\$218,381	\$263,401	\$244,216	\$237,566

**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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues				
Property Taxes	\$42,870,419	\$43,328,657	\$43,328,657	\$0
Intergovernmental	25,192,789	25,232,318	25,232,318	0
Interest	1,555,518	1,378,066	1,378,066	0
Tuition and Fees	375,468	471,226	471,226	0
Charges for Services	40,053	53,201	53,201	0
Extracurricular Activities	168,763	169,228	169,228	0
Rentals	594,723	590,731	590,731	0
Miscellaneous	254,649	298,576	298,576	0
<i>Total Revenues</i>	<u>71,052,382</u>	<u>71,522,003</u>	<u>71,522,003</u>	<u>0</u>
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries	25,251,254	23,216,400	23,216,400	0
Fringe Benefits	9,378,622	8,524,625	8,524,625	0
Purchased Services	1,802,721	2,066,899	2,066,899	0
Materials and Supplies	853,506	894,783	894,783	0
Capital Outlay	77,580	115,084	115,084	0
Other	530,072	473,455	473,455	0
Total Regular	<u>37,893,755</u>	<u>35,291,246</u>	<u>35,291,246</u>	<u>0</u>
Special:				
Salaries	5,048,034	5,458,139	5,458,139	0
Fringe Benefits	2,250,295	2,361,711	2,361,711	0
Purchased Services	93,337	80,557	80,557	0
Materials and Supplies	18,416	24,886	24,886	0
Capital Outlay	781	7,517	7,517	0
Total Special	<u>7,410,863</u>	<u>7,932,810</u>	<u>7,932,810</u>	<u>0</u>
Vocational:				
Salaries and Wages	326,062	327,010	327,010	0
Fringe Benefits	129,494	138,140	138,140	0
Purchased Services	99	2,497	2,497	0
Materials and Supplies	1,889	10,751	10,751	0
Total Vocational	<u>457,544</u>	<u>478,398</u>	<u>478,398</u>	<u>0</u>
Total Instruction	<u>\$45,762,162</u>	<u>\$43,702,454</u>	<u>\$43,702,454</u>	<u>\$0</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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Support Services:				
Pupils:				
Salaries	\$2,076,889	\$2,182,073	\$2,182,073	\$0
Fringe Benefits	841,310	878,656	878,656	0
Purchased Services	427,130	487,853	487,853	0
Materials and Supplies	30,652	24,950	24,950	0
Capital Outlay	4,655	13,655	13,655	0
Other	354	345	345	0
Total Pupils	3,380,990	3,587,532	3,587,532	0
Instructional Staff:				
Salaries	2,029,034	2,114,525	2,114,525	0
Fringe Benefits	914,805	945,762	945,762	0
Purchased Services	165,740	129,677	129,677	0
Materials and Supplies	122,855	134,256	134,256	0
Capital Outlay	520	8,339	8,339	0
Total Instructional Staff	3,232,954	3,332,559	3,332,559	0
Board of Education:				
Salaries	13,731	17,500	17,500	0
Fringe Benefits	3,040	3,692	3,692	0
Purchased Services	15,594	12,356	12,356	0
Materials and Supplies	897	649	649	0
Other	101,700	70,550	70,550	0
Total Board of Education	134,962	104,747	104,747	0
Administration:				
Salaries	2,840,665	2,792,902	2,792,902	0
Fringe Benefits	1,366,453	1,334,259	1,334,259	0
Purchased Services	500,162	418,325	418,325	0
Materials and Supplies	202,018	218,692	218,692	0
Capital Outlay	1,350	4,390	4,390	0
Other	68,705	40,913	40,913	0
Total Administration	4,979,353	4,809,481	4,809,481	0
Fiscal:				
Salaries	442,986	386,043	386,043	0
Fringe Benefits	212,435	186,455	186,455	0
Purchased Services	35,233	35,755	35,755	0
Materials and Supplies	15,559	15,478	15,478	0
Capital Outlay	889,931	844,560	844,560	0
Other	5,510	5,510	5,510	0
Total Fiscal	\$1,601,654	\$1,473,801	\$1,473,801	\$0

(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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Business:				
Salaries	\$309,744	\$294,205	\$294,205	\$0
Fringe Benefits	163,432	139,898	139,898	0
Purchased Services	189,742	175,289	175,289	0
Materials and Supplies	81,177	96,211	96,211	0
Capital Outlay	1,400	5,019	5,019	0
Other	4,671	4,000	4,000	0
Total Business	750,166	714,622	714,622	0
Operation and Maintenance of Plant:				
Salaries	2,475,125	2,623,377	2,623,377	0
Fringe Benefits	1,133,845	913,316	913,316	0
Purchased Services	3,538,462	3,261,037	3,261,037	0
Materials and Supplies	501,003	487,384	487,384	0
Capital Outlay	268,730	243,098	243,098	0
Other	33,000	16,041	16,041	0
Total Operation and Maintenance of Plant	7,950,165	7,544,253	7,544,253	0
Pupil Transportation:				
Salaries	1,541,924	1,607,823	1,607,823	0
Fringe Benefits	768,683	344,990	344,990	0
Purchased Services	444,689	534,394	534,394	0
Materials and Supplies	352,923	589,842	589,842	0
Total Pupil Transportation	3,108,219	3,077,049	3,077,049	0
Central:				
Salaries	169,802	157,921	157,921	0
Fringe Benefits	77,279	69,093	69,093	0
Purchased Services	153,508	153,516	153,516	0
Materials and Supplies	10,942	10,955	10,955	0
Other	1,556	8,377	8,377	0
Total Central	413,087	399,862	399,862	0
Total Support Services	25,551,550	25,043,906	25,043,906	0
Operation of Non-Instructional Services:				
Community Services:				
Salaries and Wages	31,529	18,392	18,392	0
Fringe Benefits	5,745	3,057	3,057	0
Purchased Services	54,010	27,399	27,399	0
Materials and Supplies	10,937	10,564	10,564	0
Capital Outlay	9,928	10,965	10,965	0
Other	14,363	35,897	35,897	0
Total Operation of Non-Instructional Services	\$126,512	\$106,274	\$106,274	\$0

(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, 2008

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Extracurricular Activities:				
Academic and Subject Oriented Activities:				
Salaries and Wages	\$176,604	\$180,999	\$180,999	\$0
Fringe Benefits	59,968	56,792	56,792	0
Purchased Services	1,420	1,420	1,420	0
Total Academic and Subject Oriented Activities	<u>237,992</u>	<u>239,211</u>	<u>239,211</u>	<u>0</u>
Sport Oriented Activities:				
Salaries and Wages	625,638	712,987	712,987	0
Fringe Benefits	188,859	221,016	221,016	0
Purchased Services	35,020	38,500	38,500	0
Materials and Supplies	5,541	5,419	5,419	0
Total Sport Oriented Activities	<u>855,058</u>	<u>977,922</u>	<u>977,922</u>	<u>0</u>
School and Public Service Co-Curricular Activities:				
Salaries and Wages	29,403	29,131	29,131	0
Fringe Benefits	9,182	8,754	8,754	0
Purchased Services	580	580	580	0
Total School and Public Service Co-Curricular Activities	<u>39,165</u>	<u>38,465</u>	<u>38,465</u>	<u>0</u>
Total Extracurricular Activities	<u>1,132,215</u>	<u>1,255,598</u>	<u>1,255,598</u>	<u>0</u>
Capital Outlay:				
Other Facilities Acquisition and Construction:				
Purchased Services	412,376	383,913	383,913	0
Total Expenditures	<u>72,984,815</u>	<u>70,492,145</u>	<u>70,492,145</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,932,433)</u>	<u>1,029,858</u>	<u>1,029,858</u>	<u>0</u>
Other Financing Sources (Uses)				
Advances In	108,140	32,310	32,310	0
Transfers Out	(100,000)	(180,500)	(180,500)	0
Total Other Financing Sources (Uses)	<u>8,140</u>	<u>(148,190)</u>	<u>(148,190)</u>	<u>0</u>
Net Change in Fund Balance	<u>(1,924,293)</u>	<u>881,668</u>	<u>881,668</u>	<u>0</u>
Fund Balance Beginning of Year	15,506,510	15,506,510	15,506,510	0
Prior Year Encumbrances Appropriated	<u>2,130,783</u>	<u>2,130,783</u>	<u>2,130,783</u>	<u>0</u>
Fund Balance End of Year	<u>\$15,713,000</u>	<u>\$18,518,961</u>	<u>\$18,518,961</u>	<u>\$0</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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$7,590,620	\$7,590,620	\$0
Intergovernmental	1,198,519	1,198,519	0
Miscellaneous	4,523	4,523	0
<i>Total Revenues</i>	<u>8,793,662</u>	<u>8,793,662</u>	<u>0</u>
Expenditures			
Current:			
Support Services:			
Fiscal:			
Other	141,762	141,762	0
Debt Service:			
Principal Retirement	3,326,592	3,326,592	0
Interest and Fiscal Charges	5,843,844	5,843,844	0
Total Debt Service	<u>9,170,436</u>	<u>9,170,436</u>	<u>0</u>
<i>Total Expenditures</i>	<u>9,312,198</u>	<u>9,312,198</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	<u>(518,536)</u>	<u>(518,536)</u>	<u>0</u>
Other Financing Sources			
General Obligation Notes Issued	800,000	800,000	0
Transfers In	90,000	90,000	0
<i>Total Other Financing Sources</i>	<u>890,000</u>	<u>890,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	371,464	371,464	0
<i>Fund Balance Beginning of Year</i>	4,875,790	4,875,790	0
Prior Year Encumbrances Appropriated	62,873	62,873	0
<i>Fund Balance End of Year</i>	<u>\$5,310,127</u>	<u>\$5,310,127</u>	<u>\$0</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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$180,144	\$180,144	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	287	287	0
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	10,000	10,000	0
Capital Outlay:			
Site Acquisition Services:			
Capital Outlay	235,112	235,112	0
Building Acquisition and Construction Services:			
Purchased Services	1,267,252	1,267,252	0
Capital Outlay	493,653	493,653	0
Total Building Acquisition and Construction Services	1,760,905	1,760,905	0
Building Improvement Services:			
Capital Outlay	\$3,142,010	\$3,142,010	\$0

(continued)

