

**CITY OF MEDINA  
MEDINA COUNTY, OHIO**

**COMPREHENSIVE ANNUAL  
FINANCIAL REPORT  
FOR THE YEAR ENDED  
DECEMBER 31, 2011**

ISSUED BY: DEPARTMENT OF FINANCE  
KEITH DIRHAM, CPA  
DIRECTOR OF FINANCE





# Dave Yost • Auditor of State

City Council  
City of Medina  
132 N. Elmwood Dr.  
Medina, OH 44256

We have reviewed the *Independent Auditor's Report* of the City of Medina, Medina County, prepared by Rea & Associates, Inc., for the audit period January 1, 2011 through December 31, 2011. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

August 28, 2012



# **INTRODUCTORY SECTION**



**City of Medina**  
**Medina County, Ohio**  
*Comprehensive Annual Financial Report*  
*For the Year Ended December 31, 2011*

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City of Medina Law Department  
132 North Elmwood Ave.  
P.O. Box 703  
Medina, Ohio 44258-0703  
Phone: 330-722-9070  
Fax: 330-723-3508  
www.medinaoh.org

June 29, 2012

Honorable Mayor Dennis Hanwell  
Members of City Council  
Citizens of Medina, Ohio

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the City of Medina, Ohio (the "City") for the year ended December 31, 2011. We believe this report, prepared by the Department of Finance, presents comprehensive financial and operating information about the City's activities during 2011 that is useful to the citizens and taxpayers. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City. We believe the data, as presented, is accurate in all material respects; that it is presented in a manner designed to set forth fairly the financial position and the results of operations of the City; and that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial activity have been included.

GAAP requires a narrative introduction, overview, and analysis called the Management's Discussion and Analysis (MD&A) to accompany the basic financial statements.

This Letter of Transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the report of the Independent Auditors. The Basic Financial Statements and Notes provide an overview of the City's financial position and information relative to the basic financial statements.

### **History of Medina**

Medina was founded in 1818 and became an Incorporated Village in 1835. The City is the County Seat of Medina County. During the early years of Medina's history, the City suffered two major fires but recovered and rebuilt each time. The City was a stop on the Underground Railroad and a contributor of men and arms to the Union cause during the Civil War.

Situated in the center of Medina County, Medina is 35 miles from downtown Cleveland and 23 miles from downtown Akron. The City's population from the 2000 Federal Census was 25,175 residents. Total land area is approximately 11 square miles.

The City is served by diversified transportation facilities. There is immediate access to many State and U.S. highways and Interstate highways: I-71 and I-271. The City is served by the Wheeling and Lake Erie Railroad.

The City is also served by the Cleveland Hopkins International Airport located within 25 miles of the City. The proximity makes Medina a desirable location for residents and commercial enterprises.

Within commuting distance of the City are several public and private two-year and four-year colleges and universities, including Case Western Reserve University, Cleveland State University, Cuyahoga Community College, John Carroll University, Kent State University, Lorain County Community College, Notre Dame College, Ursuline College, Oberlin College, Baldwin Wallace College, and the University of Akron.

The City utilizes over 800 acres of City-owned Park land to house a variety of recreational facilities including an outdoor municipal pool, splash-pad, playgrounds, and soccer, baseball, and football fields.

## **Form of Government**

The City operates under and is governed by the laws of the State of Ohio and its own Charter, which was first adopted by the electorate in 1952. The charter provides for a mayor-council form of government. Legislative authority is vested in a seven-member council. The Council is composed of two members elected at-large and four members who are elected by wards, for four-year terms. The presiding officer is the President of Council, who is elected at-large by the electors for a four-year term. All members of Council serve in a part-time capacity.

The City's chief executive and administrative officer is the Mayor who is elected to a four-year term and serves in a full-time capacity. The Mayor may also veto legislation passed by Council. A two-thirds vote of all members of Council will override a veto.

The City's chief financial officer is the Director of Finance who is elected to a four-year term and serves in a full-time capacity.

Judicial services for the City of Medina are provided by the Medina Municipal Court. The jurisdiction of the Court, as established by the Ohio Revised Code, encompasses the cities of Medina and Brunswick; the townships of Brunswick Hills, Chatham, Granger, Hinckley, Lafayette, Litchfield, Liverpool, Medina, Montville, Spencer, and York; and the villages of Chippewa Lake and Spencer.