Medina City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Building Fund (continued)
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other Facilities Acquisition and Construction Services:			
Purchased Services	\$250	\$250	\$0
Other	90,600	90,600	0
Total Other Facilities Acquisition and Construction Services	90,850	90,850	0
Total Capital Outlay	5,228,877	5,228,877	0
Debt Service:			
Issuance Costs	609,860	609,860	0
<i>Total Expenditures</i>	<i>5,849,024</i>	<i>5,849,024</i>	<i>0</i>
<i>Excess of Revenues Over (Under) Expenditures</i>	<i>(5,668,880)</i>	<i>(5,668,880)</i>	<i>0</i>
Other Financing Sources			
Certificates of Participation Issued	25,000,000	25,000,000	0
Premium on Certificates of Participation	382,339	382,339	0
General Obligation Notes Issued	3,170,000	3,170,000	0
<i>Total Other Financing Sources</i>	<i>28,552,339</i>	<i>28,552,339</i>	<i>0</i>
<i>Net Change in Fund Balance</i>	<i>22,883,459</i>	<i>22,883,459</i>	<i>0</i>
<i>Fund Balance Beginning of Year</i>	<i>721,221</i>	<i>721,221</i>	<i>0</i>
Prior Year Encumbrances Appropriated	365,107	365,107	0
<i>Fund Balance End of Year</i>	<i>\$23,969,787</i>	<i>\$23,969,787</i>	<i>\$0</i>

Medina City School District
Schedule of Revenues, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Food Service Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$392,473	\$392,473	\$0
Interest	34,687	34,687	0
Charges for Services	1,401,029	1,401,029	0
Miscellaneous	7	7	0
<i>Total Revenues</i>	<u>1,828,196</u>	<u>1,828,196</u>	<u>0</u>
Expenditures			
Current:			
Food Service Operations:			
Salaries	682,434	682,434	0
Fringe Benefits	335,018	335,018	0
Purchased Services	128,868	128,868	0
Materials and Supplies	805,662	805,662	0
Capital Outlay	96,661	96,661	0
<i>Total Expenditures</i>	<u>2,048,643</u>	<u>2,048,643</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(220,447)	(220,447)	0
<i>Fund Balance Beginning of Year</i>	877,814	877,814	0
Prior Year Encumbrances Appropriated	<u>193,551</u>	<u>193,551</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$850,918</u></u>	<u><u>\$850,918</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
Uniform School Supply Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Tuition and Fees	\$330,849	\$330,849	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	355,786	355,786	0
Vocational:			
Materials and Supplies	7,985	7,985	0
Total Instruction	363,771	363,771	0
Support Services:			
Business:			
Materials and Supplies	367	367	0
<i>Total Expenditures</i>	364,138	364,138	0
<i>Net Change in Fund Balance</i>	(33,289)	(33,289)	0
<i>Fund Balance Beginning of Year</i>	202,425	202,425	0
Prior Year Encumbrances Appropriated	103,158	103,158	0
<i>Fund Balance End of Year</i>	\$272,294	\$272,294	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Tuition and Fees	\$280,026	\$280,026	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	134,116	134,116	0
Fringe Benefits	59,095	59,095	0
Total Instruction	193,211	193,211	0
Support Services:			
Instructional Staff:			
Salaries	18,246	18,246	0
Fringe Benefits	2,801	2,801	0
Total Instructional Staff	21,047	21,047	0
Administration:			
Salaries	38,848	38,848	0
Fringe Benefits	21,575	21,575	0
Total Administration	60,423	60,423	0
Total Support Services	81,470	81,470	0
<i>Total Expenditures</i>	274,681	274,681	0
<i>Excess of Revenues Over Expenditures</i>	5,345	5,345	0
Other Financing Uses			
Advances Out	(27,000)	(27,000)	0
<i>Net Change in Fund Balance</i>	(21,655)	(21,655)	0
<i>Fund Balance Beginning of Year</i>	28,117	28,117	0
<i>Fund Balance End of Year</i>	\$6,462	\$6,462	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Tuition and Fees	\$14,980	\$14,980	\$0
Extracurricular Activities	442,736	442,736	0
Charges for Services	3,800	3,800	0
Contributions and Donations	92,493	92,493	0
Miscellaneous	42,344	42,344	0
<i>Total Revenues</i>	<u>596,353</u>	<u>596,353</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	12,926	12,926	0
Fringe Benefits	2,177	2,177	0
Total Instruction	<u>15,103</u>	<u>15,103</u>	<u>0</u>
Support Services:			
Pupils:			
Materials and Supplies	500	500	0
Capital Outlay	5,000	5,000	0
Total Pupils	<u>5,500</u>	<u>5,500</u>	<u>0</u>
Instructional Staff:			
Materials and Supplies	93,232	93,232	0
Capital Outlay	2,591	2,591	0
Total Instructional Staff	<u>95,823</u>	<u>95,823</u>	<u>0</u>
Business:			
Purchased Services	6,000	6,000	0
Total Support Services	<u>\$107,323</u>	<u>\$107,323</u>	<u>\$0</u>

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Extracurricular Activities:			
Occupational Oriented Activities:			
Purchased Services	\$45,694	\$45,694	\$0
Materials and Supplies	167,954	167,954	0
Capital Outlay	84,291	84,291	0
Other	268,033	268,033	0
Total Extracurricular Activities	565,972	565,972	0
<i>Total Expenditures</i>	688,398	688,398	0
<i>Excess of Revenues Under Expenditures</i>	(92,045)	(92,045)	0
Other Financing Sources			
Transfers In	500	500	0
<i>Net Change in Fund Balance</i>	(91,545)	(91,545)	0
<i>Fund Balance Beginning of Year</i>	476,958	476,958	0
Prior Year Encumbrances Appropriated	102,297	102,297	0
<i>Fund Balance End of Year</i>	\$487,710	\$487,710	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$80,505	\$80,505	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	26	26	0
Support Services:			
Pupils:			
Salaries	35,496	35,496	0
Fringe Benefits	14,311	14,311	0
Purchased Services	29,198	29,198	0
Total Pupils	79,005	79,005	0
Operation and Maintenance of Plant:			
Materials and Supplies	3,515	3,515	0
Total Support Services	82,520	82,520	0
Operation of Non-Instructional Services:			
Community Services:			
Other	560	560	0
<i>Total Expenditures</i>	83,106	83,106	0
<i>Net Change in Fund Balance</i>	(2,601)	(2,601)	0
<i>Fund Balance Beginning of Year</i>	7,338	7,338	0
Prior Year Encumbrances Appropriated	600	600	0
<i>Fund Balance End of Year</i>	\$5,337	\$5,337	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Extracurricular Activities	\$234,656	\$234,656	\$0
Gifts and Donations	30,708	30,708	0
Miscellaneous	122,191	122,191	0
<i>Total Revenues</i>	<u>387,555</u>	<u>387,555</u>	<u>0</u>
Expenditures			
Current:			
Support Services:			
Administration			
Other	4,482	4,482	0
Extracurricular Activities:			
Academic Oriented Activities:			
Purchased Services	3,988	3,988	0
Materials and Supplies	35,286	35,286	0
Capital Outlay	2,952	2,952	0
Other	621	621	0
Total Academic Oriented Activities	<u>42,847</u>	<u>42,847</u>	<u>0</u>
Occupation Oriented Activities:			
Salaries and Wages	1,634	1,634	0
Materials and Supplies	9,317	9,317	0
Total Occupation Oriented Activities	<u>10,951</u>	<u>10,951</u>	<u>0</u>
Sports Oriented Activities:			
Salaries and Wages	38,988	38,988	0
Fringe Benefits	5,520	5,520	0
Purchased Services	136,488	136,488	0
Materials and Supplies	127,308	127,308	0
Capital Outlay	926	926	0
Other	31,526	31,526	0
Total Sports Oriented Activities	<u>\$340,756</u>	<u>\$340,756</u>	<u>\$0</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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
School and Public Service			
Co-Curricular Activities:			
Materials and Supplies	\$455	\$455	\$0
Other	4,466	4,466	0
Total School and Public Service			
Co-Curricular Activities	4,921	4,921	0
Total Extracurricular Activities	399,475	399,475	0
<i>Total Expenditures</i>	403,957	403,957	0
<i>Net Change in Fund Balance</i>	(16,402)	(16,402)	0
<i>Fund Balance Beginning of Year</i>	77,503	77,503	0
Prior Year Encumbrances Appropriated	19,703	19,703	0
<i>Fund Balance End of Year</i>	\$80,804	\$80,804	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$440,075	\$440,075	\$0
Interest	4,112	4,112	0
<i>Total Revenues</i>	<u>444,187</u>	<u>444,187</u>	<u>0</u>
Expenditures			
Current:			
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	87,753	87,753	0
Fringe Benefits	54,259	54,259	0
Purchased Services	207,951	207,951	0
Materials and Supplies	96,128	96,128	0
Capital Outlay	6,561	6,561	0
<i>Total Expenditures</i>	<u>452,652</u>	<u>452,652</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(8,465)	(8,465)	0
<i>Fund Balance Beginning of Year</i>	24,932	24,932	0
Prior Year Encumbrances Appropriated	<u>44,655</u>	<u>44,655</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$61,122</u></u>	<u><u>\$61,122</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
Management Information Systems Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$26,035	\$26,035	\$0
Expenditures			
Current:			
Support Services:			
Central:			
Materials and Supplies	28,649	28,649	0
<i>Net Change in Fund Balance</i>	(2,614)	(2,614)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	2,614	2,614	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
Entry Year Programs Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$10,400	\$10,400	\$0
Expenditures			
Current:			
Support Services:			
Instructional Staff:			
Salaries	8,577	8,577	0
Fringe Benefits	1,804	1,804	0
<i>Total Expenditures</i>	10,381	10,381	0
<i>Net Change in Fund Balance</i>	19	19	0
<i>Fund Balance Beginning of Year</i>	80	80	0
<i>Fund Balance End of Year</i>	\$99	\$99	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$27,000	\$27,000	\$0
Expenditures			
Current:			
Support Services:			
Central:			
Purchased Services	24,949	24,949	0
Materials and Supplies	2,051	2,051	0
<i>Total Expenditures</i>	27,000	27,000	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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$2,722	\$2,722	\$0
Expenditures			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	1,681	1,681	0
<i>Net Change in Fund Balance</i>	1,041	1,041	0
<i>Fund Balance Beginning of Year</i>	328	328	0
<i>Fund Balance End of Year</i>	<u>\$1,369</u>	<u>\$1,369</u>	<u>\$0</u>

Medina City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio Reads Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures			
Current:			
Support Services:			
Instructional Staff:			
Materials and Supplies	124	124	0
<i>Net Change in Fund Balance</i>	(124)	(124)	0
<i>Fund Balance Beginning of Year</i>	46	46	0
Prior Year Encumbrances Appropriated	109	109	0
<i>Fund Balance End of Year</i>	\$31	\$31	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$58,631	\$58,631	\$0
Expenditures			
Current:			
Support Services:			
Pupils:			
Purchased Services	57,200	57,200	0
Materials and Supplies	1,117	1,117	0
Total Pupils	58,317	58,317	0
Instructional Staff:			
Purchased Services	317	317	0
<i>Total Expenditures</i>	58,634	58,634	0
<i>Net Change in Fund Balance</i>	(3)	(3)	0
<i>Fund Balance Beginning of Year</i>	3	3	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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$81,145	\$81,145	\$0
Expenditures			
Current:			
Support Services:			
Pupils:			
Salaries	43,800	43,800	0
Fringe Benefits	11,208	11,208	0
Purchased Services	17,305	17,305	0
Materials and Supplies	5,317	5,317	0
Total Pupils	77,630	77,630	0
Instructional Staff:			
Purchased Services	5,058	5,058	0
<i>Total Expenditures</i>	82,688	82,688	0
<i>Excess of Revenues Under Expenditures</i>	(1,543)	(1,543)	0
Other Financing Uses			
Advances Out	(5,310)	(5,310)	0
<i>Net Change in Fund Balance</i>	(6,853)	(6,853)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	8,103	8,103	0
<i>Fund Balance End of Year</i>	\$1,250	\$1,250	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,749,277	\$1,749,277	\$0
Expenditures			
Current:			
Instruction:			
Special:			
Salaries	516,619	516,619	0
Fringe Benefits	216,510	216,510	0
Materials and Supplies	80,038	80,038	0
Capital Outlay	19,910	19,910	0
Total Instruction	833,077	833,077	0
Support Services:			
Pupils:			
Salaries	154,727	154,727	0
Fringe Benefits	76,292	76,292	0
Purchased Services	240,937	240,937	0
Total Pupils	471,956	471,956	0
Instructional Staff:			
Salaries	218,813	218,813	0
Fringe Benefits	104,567	104,567	0
Purchased Services	10,000	10,000	0
Total Instructional Staff	333,380	333,380	0
Administration:			
Salaries	742	742	0
Fringe Benefits	125	125	0
Total Administration	867	867	0
Total Support Services	\$806,203	\$806,203	\$0

(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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	\$50,305	\$50,305	\$0
Fringe Benefits	26,082	26,082	0
Purchased Services	28,980	28,980	0
Total Operation of Non-Instructional Services	105,367	105,367	0
<i>Total Expenditures</i>	1,744,647	1,744,647	0
<i>Net Change in Fund Balance</i>	4,630	4,630	0
<i>Fund Deficit Beginning of Year</i>	(30,161)	(30,161)	0
Prior Year Encumbrances Appropriated	18,972	18,972	0
<i>Fund Deficit End of Year</i>	(\$6,559)	(\$6,559)	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$3,457	\$3,457	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	3,458	3,458	0
Support Services:			
Pupils:			
Purchased Services	1,500	1,500	0
<i>Total Expenditures</i>	4,958	4,958	0
<i>Net Change in Fund Balance</i>	(1,501)	(1,501)	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Deficit End of Year</i>	(\$1,501)	(\$1,501)	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$414,865	\$414,865	\$0
Expenditures			
Current:			
Instruction:			
Regular			
Salaries	4,906	4,906	0
Fringe Benefits	569	569	0
Materials and Supplies	19,126	19,126	0
Capital Outlay	4,871	4,871	0
Total Regular	29,472	29,472	0
Special:			
Salaries	216,060	216,060	0
Fringe Benefits	76,118	76,118	0
Materials and Supplies	24,535	24,535	0
Capital Outlay	16,474	16,474	0
Total Special	333,187	333,187	0
Total Instruction	362,659	362,659	0
Support Services:			
Instructional Staff:			
Salaries	7,089	7,089	0
Fringe Benefits	1,064	1,064	0
Purchased Services	5,000	5,000	0
Materials and Supplies	2,417	2,417	0
Total Instructional Staff	15,570	15,570	0
Administration:			
Purchased Services	6,200	6,200	0
Materials and Supplies	4,306	4,306	0
Total Administration	10,506	10,506	0
Total Support Services	\$26,076	\$26,076	\$0

(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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Operation of Non-Instructional Services:			
Community Services:			
Salaries	\$6,711	\$6,711	\$0
Fringe Benefits	3,692	3,692	0
Materials and Supplies	563	563	0
Total Operation of Non-Instructional Services	10,966	10,966	0
<i>Total Expenditures</i>	399,701	399,701	0
<i>Net Change in Fund Balance</i>	15,164	15,164	0
<i>Fund Deficit Beginning of Year</i>	(8,339)	(8,339)	0
Prior Year Encumbrances Appropriated	14,279	14,279	0
<i>Fund Balance End of Year</i>	\$21,104	\$21,104	\$0

Medina City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title V Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$12,089	\$12,089	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	7,123	7,123	0
Support Services:			
Pupils			
Salaries	8,704	8,704	0
Fringe Benefits	1,467	1,467	0
Total Support Services	10,171	10,171	0
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	1,151	1,151	0
<i>Total Expenditures</i>	18,445	18,445	0
<i>Net Change in Fund Balance</i>	(6,356)	(6,356)	0
<i>Fund Balance Beginning of Year</i>	329	329	0
Prior Year Encumbrances Appropriated	214	214	0
<i>Fund Deficit End of Year</i>	(\$5,813)	(\$5,813)	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$17,050	\$17,050	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Materials and Supplies	364	364	0
Support Services:			
Pupils:			
Purchased Services	16,500	16,500	0
Instructional Staff:			
Purchased Services	328	328	0
Total Support Services	16,828	16,828	0
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	918	918	0
<i>Total Expenditures</i>	18,110	18,110	0
<i>Net Change in Fund Balance</i>	(1,060)	(1,060)	0
<i>Fund Balance Beginning of Year</i>	534	534	0
Prior Year Encumbrances Appropriated	221	221	0
<i>Fund Deficit End of Year</i>	(\$305)	(\$305)	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$41,922	\$41,922	\$0
Expenditures			
Current:			
Instruction:			
Special:			
Materials and Supplies	9,007	9,007	0
Capital Outlay	2,168	2,168	0
Total Instruction	11,175	11,175	0
Support Services:			
Pupils:			
Purchased Services	10,000	10,000	0
Instructional Staff:			
Salaries	19,656	19,656	0
Fringe Benefits	3,078	3,078	0
Purchased Services	900	900	0
Total Instructional Staff	23,634	23,634	0
Total Support Services	33,634	33,634	0
<i>Total Expenditures</i>	44,809	44,809	0
<i>Net Change in Fund Balance</i>	(2,887)	(2,887)	0
<i>Fund Deficit Beginning of Year</i>	(3,889)	(3,889)	0
Prior Year Encumbrances Appropriated	1,455	1,455	0
<i>Fund Deficit End of Year</i>	(\$5,321)	(\$5,321)	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$175,564	\$175,564	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries	73,002	73,002	0
Fringe Benefits	29,725	29,725	0
Total Instruction	102,727	102,727	0
Support Services:			
Instructional Staff:			
Salaries	19,499	19,499	0
Fringe Benefits	3,515	3,515	0
Purchased Services	46,322	46,322	0
Materials and Supplies	11,679	11,679	0
Total Support Services	81,015	81,015	0
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	7,232	7,232	0
Materials and Supplies	3,396	3,396	0
Total Operation of Non-Instructional Services	10,628	10,628	0
<i>Total Expenditures</i>	194,370	194,370	0
<i>Net Change in Fund Balance</i>	(18,806)	(18,806)	0
<i>Fund Deficit Beginning of Year</i>	(7,525)	(7,525)	0
Prior Year Encumbrances Appropriated	6,283	6,283	0
<i>Fund Deficit End of Year</i>	(\$20,048)	(\$20,048)	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$3,980	\$3,980	\$0
Expenditures			
Current:			
Support Services:			
Instructional Staff:			
Salaries	1,303	1,303	0
Fringe Benefits	232	232	0
Purchased Services	500	500	0
Total Support Services	2,035	2,035	0
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	278	278	0
<i>Total Expenditures</i>	2,313	2,313	0
<i>Net Change in Fund Balance</i>	1,667	1,667	0
<i>Fund Deficit Beginning of Year</i>	(1,320)	(1,320)	0
<i>Fund Balance End of Year</i>	\$347	\$347	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$480,610	\$480,610	\$0
Intergovernmental	126,267	126,267	0
Miscellaneous	21,086	21,086	0
<i>Total Revenues</i>	<u>627,963</u>	<u>627,963</u>	<u>0</u>
Expenditures			
Current:			
Support Services:			
Fiscal:			
Other	<u>10,390</u>	<u>10,390</u>	<u>0</u>
Operation and Maintenance of Plant:			
Purchased Services	1,066,805	1,066,805	0
Materials and Supplies	<u>159,497</u>	<u>159,497</u>	<u>0</u>
Total Operation and Maintenance of Plant	<u>1,226,302</u>	<u>1,226,302</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,236,692</u>	<u>1,236,692</u>	<u>0</u>
<i>Excess of Revenues Under Expenditures</i>	(608,729)	(608,729)	0
Other Financing Sources			
Transfers In	<u>90,000</u>	<u>90,000</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(518,729)	(518,729)	0
<i>Fund Balance Beginning of Year</i>	505,429	505,429	0
Prior Year Encumbrances Appropriated	<u>128,932</u>	<u>128,932</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u><u>\$115,632</u></u>	<u><u>\$115,632</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
Capital Grants Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$312,336	\$312,336	\$0
Expenditures			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	148,683	148,683	0
Materials and Supplies	132,334	132,334	0
Capital Outlay	28,916	28,916	0
<i>Total Expenditures</i>	309,933	309,933	0
<i>Net Change in Fund Balance</i>	2,403	2,403	0
<i>Fund Balance Beginning of Year</i>	0	0	0
<i>Fund Balance End of Year</i>	\$2,403	\$2,403	\$0

Medina City School District
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$47,560	\$47,560	\$0
Expenditures			
Current:			
Instruction:			
Regular:			
Capital Outlay	47,560	47,560	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, Expenses and Changes
In Fund Equity - Budget (Non-GAAP Basis) and Actual
Self Insurance Fund
For the Fiscal Year Ended June 30, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Charges for Services	\$8,242,962	\$8,242,962	\$0
Miscellaneous	1,884	1,884	0
<i>Total Revenues</i>	<u>8,244,846</u>	<u>8,244,846</u>	<u>0</u>
Expenses			
Purchased Services	746,808	746,808	0
Claims	6,689,726	6,689,726	0
<i>Total Expenses</i>	<u>7,436,534</u>	<u>7,436,534</u>	<u>0</u>
<i>Net Change in Fund Equity</i>	808,312	808,312	0
<i>Fund Equity Beginning of Year</i>	<u>1,657,522</u>	<u>1,657,522</u>	<u>0</u>
<i>Fund Equity End of Year</i>	<u><u>\$2,465,834</u></u>	<u><u>\$2,465,834</u></u>	<u><u>\$0</u></u>