Established by charter, the municipal government consists of four departments as well as other departments established by Council. All directors work closely with the Mayor in providing the citizens of Medina with the highest quality of services while maintaining efficiency and cost effectiveness.

The Police Department enforces local, state, and federal laws in addition to protecting citizens and their property. Most recently, the department has taken a more community oriented policing approach, which has been met with great success. Numerous programs are offered to citizens and students. The department, which is headed by the Chief of Police, consists of three divisions: the Patrol Division, the Detective Bureau, and the Communications Division. The Patrol Division oversees the staff of patrol officers. The Detective Bureau oversees the City's investigative services. The Communications Division oversees dispatch and records operations. Additionally, the City provides dispatch services for the Fire Department, Emergency Medical Services, and several adjacent township Police Departments.

The Fire Department provides fire suppression and prevention services. The Chief of Fire heads the department.

The Service Department is comprised of several departments administered by a superintendent. This department is responsible for the maintenance of all City vehicles, buildings, traffic lights and signs, public grounds, tree trimming, snow and leaf removal. The Street Department handles non-contractual maintenance of City streets and storm sewers including snow removal, leaf removal, signage, and other functions. The Water Department provides potable water for residents of Medina. The Water Department insures the water supply is safe and the water lines are properly maintained.

The Recreation Department provides numerous recreational activities and programs throughout the year. The City has a recreation center, which includes an indoor pool, sauna, steam room, racquetball courts, weight room, basketball courts, and various multi-purpose rooms. The recreation center offers many classes and programs to residents and non-residents. The department also oversees the outdoor pool. The Recreation Department also supervises several sports fields and maintains several playgrounds throughout the City.

The Finance Department is responsible for the accurate recording of all receipts and disbursement. The department issues bi-weekly payroll and maintains the capital asset system.

The department compiles the annual budget, the tax budget, the annual financial report, and assists the Mayor in all financial decisions. This department also handles all purchasing needed to maintain operations for all departments. In addition to overseeing these duties, the Director of Finance is also the City's Tax Administrator and utilizes the Central Collection Agency to oversee the collection and distribution of the City's income tax.

The Law Department advises the Mayor, Council, and all departments on legal matters concerning the City. The department prepares all contracts, legislation, and legal documents. This department's prosecutors prosecute traffic and criminal cases in the Medina Municipal Court.

## **Reporting Entity**

A reporting entity includes the primary government, component units, and other organizations that are included to ensure that the financial statements are not misleading.

The primary government of the City includes all City departments, boards, and commissions whose activities are directly controlled by the City Council through the budgetary process. The City has oversight responsibility for the Medina Municipal Court by appropriating and financing its operations through the General Fund.

The City participates in a joint venture, the Medina-Lorain Water Consortium. Note 15 to the basic financial statements describes the City's relationship to this entity.

## **Economic Condition and Outlook**

### **Summary of Local Economy**

Location is one of the greatest assets of the City of Medina. As a major suburb of both the City of Cleveland and the City of Akron, its easy access to interstate highways has contributed to the City's economic growth. The City has continued its aggressive position to increase its commercial and economic development.

### **Major Industries Affecting the City Economy**

Several businesses in the Industrial Park are currently expanding their operations. Low interest rates have made it possible for area businesses to consider expansion. This economic growth is beneficial to the City and community and the City is working to encourage and assist these expansions. Additionally, the City is about to undertake several major transportation and infrastructure improvement projects in the industrial area to facilitate future growth.

### **Future Economic Outlook**

The future economic outlook for the City of Medina is promising despite the sagging economic condition nationwide.

Moody's Investors Service confirmed this assessment of the City. In 2009, the City of Medina had its bond rating upgraded. Moody's upgraded the City of Medina's rating to Aa2 from Aa3.

Moody's stated:

- That this rating reflects the City's strong financial operations characterized by robust reserve levels and prudent fiscal management.
- That Moody's expects the City's economy will remain stable.
- That Moody's expects the City's debt profile will remain strong.

Subsequently, the City received a further upgrade from Moody's from Aa2 to Aa1.

## **Major Initiatives**

### **Current Year Projects**

In 2010 the City conducted a major bond issue. The bond issue was used to reduce interest costs by taking advantage of the City's improved bond rating as well as the favorable market conditions. Additionally, the bond issue was used to leverage future revenues for current improvement projects taking advantage of generally reduced costs of construction due to the weak economy.