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$1,075	\$1,075	\$0
Contributions and Donations	13,500	13,500	0
Miscellaneous	4,164	4,164	0
<i>Total Revenues</i>	18,739	18,739	0
Expenses			
Scholarships Awarded	18,115	18,115	0
<i>Net Change in Fund Equity</i>	624	624	0
<i>Fund Equity Beginning of Year</i>	26,508	26,508	0
<i>Fund Equity End of Year</i>	\$27,132	\$27,132	\$0

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, 2008

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Interest	\$13,234	\$13,234	\$0
Expenses			
Scholarships Awarded	26,500	26,500	0
<i>Net Change in Fund Equity</i>	(13,266)	(13,266)	0
<i>Fund Equity Beginning of Year</i>	667,986	667,986	0
<i>Fund Equity End of Year</i>	\$654,720	\$654,720	\$0

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Statistical Section

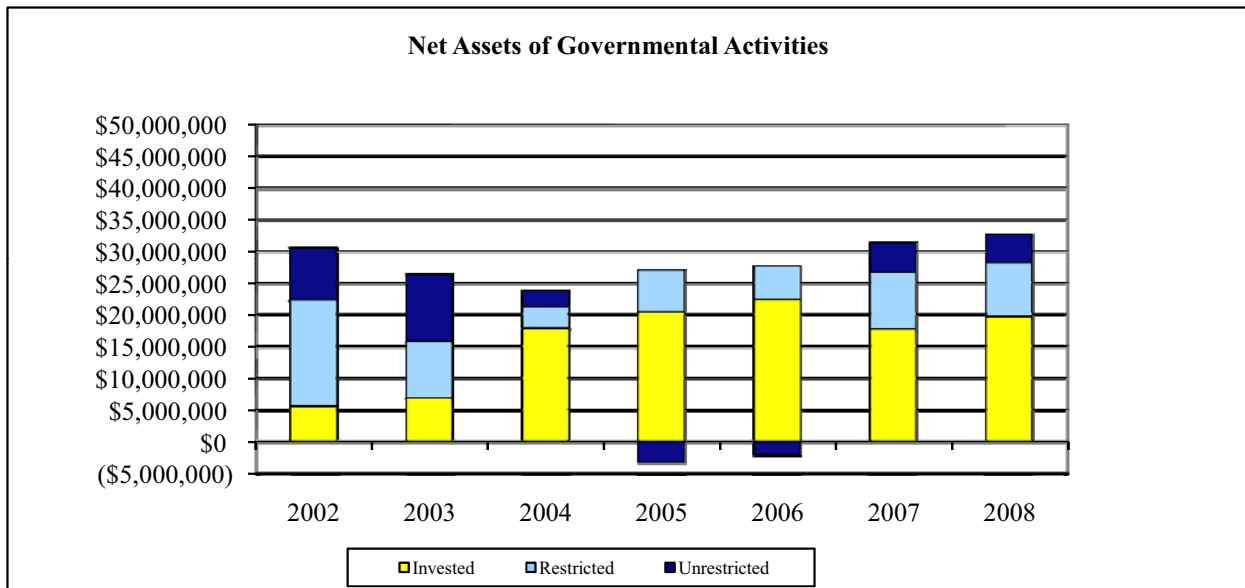
This part of School District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the School District's overall financial health.

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial position has changed over time.	S2 - S13
Revenue Capacity 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.	S14 - S23
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S24 - S28
Economic and Demographic Information 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.	S29 - S30
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S31 - S38

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 Seven Fiscal Years
(accrual basis of accounting)

	2002	2003	2004	2005
Governmental Activities:				
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)
Total Governmental Activities Net Assets	\$30,574,851	\$26,311,645	\$23,656,766	\$23,664,211



<u>2006</u>	<u>2007</u>	<u>2008</u>
\$22,299,979	\$17,700,155	\$19,614,453
1,604,086	1,760,228	862,982
1,734,303	5,209,640	5,591,210
1,925,389	1,865,953	2,076,273
<u>(2,084,773)</u>	<u>4,769,743</u>	<u>4,437,226</u>
<u>\$25,478,984</u>	<u>\$31,305,719</u>	<u>\$32,582,144</u>

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

	2002	2003	2004	2005
Expenses				
Governmental Activities:				
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
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>
Program Revenues				
Governmental Activities:				
Charges for Services				
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
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
Operating Grants and Contributions				
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
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
Capital Grants and Contributions				
Regular Instruction	0	0	0	55,860
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>
Net Expense	<u>(\$58,747,604)</u>	<u>(\$72,829,889)</u>	<u>(\$66,284,699)</u>	<u>(\$67,547,846)</u>

2006	2007	2008
\$33,744,540	\$36,744,365	\$37,092,181
8,352,258	8,791,564	9,487,412
478,747	481,880	550,842
3,686,406	3,849,169	4,403,313
3,714,245	3,771,991	4,199,455
122,422	94,167	100,378
5,002,065	5,190,273	5,076,677
1,236,246	1,299,163	1,611,380
594,498	633,342	629,012
7,290,435	7,888,331	8,746,641
3,288,084	3,475,379	3,304,386
392,850	399,289	451,852
670,885	680,315	793,166
1,580,863	2,042,525	2,012,227
1,619,951	1,429,926	2,188,722
5,542,505	3,213,391	4,274,109
<u>77,317,000</u>	<u>79,985,070</u>	<u>84,921,753</u>
667,572	818,231	758,527
22,796	91,104	62,986
6,107	13,304	11,511
9,744	40,196	28,061
114,156	101,066	46,386
397	1,163	776
349,614	418,251	90,100
3,675	14,788	11,293
10,876	23,858	5,718
465,129	87,949	650,036
9,473	38,790	23,306
1,069	4,296	3,061
207	692	690
1,459,644	1,396,564	1,401,029
616,125	202,125	872,975
193,173	170,039	289,482
1,015,786	2,812,094	2,884,930
311	0	0
575,251	489,803	697,992
462,386	447,281	473,789
111,983	129,594	41,053
1,279	3,931	203
0	0	3,117
1,944	1,323,302	1,350,101
51,515	51,804	53,035
656,832	578,090	574,286
105,987	506,124	502,383
241	33,955	107,069
0	0	0
88,158	0	0
0	46,409	32,178
<u>\$7,001,430</u>	<u>\$9,844,803</u>	<u>\$10,976,073</u>
<u>(\$70,315,570)</u>	<u>(\$70,140,267)</u>	<u>(\$73,945,680)</u>

(continued)

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

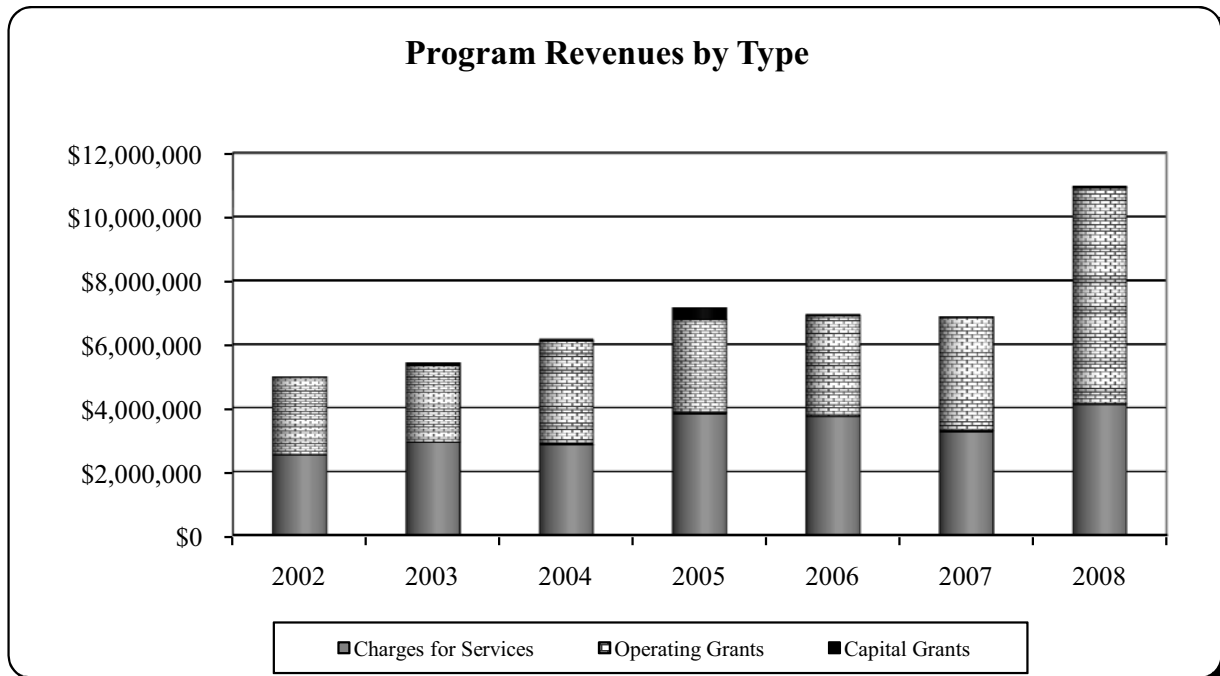
	2002	2003	2004	2005
General Revenues				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	32,867,815	33,300,571	33,838,374	36,255,307
Debt Service	6,552,274	6,551,886	6,768,939	7,597,318
Capital Projects	522,837	520,899	520,050	542,871
Grants and Entitlements not Restricted 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
40,211,316	44,178,727	40,064,362
7,081,869	7,270,269	6,896,827
611,367	591,922	541,958
22,629,905	21,667,425	23,235,176
0	0	2,433,225
1,020,569	1,657,850	1,558,210
148,570	0	0
426,747	600,809	492,347
<u>72,130,343</u>	<u>75,967,002</u>	<u>75,222,105</u>
<u>\$1,814,773</u>	<u>\$5,826,735</u>	<u>\$1,276,425</u>

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

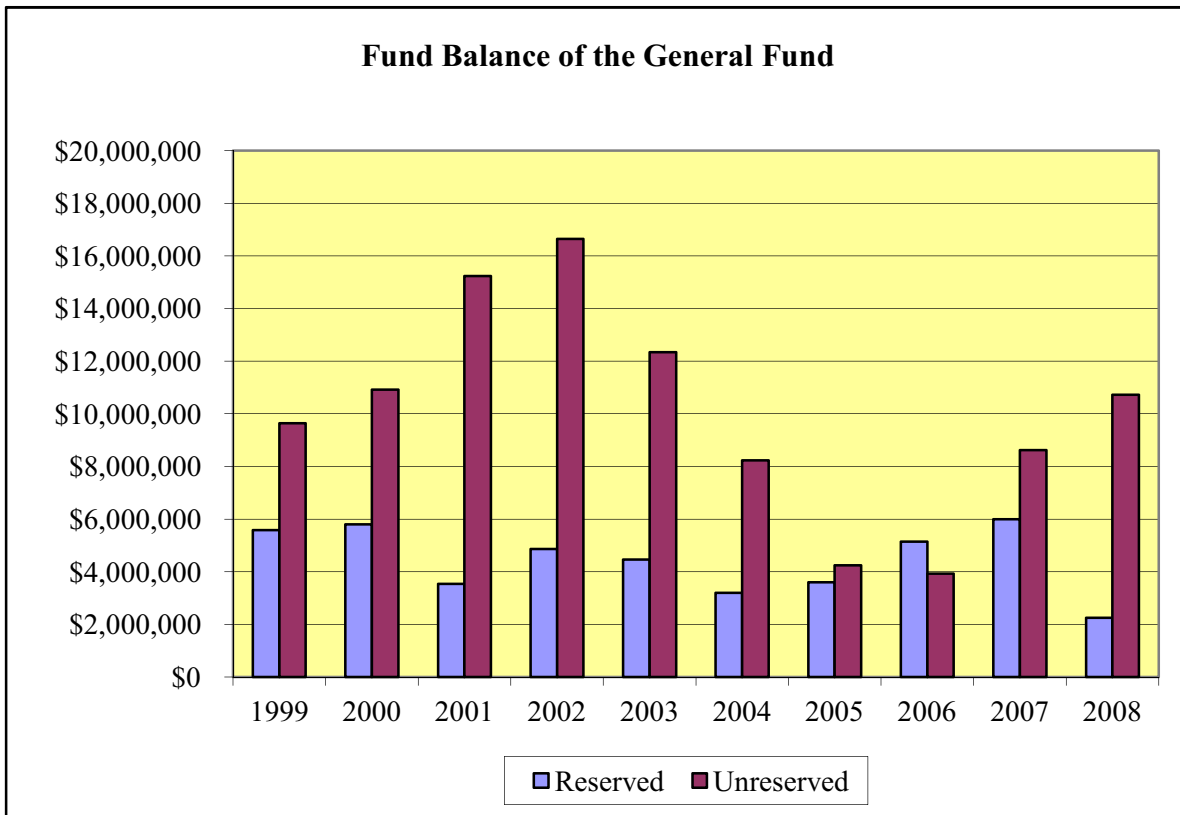
<i>Governmental Activities</i>	2002	2003	2004	2005
<i>Function:</i>				
Regular Instruction	\$411,589	\$852,079	\$921,230	\$904,640
Special Instruction	712,201	875,231	902,392	1,136,680
Vocational Instruction	238,888	5,353	187,881	2,963
Pupil Support	249,565	251,627	520,687	453,126
Instructional Staff 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>



<u>2006</u>	<u>2007</u>	<u>2008</u>
\$860,745	\$988,270	\$1,048,009
1,038,582	2,903,198	2,947,916
6,418	13,304	11,511
584,995	529,999	726,053
576,542	548,347	520,175
397	1,163	776
461,597	547,845	131,153
3,675	14,788	11,293
12,155	27,789	5,921
553,287	87,949	653,153
11,417	1,408,501	1,405,585
52,584	56,100	56,096
657,039	578,782	574,976
1,565,631	1,902,688	1,903,412
616,366	236,080	980,044
<u>\$7,001,430</u>	<u>\$9,844,803</u>	<u>\$10,976,073</u>

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

	1999	2000	2001	2002
General Fund				
Reserved	\$5,576,924	\$5,793,418	\$3,541,841	\$4,860,646
Unreserved (Deficit)	9,646,922	10,920,032	15,238,593	16,646,254
<i>Total General Fund</i>	<u>15,223,846</u>	<u>16,713,450</u>	<u>18,780,434</u>	<u>21,506,900</u>
All Other Governmental Funds				
Reserved	751,026	14,787,385	46,175,759	21,943,990
Unreserved, Undesignated, Reported in:				
Special Revenue Funds (Deficit)	(344,578)	1,295,310	1,276,059	1,513,524
Debt Service Funds	1,572,467	1,012,061	2,572,618	2,920,494
Capital Projects Funds (Deficit)	95,883	60,665,536	7,088,986	3,945,262
<i>Total All Other Governmental Funds</i>	<u>2,074,798</u>	<u>77,760,292</u>	<u>57,113,422</u>	<u>30,323,270</u>
<i>Total Governmental Funds</i>	<u><u>\$17,298,644</u></u>	<u><u>\$94,473,742</u></u>	<u><u>\$75,893,856</u></u>	<u><u>\$51,830,170</u></u>



<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
\$4,466,961	\$3,197,370	\$3,593,934	\$5,145,286	\$5,997,867	\$2,255,107
<u>12,344,523</u>	<u>8,232,862</u>	<u>4,237,501</u>	<u>3,927,924</u>	<u>8,615,570</u>	<u>10,724,580</u>
<u>16,811,484</u>	<u>11,430,232</u>	<u>7,831,435</u>	<u>9,073,210</u>	<u>14,613,437</u>	<u>12,979,687</u>
5,874,382	1,811,467	1,317,841	1,539,235	1,794,755	3,301,204
1,333,356	1,695,070	1,469,558	1,724,219	1,566,533	1,538,348
3,536,898	4,113,974	6,357,861	5,092,357	4,875,440	5,579,138
<u>(387,375)</u>	<u>259,711</u>	<u>(87,960)</u>	<u>87,110</u>	<u>372,790</u>	<u>22,585,985</u>
<u>10,357,261</u>	<u>7,880,222</u>	<u>9,057,300</u>	<u>8,442,921</u>	<u>8,609,518</u>	<u>33,004,675</u>
<u>\$27,168,745</u>	<u>\$19,310,454</u>	<u>\$16,888,735</u>	<u>\$17,516,131</u>	<u>\$23,222,955</u>	<u>\$45,984,362</u>

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

	1999	2000	2001	2002
Revenues				
Property Taxes	\$30,255,591	\$33,792,572	\$37,840,227	\$39,925,707
Intergovernmental	14,566,125	16,448,766	18,916,553	25,504,290
Interest	1,243,448	6,370,949	5,624,294	2,382,163
Tuition and Fees	372,220	288,519	306,279	228,995
Charges for Services	20,373	23,658	19,240	1,642,908
Extracurricular Activities	593,359	781,800	695,911	640,590
Contributions and Donations	121,847	181,416	116,539	161,470
Rentals	33,413	34,945	25,521	0
Miscellaneous	150,980	181,713	188,519	258,974
<i>Total Revenues</i>	<u>47,357,356</u>	<u>58,104,338</u>	<u>63,733,083</u>	<u>70,745,097</u>
Expenditures				
Current:				
Instruction:				
Regular	19,797,861	21,054,249	22,890,504	25,634,525
Special	5,117,946	5,235,670	5,274,314	6,111,779
Vocational	503,760	481,251	532,444	748,895
Adult/Continuing	1,283,229	1,309,972	1,175,316	0
Support Services:				
Pupils	2,327,603	2,512,342	2,651,897	3,047,752
Instructional Staff	2,282,043	2,539,090	2,923,907	3,186,795
Board of Education	55,282	55,603	67,116	63,572
Administration	3,051,016	3,497,201	3,679,788	3,760,093
Fiscal	935,560	1,077,534	1,148,474	1,229,106
Business	667,799	438,032	730,694	838,703
Operation and Maintenance of Plant	3,905,404	4,665,462	4,670,870	5,460,356
Pupil Transportation	1,733,485	2,507,352	2,859,476	2,647,721
Central	224,036	239,447	212,400	332,019
Operation of Non-Instructional Services	384,255	477,146	519,931	1,788,332
Food Service Operations	0	0	0	0
Extracurricular Activities	999,604	1,127,588	1,031,084	1,139,742
Capital Outlay	1,267,828	6,812,605	28,102,248	32,195,765
Debt Service:				
Principal Retirement	1,270,000	533,855	505,542	1,874,555
Interest and Fiscal Charges	566,350	3,642,178	4,287,355	4,243,632
Capital Appreciation Bonds Interest	0	431,145	469,458	505,441
Issuance Costs	0	0	0	0
<i>Total Expenditures</i>	<u>46,373,061</u>	<u>58,637,722</u>	<u>83,732,818</u>	<u>94,808,783</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>984,295</u>	<u>(533,384)</u>	<u>(19,999,735)</u>	<u>(24,063,686)</u>
Other Financing Sources (Uses)				
Sale of Capital Assets	45,128	22,147	21,472	0
Certificates of Participation Issued	0	0	0	0
Premium on Certificates of Participation	0	0	0	0
General Obligation Bonds Issued	0	77,649,923	0	0
Refunding Bonds Issued	0	0	0	0
Long-Term Notes Issued	0	0	0	0
Payment to Refunded Bond Escrow Agent	0	0	0	0
Premium on Debt Issuance	0	0	0	0
Refund of Prior Year Expenditures	4,105	31,604	1,404,377	0
Refund of Prior Year Receipts	(634)	(49,000)	0	0
Inception of Capital Lease	0	0	0	0
Other Financing Sources	71,843	101,308	0	0
Transfers In	189,300	190,300	185,700	230,800
Transfers Out	(195,300)	(237,800)	(191,700)	(230,800)
<i>Total Other Financing Sources (Uses)</i>	<u>114,442</u>	<u>77,708,482</u>	<u>1,419,849</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$1,098,737</u>	<u>\$77,175,098</u>	<u>(\$18,579,886)</u>	<u>(\$24,063,686)</u>
Debt Service as a Percentage of Noncapital Expenditures	4.1%	8.9%	9.5%	10.6%