The City completed more than \$1.2 million in roadway reconstruction projects, including major improvements to Spring Grove Street. In addition to the major roadway projects, the City completed nearly \$400,000 in roadway street repairs at other locations throughout the City.

The City completed more than \$100,000 in storm sewer and drainage improvements in 2011.

Construction of the City's \$800,000 Service Garage was completed in 2011.

The City undertook two major railroad projects in 2011. A \$420,000 project to improve railroad crossing on Smith, Elmwood and Medina Streets was completed. The City also received funding as part of the American Recovery and Reinvestment Act of 2009 (ARRA), which was primarily used for reconstruction of crossings at North Progress Drive, West Liberty Street, Lafayette Road and Ryan Road.

### **Future Projects**

In addition to the City's annual street repair project, the major roadway reconstruction projects to be under construction in 2012 include the reconstruction of Lake Road and Beechwood Drive. The extension of Commerce Drive to improve access to the City's Industrial Area will be completed during 2012. Additional roadway projects to be completed in 2012 or later include reconstruction of West Smith Road. Intersection upgrades are planned at E. Reagan Parkway and Weymouth Road (SR 3); at Ryan Road and Lafayette Road (US 42); and at Sturbridge Drive and South Court Street (SR 3). In addition, the City's 5-year capital improvement plan includes reconstruction of numerous other City roadways.

Future storm sewer and drainage improvements are planned at Parkview Drive and stabilization of Champion Creek, both expected to be under construction in 2012.

Water line replacement projects will be completed or under construction in 2012 at East Smith Road, and State Road. The extension of the East Smith to Smokerise Water Main will be completed in 2012. Future water line replacement projects will be completed at West Smith Road as well as water line extensions at South Court Street, Weymouth Road and Burgundy Bay. Replacement of the interior coating of the South Court Street water tower is planned for 2012.

## Other Information

### Internal Controls

City Management is fully responsible for the completeness and reliability of the information contained in this report. The City uses a comprehensive framework of internal controls to ensure that this information is dependable. Because the cost of internal controls should not exceed the benefit derived from such controls, the objective of the framework is to provide reasonable, not absolute, assurance that this report is free from any material misstatements.

### Independent Audit

In accordance with Ohio law, annual independent audits are required to be performed on all financial operations of the City. Either the Auditor of the State of Ohio or, if the Auditor permits, an independent public accounting firm conducts these audits. Included in this report is an unqualified audit opinion regarding the City's financial statements for the year ended December 31, 2011. Rea & Associates, Inc. conducted this year's audit. Their report is presented in the financial section.

### Acknowledgments

This Comprehensive Annual Financial Report was prepared by the Finance Department with the efficient and dedicated services of its entire staff and with the assistance of Rea & Associates, Inc. I appreciate their expertise and assistance. Appreciation is also expressed to all City departments for their cooperation and assistance. I would also like to acknowledge the cooperation of the team from Rea and Associates, Inc., who conducted a thorough audit of our finances.

In closing, I would like to thank the Mayor, City Council and the citizens of our fine community, for without your continued support, the preparation of this report would not have been possible.

Respectfully submitted,



Keith Dirham, CPA  
Director of Finance



**City of Medina**  
**Medina County, Ohio**

*Principal Officials*  
*December 31, 2011*

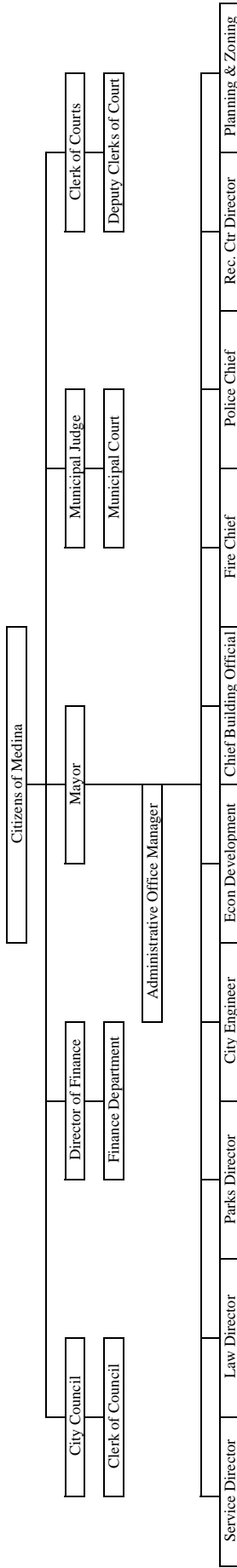
**ELECTED OFFICIALS**

Mayor	Dennis Hanwell
President of Council	John M. Coyne III
Council Member-at-Large	Paul Rose, Sr.
Council Member-at-Large	William C. Lamb
Council Member - Ward 1	Andrea L. Burdell-Ware
Council Member - Ward 2	Dennie Simpson
Council Member - Ward 3	Mark E. Kolesar
Council Member - Ward 4	James A. Shields
Director of Finance	Keith Dirham