2003	2004	2005	2006	2007	2008
\$40,326,704	\$41,270,977	\$42,249,888	\$48,715,509	\$53,119,044	\$47,228,459
26,705,031	25,031,308	25,309,411	25,805,432	28,117,339	31,045,401
2,131,019	277,491	521,427	1,020,569	1,657,850	1,597,009
742,484	719,625	777,883	761,931	811,381	1,069,407
1,310,795	1,418,384	1,480,687	1,515,108	1,419,814	1,458,030
809,626	648,650	777,201	1,016,174	768,423	846,620
109,784	97,329	90,179	78,071	139,342	123,201
41,114	56,265	784,629	443,371	252,759	592,398
1,700,581	289,737	512,112	426,747	600,809	492,347
<u>73,877,138</u>	<u>69,809,766</u>	<u>72,503,417</u>	<u>79,782,912</u>	<u>86,886,761</u>	<u>84,452,872</u>
29,769,452	30,730,888	31,140,962	33,440,222	34,604,124	35,088,881
6,854,606	7,110,159	7,442,654	7,980,189	8,527,594	9,199,549
477,478	708,077	458,008	428,675	428,889	495,985
0	0	0	0	0	0
3,280,511	3,502,390	3,282,455	3,519,652	3,737,001	4,249,137
3,546,502	3,648,014	3,455,254	3,418,478	3,490,156	3,868,900
98,298	100,340	106,870	122,422	94,167	100,378
4,435,579	4,729,199	4,597,127	4,747,689	4,997,116	4,817,598
1,408,111	1,461,971	1,399,417	1,229,836	1,312,713	1,441,355
829,984	712,154	710,053	587,202	626,923	652,691
6,934,014	7,190,117	7,174,756	7,089,627	7,674,882	7,416,723
3,050,301	2,658,335	2,979,467	2,914,756	3,142,437	2,996,693
360,824	409,528	418,908	390,522	396,554	447,076
721,548	585,285	2,079,589	666,722	679,614	626,860
1,330,243	1,346,962	119,736	1,427,477	1,902,266	2,007,057
1,682,521	1,426,146	1,360,476	1,576,337	1,386,813	2,134,493
26,992,228	4,380,538	2,547,691	507,844	374,509	5,675,847
2,255,243	2,479,867	2,738,112	5,020,293	2,654,658	2,558,322
4,165,430	4,087,954	2,486,713	3,781,436	3,386,848	3,357,991
369,757	400,133	426,888	454,707	2,199,305	2,498,408
0	0	513,798	0	0	609,860
<u>98,562,630</u>	<u>77,668,057</u>	<u>75,438,934</u>	<u>79,304,086</u>	<u>81,616,569</u>	<u>90,243,804</u>
<u>(24,685,492)</u>	<u>(7,858,291)</u>	<u>(2,935,517)</u>	<u>478,826</u>	<u>5,270,192</u>	<u>(5,790,932)</u>
24,067	0	0	148,570	0	0
0	0	0	0	0	25,000,000
0	0	0	0	0	382,339
0	0	0	0	0	0
0	0	59,239,897	0	0	0
0	0	0	0	0	3,170,000
0	0	(62,710,820)	0	0	0
0	0	3,984,721	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	436,632	0
0	0	0	0	0	0
7,767	0	69,944	0	32,929	180,500
<u>(7,767)</u>	<u>0</u>	<u>(69,944)</u>	<u>0</u>	<u>(32,929)</u>	<u>(180,500)</u>
<u>24,067</u>	<u>0</u>	<u>513,798</u>	<u>148,570</u>	<u>436,632</u>	<u>28,552,339</u>
<u>(\$24,661,425)</u>	<u>(\$7,858,291)</u>	<u>(\$2,421,719)</u>	<u>\$627,396</u>	<u>\$5,706,824</u>	<u>\$22,761,407</u>
8.9%	9.7%	8.4%	11.7%	10.1%	10.5%

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

Collection Year	Real Property			Estimated Actual Value	Tangible Personal Property	
	Assessed Value		Total		Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU			Assessed Value	Estimated Actual Value
1999	\$494,995,230	\$144,520,470	\$639,515,700	\$1,827,187,714	\$33,111,340	\$37,626,523
2000	525,943,550	150,814,720	676,758,270	1,933,595,057	31,034,160	35,266,091
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

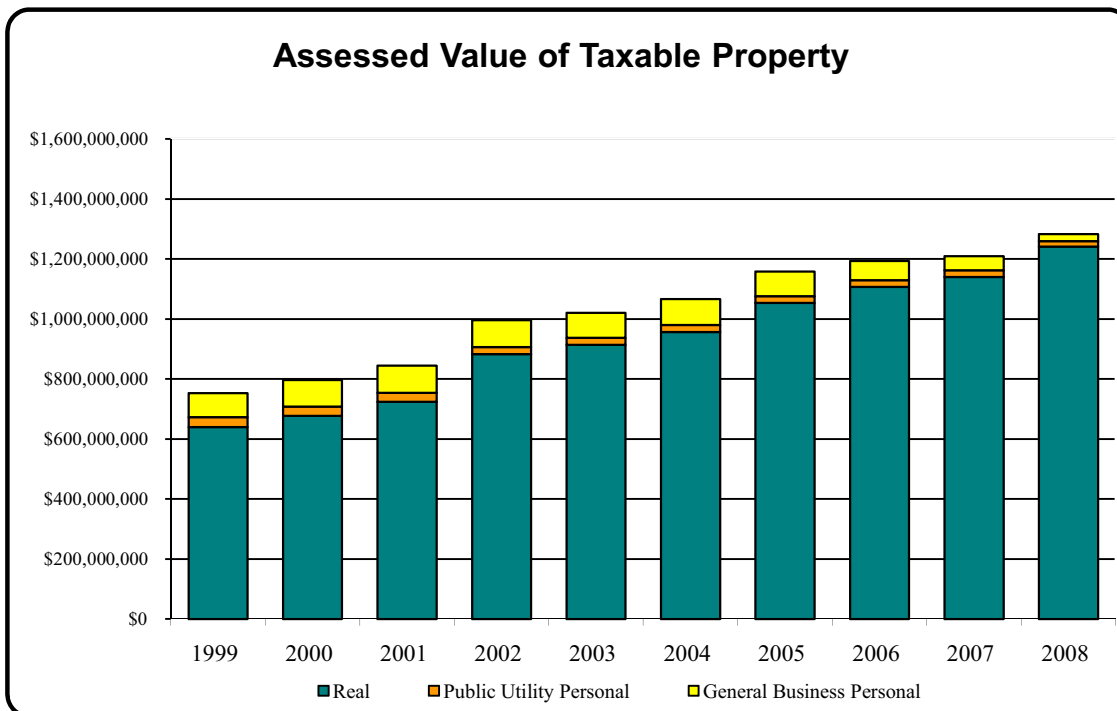
Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

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 listing percentage is 6.25 percent for 2008 and zero for 2009.

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					
General Business		Total			
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	Weighted Average Tax Rate
\$79,637,600	\$318,550,400	\$752,264,640	\$2,183,364,637	34.45 %	\$45.035937
88,674,198	354,696,792	796,466,628	2,323,557,940	34.28	51.336677
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



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

	1999	2000	2001	2002
Unvoted Millage				
Operating	\$4.300000	\$4.300000	\$4.300000	\$4.300000
Voted Millage - by levy				
1976 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	5.766400	5.758500	5.762000	4.996900
Commercial/Industrial and Public Utility Real	9.826300	9.770700	9.636900	7.462500
General Business and Public Utility Personal	30.100000	30.100000	30.100000	30.100000
1976 Permanent Improvement				
Effective Millage Rates				
Residential/Agricultural Real	0.383200	0.382600	0.382900	0.332000
Commercial/Industrial and Public Utility Real	0.652900	0.649200	0.640300	0.495900
General Business and Public Utility Personal	2.000000	2.000000	2.000000	2.000000
1983 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	4.557800	4.551500	4.554300	3.949500
Commercial/Industrial and Public Utility Real	5.144400	5.115300	5.045300	3.906900
General Business and Public Utility Personal	8.910000	8.910000	8.910000	8.910000
1984 Bond (\$750,000)	0.070000	0.000000	0.000000	0.000000
1986 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	3.695200	3.690100	3.692400	3.202000
Commercial/Industrial and Public Utility Real	4.150300	4.126900	4.070400	3.152000
General Business and Public Utility Personal	6.480000	6.480000	6.480000	6.480000
1987 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	2.817000	2.813100	2.814900	2.441100
Commercial/Industrial and Public Utility Real	3.164000	3.146100	3.103000	2.402900
General Business and Public Utility Personal	4.940000	4.940000	4.940000	4.940000
1990 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	7.632700	7.622200	7.626900	6.614000
Commercial/Industrial and Public Utility Real	8.393300	8.345800	8.231600	6.374300
General Business and Public Utility Personal	11.700000	11.700000	11.700000	11.700000
1992 Bond (\$17,900,000)	2.020000	2.020000	2.020000	1.250000
1995 Operating - continuing				
Effective Millage Rates				
Residential/Agricultural Real	6.362200	6.353400	6.357300	5.513100
Commercial/Industrial and Public Utility Real	6.333100	6.297200	6.211000	4.809600
General Business and Public Utility Personal	8.400000	8.400000	8.400000	8.400000

2003	2004	2005	2006	2007	2008
\$4.300000	\$4.300000	\$4.300000	\$4.300000	\$4.300000	\$4.300000
4.956300	4.921000	4.590500	4.560400	4.526200	4.172500
7.566100	7.592200	7.339600	7.444100	7.480600	6.881300
30.100000	30.100000	30.100000	30.100000	30.100000	30.100000
0.329300	0.327000	0.305000	0.303000	0.300700	0.277200
0.502700	0.504500	0.487700	0.494600	0.497100	0.457200
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
3.917500	3.889500	3.628300	3.604500	3.577500	3.297900
3.961100	3.974800	3.842500	3.897200	3.916300	3.602500
8.910000	8.910000	8.910000	8.910000	8.910000	8.910000
0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
3.176000	3.153400	2.941600	2.922300	2.900400	2.673700
3.195700	3.206700	3.100000	3.144200	3.159600	2.906400
6.480000	6.480000	6.480000	6.480000	6.480000	6.480000
2.421200	2.404000	2.242500	2.227800	2.211100	2.038300
2.436200	2.444600	2.363300	2.397000	2.408700	2.215700
4.940000	4.940000	4.940000	4.940000	4.940000	4.940000
6.560300	6.513500	6.076100	6.036200	5.990900	5.522800
6.462700	6.485000	6.269200	6.358500	6.389700	5.877700
11.700000	11.700000	11.700000	11.700000	11.700000	11.700000
1.250000	1.250000	1.250000	1.100000	1.100000	1.100000
5.468300	5.429200	5.064600	5.031400	4.993700	4.603500
4.876400	4.893200	4.730400	4.797700	4.821300	4.435000
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

	1999	2000	2001	2002
1999 Bond (\$77,650,000)	\$0.000000	\$6.440000	\$6.440000	\$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
Total Voted Millage by type of Property				
Residential/Agricultural Real	33.304500	39.631400	39.650700	34.298600
Commercial/Industrial and Public Utility Real	39.754300	45.911200	45.398500	35.854100
General Business and Public Utility Personal	74.620000	80.990000	80.990000	79.780000
Total Millage by type of Property				
Residential/Agricultural Real	37.604500	43.931400	43.950700	38.598600
Commercial/Industrial and Public Utility Real	44.054300	50.211200	49.698500	40.154100
General Business and Public Utility Personal	78.920000	85.290000	85.290000	84.080000
Overlapping Rates by Taxing District				
Medina County				
Effective Millage Rates				
Residential/Agricultural Real	5.425100	5.699300	7.051300	6.516600
Commercial/Industrial and Public Utility Real	5.931200	6.163600	7.267300	6.245100
General Business and Public Utility Personal	7.920000	8.200000	8.190000	8.060000
City of Medina				
Effective Millage Rates				
Residential/Agricultural Real	5.234200	5.233000	5.800000	5.420000
Commercial/Industrial and Public Utility Real	5.425800	5.438000	5.784200	5.208300
General Business and Public Utility Personal	6.000000	6.000000	5.800000	5.700000
Medina County Joint Vocational School District				
Effective Millage Rates				
Residential/Agricultural Real	2.000000	2.000000	2.004500	1.999600
Commercial/Industrial and Public Utility Real	2.215400	2.180500	2.165500	2.000000
General Business and Public Utility Personal	3.050000	3.050000	3.050000	3.050000
Medina County Library				
Effective Millage Rates				
Residential/Agricultural Real	0.806400	0.804700	0.807800	0.696800
Commercial/Industrial and Public Utility Real	0.912500	0.898000	0.892000	0.686900
General Business and Public Utility Personal	1.250000	1.250000	1.250000	1.250000
Medina County Park District				
Effective Millage Rates				
Residential/Agricultural Real	0.475800	0.474900	0.476800	0.412100
Commercial/Industrial and Public Utility Real	0.499600	0.492700	0.489100	0.377100
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.

2003	2004	2005	2006	2007	2008
\$6.000000	\$6.000000	\$6.000000	\$5.650000	\$5.650000	\$5.650000
0.000000	0.000000	0.000000	7.848200	7.789300	7.180600
0.000000	0.000000	0.000000	7.900000	7.900000	7.267000
0.000000	0.000000	0.000000	7.900000	7.900000	7.900000
34.078900	33.887600	32.098600	39.283800	39.039800	36.516500
36.250900	36.351000	35.382700	43.183300	43.323300	40.392800
79.780000	79.780000	79.780000	87.180000	87.180000	87.180000
38.378900	38.187600	36.398600	43.583800	43.339800	40.816500
40.550900	40.651000	39.682700	47.483300	47.623300	44.692800
84.080000	84.080000	84.080000	91.480000	91.480000	91.480000
6.679000	6.650400	6.356000	6.336100	6.251000	5.925900
6.453600	6.466900	6.256500	6.280500	6.203800	5.975200
8.240000	8.230000	8.220000	8.210000	8.070000	8.070000
5.408900	5.412700	5.308500	5.206600	5.055200	4.929100
5.230100	5.237600	5.188100	5.094500	4.951600	4.819600
5.700000	5.700000	5.700000	5.600000	5.450000	5.450000
2.000000	2.000000	2.000000	2.000000	2.000000	2.000000
2.012200	2.028100	2.000000	2.027400	2.021400	2.000000
3.050000	3.050000	3.050000	3.050000	3.050000	3.050000
0.693300	1.690300	1.641100	1.639700	1.634800	2.138800
0.691900	1.697400	1.658500	1.667700	1.666100	2.160500
1.250000	2.250000	2.250000	2.250000	2.250000	2.250000
0.410600	0.408800	0.380100	0.379000	0.744600	0.677700
0.380200	0.382600	0.362600	0.365400	0.742400	0.692200
0.500000	0.500000	0.500000	0.500000	0.750000	0.750000

Medina City School District
Property Tax Levies and Collections (1)
Collection Year 2007 (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%

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 2008 information cannot be presented because all collections have not been made by June 30, 2008.
- (4) The County does not identify delinquent tax collections by tax year.

Medina City School District

Principal Taxpayers

Real Estate Tax

2008 and 1999

Name of Taxpayer	2008	
	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
Total	\$40,574,740	3.27 %
Total Real Estate Valuation	\$1,241,670,010	

Name of Taxpayer	1999	
	Assessed Valuation	Percent of Real Assessed Value
Oaks at Medina	\$5,801,130	0.91 %
Hardware Wholesalers, Incorporated	3,316,130	0.52
Associated Estates Realty Corporation	3,100,320	0.48
Medina Retail Limited Partnership	2,920,840	0.46
FMD Limited Partnership	2,829,750	0.44
Low, William H. Jr., Trustee	2,819,200	0.44
Medina Village Apartments, Limited	2,257,500	0.35
Octagon Associates	1,998,180	0.31
Camelot Place	1,955,970	0.31
Wal-Mart Stores, Incorporated	1,827,490	0.29
Total	\$28,826,510	4.51 %
Total Real Estate Valuation	\$639,515,700	

Source: Office of the Auditor, Medina County, Ohio

Medina City School District
Principal Taxpayers
Tangible Personal Property Tax
2008 and 1999

Name of Taxpayer	2008	
	Assessed Valuation	Percent of Tangible Assessed Value
Owens Corning Sales, LLC	\$2,612,850	11.01 %
Verizon North, Incorporated	1,789,370	7.54
Plastipak Packaging, Incorporated	1,501,720	6.33
Hawk Corporation	841,370	3.55
Do It Best Corporation	737,520	3.11
Plasti-Kote-Co., Incorporated	685,066	2.89
Armstrong Utilities, Incorporated	654,560	2.76
A. I. Root Company	646,460	2.73
Jacobson Manufacturing, LLC	524,820	2.21
3M Company	521,890	2.20
Total	\$10,515,626	44.33 %
Total Tangible Assessed Valuation	\$23,720,795	

Name of Taxpayer	1999	
	Assessed Valuation	Percent of Tangible Assessed Value
Hardware Wholesalers, Incorporated	\$5,245,070	6.59 %
Owens Corning Fiberglass	4,544,630	5.71
Plastipak Packaging, Incorporated	3,639,480	4.57
Plasti-Kote-Co., Incorporated	2,935,650	3.69
Jacobson Manufacturing, LLC	2,850,800	3.58
Par Industries, Incorporated	2,536,430	3.18
Hawk Corporation	2,295,480	2.88
Bliss & Laughlin Steel Company	1,764,310	2.22
A.I. Root Company	1,761,550	2.21
American Color Graphics	1,582,820	1.99
Total	\$29,156,220	36.62 %
Total Tangible Assessed Valuation	\$79,637,600	

Source: Office of the Auditor, Medina County, Ohio

Medina City School District

Principal Taxpayers

Public Utilities Tax

2008 and 1999

2008		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Ohio Edison Gas Company	\$11,862,030	67.41 %
Columbia Gas of Ohio	2,641,710	15.01
American Transmission Systems, Incorporated	2,046,720	11.63
Columbia Gas Transmission Corporation	978,990	5.56
Vectren Energy Delivery of Ohio, Incorporated	30,230	0.17
Total	\$17,559,680	99.78 %
Total Public Utility Valuation	\$17,596,650	

1999		
Name of Taxpayer	Assessed Valuation	Percent of Public Utility Assessed Value
Ohio Edison Gas Company	\$14,835,510	44.80 %
GTE North, Incorporated	\$9,125,350	27.56
Columbia Gas of Ohio	\$6,496,850	19.62
Columbia Gas Transportation Corporation	\$1,249,550	3.77
Ohio Telephone & Telegraph	\$1,013,630	3.06
Total	\$32,720,890	98.81 %
Total Public Utility Valuation	\$33,111,340	

Source: Office of the Auditor, Medina County, Ohio

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
1999	19,231	\$2,183,364,637	\$14,388,946	0.66%	\$748
2000	25,139	2,323,557,940	91,505,014	3.94	3,640
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

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 S29.

Other Governmental Activities Debt					
Energy Conservation Notes	Certificates of Participation	Capital Leases	Total Debt	Percentage of Personal Income (1)	Per Capita
\$505,000	\$0	\$0	\$14,893,946	N/A	\$774
345,000	0	0	91,850,014	16.83%	3,654
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

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

	2002	2003	2004	2005
Assessed Valuation (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	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
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
<u>\$1,128,952,270</u>	<u>\$1,156,659,840</u>	<u>1,255,497,040</u>
\$101,605,704	\$104,099,386	\$112,994,734
0	0	25,000,000
69,910,000	68,735,000	67,575,000
6,721,220	5,320,636	4,004,044
0	0	3,170,000
<u>(5,749,628)</u>	<u>(5,736,551)</u>	<u>(5,763,208)</u>
<u>70,881,592</u>	<u>68,319,085</u>	<u>93,985,836</u>
0	0	(25,000,000)
<u>0</u>	<u>0</u>	<u>(3,170,000)</u>
0	0	(28,170,000)
<u>70,881,592</u>	<u>68,319,085</u>	<u>65,815,836</u>
<u>\$30,724,112</u>	<u>\$35,780,301</u>	<u>\$47,178,898</u>
30.24%	34.37%	41.75%
\$1,128,952	\$1,156,660	\$1,255,497
<u>0</u>	<u>0</u>	<u>0</u>
<u>\$1,128,952</u>	<u>\$1,156,660</u>	<u>\$1,255,497</u>
100.00%	100.00%	100.00%
\$11,289,523	\$11,566,598	\$12,554,970
<u>0</u>	<u>0</u>	<u>(3,170,000)</u>
<u>\$11,289,523</u>	<u>\$11,566,598</u>	<u>\$9,384,970</u>
100.00%	100.00%	74.75%

Medina City School District
Computation of Direct and Overlapping
Debt Attributable to Governmental Activities
June 30, 2008

	Governmental Activities Debt Outstanding	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Medina City School District			
Certificates of Participation	\$25,379,043	100.00%	\$25,379,043
General Obligation Bonds	75,737,245	100.00	75,737,245
Energy Conservation Notes	3,170,000	100.00	3,170,000
Transportation Facility Note	800,000	100.00	800,000
Capital Lease Obligations	<u>275,828</u>	100.00	<u>275,828</u>
Total Direct	<u>105,362,116</u>	100.00	<u>105,362,116</u>
Overlapping:			
Medina County			
General Obligation Bonds	6,960,000	27.23	1,895,208
Special Assessment Bonds	1,595,940	27.23	434,574
OWDA Loans	1,663,521	27.23	452,977
OPWC Loans	183,543	27.23	49,979
City of Medina			
General Obligation Bonds	725,000	89.93	651,993
Special Assessment Bonds	1,478,712	89.93	1,329,806
OPWC Loans	156,412	89.93	140,661
Medina County Library			
General Obligation Bonds	<u>35,540,000</u>	31.91	<u>11,340,814</u>
Total Overlapping	<u>48,303,128</u>		<u>16,296,012</u>
Total	<u><u>\$153,665,244</u></u>		<u><u>\$121,658,128</u></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 2008 collection year.

Medina City School District
Demographic and Economic Statistics
Last Eight Years (1)

Year	Population	Personal Income	Per Capita Personal Income	Medina County Unemployment Rate
2000	25,139	\$545,742,551	\$21,709	3.5%
2001	25,139	545,742,551	21,709	3.6
2002	25,139	545,742,551	21,709	5.4
2003	25,139	545,742,551	21,709	5.8
2004	25,139	545,742,551	21,709	5.2
2005	25,139	545,742,551	21,709	5.0
2006	25,139	545,742,551	21,709	4.2
2007	25,139	545,742,551	21,709	6.1

Sources: U.S. Census Bureau
 Medina County Auditor's Office

(1) Information prior to 2000 not available

Medina City School District
Principal Employers (1)
December 31, 2007 and December 31, 1998

2007			
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 School District	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>	

1998			
Employer	Nature of Business or Activity	Number of Employees	Percentage of Total County Employment
Westfield Companies	Insurance	1,418	3.01 %
Medina County	County Government	1,400	2.97
Schneider National Trucking	Transportation Services	1,204	2.55
MTD Products	Outdoor Equipment Manufacturer	1,176	2.49
Brunswick City School District	Public Education	850	1.80
Medina General Hospital	Health Services	760	1.61
K-Mart	Retail Sales	685	1.45
Medina City School District	Public Education	638	1.35
Discount Drug Mart	Retail Sales	630	1.34
Wadsworth City Schools	Public Education	445	0.95
Total		<u>9,206</u>	<u>19.52 %</u>
Total Employment within County		<u>47,162</u>	

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

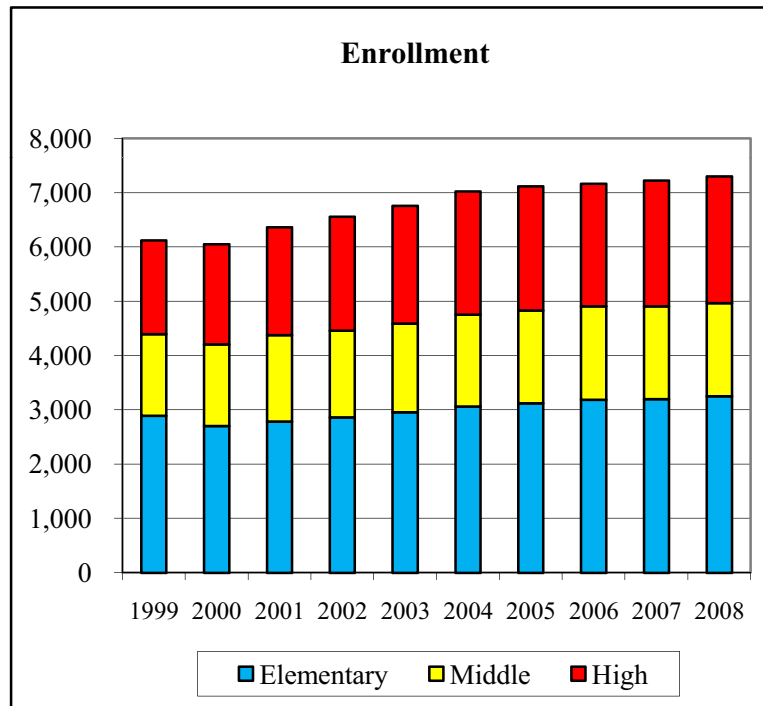
Source: Medina County Economic Development Corporation

Medina City School District

Enrollment Statistics

Last Ten Fiscal Years

Fiscal Year	Elementary Schools	Middle Schools	High School	Total
1999	2,892	1,504	1,724	6,120
2000	2,704	1,499	1,846	6,049
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



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

Medina City School District
Certified School District Employees by Function/Program
June 30, 2008 (1)

Function/Program	2008
Regular Instruction	
Elementary Classroom Teachers	179
Middle School Classroom Teachers	76
High School Classroom Teachers	92
Alternative Education Teachers	2
Special Instruction	
Gifted Education Teachers	8
Special Education Teachers	72
Title I Teachers	6
Intervention Teachers	3
Vocational Instruction	5
Pupil Support Services	
Guidance Counselors	16
Speech Pathology Teachers	8
Instructional Staff Support Services	
Educational Media Services	4
Extracurricular Activities	
Auxiliary Services Teachers	<u>3</u>
Total	<u><u>474</u></u>

Method: The amounts are based on a headcount by function including both full and part-time employees.

Source: School District Payroll Records

(1) Information prior to 2008 is 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
1999	6,120	N/A	\$44,536,711	\$7,277	N/A	N/A	440	7.19 %
2000	6,049	(1.16) %	54,030,544	8,932	N/A	N/A	408	6.74
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

(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
Full-Time Equivalent Certified School District Employees by Education
June 30, 2008 (1)

Degree	2008
Bachelor	31
Bachelor + 10	23
Bachelor + 20	18
Bachelor + 30	56
Master	105
Master + 10	62
Master + 20	51
Master + 30	128
Total	474

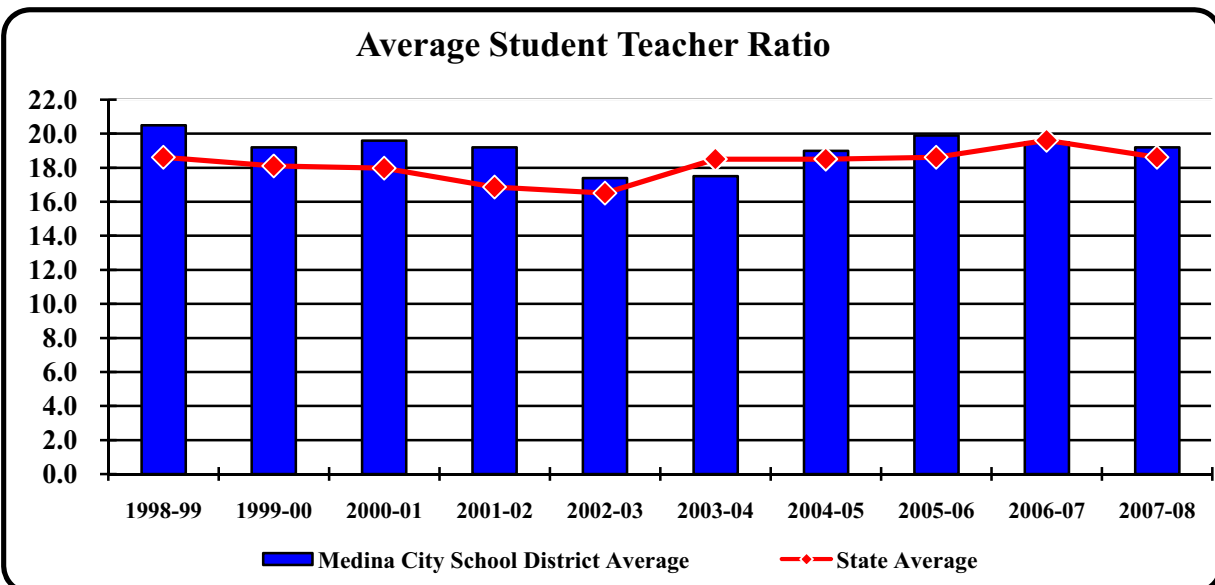
(1) Information prior to 2008 is not available.

Source: School District Records

Medina City School District
Average Number of Students per Teacher
Last Ten School Years

School Year	Medina City School District Average	State Average
1998 - 1999	20.5	18.6
1999 - 2000	19.2	18.1
2000 - 2001	19.6	18.0
2001 - 2002	19.2	16.9
2002 - 2003	17.4	16.5
2003 - 2004	17.5	18.5
2004 - 2005	19.0	18.5
2005 - 2006	19.9	18.6
2006 - 2007	19.5	19.6
2007 - 2008	19.2	18.6

Source: Ohio Department of Education, EMIS Reports



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

	1999	2000	2001	2002	2003	2004
Kindergarten Center						
Constructed in 1991						
Total Building Square Footage	19,440	19,440	19,440	19,440	19,440	19,440
Enrollment - Grades K	435	229	260	169	123	131
Student Capacity	450	450	450	450	450	450
Blake Elementary						
Constructed in 2002						
Total Building Square Footage	N/A	N/A	N/A	78,071	78,071	78,071
Enrollment - Grades K - 5	N/A	N/A	N/A	538	558	659
Student Capacity	N/A	N/A	N/A	600	600	600
Canavan Elementary						
Constructed in 1959						
Total Building Square Footage	71,760	71,760	71,760	71,760	71,760	71,760
Enrollment - Grades K - 5	740	734	801	585	677	706
Student Capacity	625	625	625	625	625	625
Fenn Elementary						
Constructed in 1968						
Total Building Square Footage	71,880	71,880	71,880	71,880	71,880	71,880
Enrollment - Grades K - 5	664	670	692	580	597	548
Student Capacity	650	650	650	650	650	650
Garfield Elementary						
Constructed in 1937						
Total Building Square Footage	66,000	66,000	66,000	66,000	66,000	66,000
Enrollment - Grades K - 5	595	626	583	567	551	545
Student Capacity	650	650	650	650	650	650
Heritage Elementary						
Constructed in 1976						
Total Building Square Footage	48,440	48,440	48,440	48,440	48,440	48,440
Enrollment - Grades K - 5	458	445	449	424	451	472
Student Capacity	450	450	450	450	450	450
Claggett Middle School						
Constructed in 1956						
Total Building Square Footage	101,760	101,760	101,760	101,760	101,760	101,760
Enrollment - Grades 6 - 8	780	759	793	786	803	828
Student Capacity	819	819	819	819	819	819
A.I. Root Middle School						
Constructed in 1995						
Total Building Square Footage	133,760	133,760	133,760	133,760	133,760	133,760
Enrollment - Grades 6 - 8	724	740	798	812	831	865
Student Capacity	893	893	893	893	893	893
Medina High School						
Constructed in 1974						
Total Building Square Footage	546,000	546,000	546,000	546,000	546,000	546,000
Enrollment - Grades 9 - 12	2,166	2,166	2,166	2,166	2,166	2,272
Student Capacity	2,400	2,400	2,400	2,400	2,400	2,400

N/A - Not Available

2005	2006	2007	2008
19,440	19,440	19,440	19,440
102	112	75	53
450	450	450	450
78,071	78,071	78,071	78,071
644	687	747	664
600	600	600	600
71,760	71,760	71,760	71,760
726	741	730	747
625	625	625	625
71,880	71,880	71,880	71,880
582	566	540	678
650	650	650	650
66,000	66,000	66,000	66,000
581	571	585	610
650	650	650	650
48,440	48,440	48,440	48,440
483	507	518	498
450	450	450	450
101,760	101,760	101,760	101,760
791	777	744	818
819	819	819	819
133,760	133,760	133,760	133,760
919	946	965	895
893	893	893	893
546,000	546,000	546,000	546,000
2,287	2,255	2,320	2,335
2,400	2,400	2,400	2,400

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
1999	95.20%	93.50%	88.20%	81.40%
2000	95.30	93.60	95.30	80.70
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	N/A	N/A

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

N/A - Not Available



Mary Taylor, CPA
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
FEBRUARY 17, 2009**