**APPOINTED OFFICIALS**

Director of Law	Gregory A. Huber
Director of Public Service	Nino Piccoli

**City of Medina**  
**Medina County, Ohio**  
 Organization Chart  
 For the Year Ended December 31, 2011



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Medina  
Ohio

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
December 31, 2010

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



*Linda C. Davison*

President

*Jeffrey R. Emmer*

Executive Director

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# **FINANCIAL SECTION**



June 29, 2012

City of Medina  
Medina County, Ohio  
132 N. Elmwood Dr.  
Medina, OH 44256

### INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Medina, Medina County, Ohio, (the "City") as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of December 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund, police special fund, stormwater/street fund and railroad renovation fund for the year then ended in conformity with accounting principles generally accepted in the United States of America

As described in Note 2, the City restated net assets and fund balances to account for the implementation of GASB Statement No. 54.

In accordance with *Government Auditing Standards*, we have also issued our report dated June 29, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 3 through 13 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual nonmajor fund financial statements and other schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The introductory and statistical sections are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

*Rea & Associates, Inc.*



**City of Medina**  
**Medina County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*

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The discussion and analysis of the City of Medina's (the "City") financial performance provides an overall review of the City's financial activities for the year ended December 31, 2011. The intent of this discussion and analysis is to look at the City's financial performance as a whole; readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the City's financial performance.

*Financial Highlights*

Key financial highlights for 2011 are as follows:

- The City's net assets increased \$2.3 million as a result of this year's operations. Net assets of the business-type activities increased by approximately \$.1 million, or .4%, and net assets of governmental activities increased by \$2.2 million, or 2.7%.
- The governmental activities made principal payments of \$.2 million and business-type activities made principal payments of \$1.2 million to reduce long term obligations.
- The City continued road and storm sewer improvements and completed construction of the service department building and an ARRA railroad improvement project in 2011. The cost of acquisitions exceeded depreciation contributing to the increase in total capital assets of \$.6 million for the City.

The Statement of Net Assets and the Statement of Activities (on pages 15 and 16-17, respectively) provide information about the activities of the City as a whole and present a long-term view of the City's finances. Fund financial statements begin on page 18. For governmental activities, these statements tell how these services were financed in the short-term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most financially significant funds.

*Reporting the City as a Whole*

*The Statement of Net Assets and the Statement of Activities*

Our analysis of the City as a whole begins on page 6. One of the most important questions asked about the City's finances is, "Is the City as a whole better off or worse off as a result of the year's activities?" The Statement of Net Assets and the Statement of Activities report information about the City as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. Accrual of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report the City's *net assets* and changes in them. You can think of the City's net assets, the difference between assets, what the citizens own, and liabilities, what the citizens owe, as one way to measure the City's financial health, or *financial position*. Over time, *increases or decreases* in the City's net assets are one indicator of whether its *financial health* is improving or deteriorating. You will need to consider other non-financial factors; however, such as changes in the City's property tax base,

**City of Medina**  
**Medina County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*

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income tax base, and the condition of the City's capital assets (land, roads, building and water lines etc.) to assess the *overall health* of the City.

In the Statement of Net Assets and the Statement of Activities, we divide the City into two types of activities:

- **Governmental Activities** - Most of the City's basic services are reported here, including the police, fire, street and highway maintenance, capital improvement, vehicle acquisition, parks and recreation, and general administrative. Income taxes, property taxes, undivided local government, ambulance user fees and state and federal grants finance most of these activities.
- **Business-Type Activities** - The City charges a fee to customers to help cover all or most of the cost of certain services it provides. The City's water, sanitation and recreation center operations are reported here.

*Reporting the City's Most Significant Funds*

*Fund Financial Statements*

The fund financial statements provide detailed information about the most significant funds, not the City as a whole. Some funds are required to be established by State law. However, City Council establishes many other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money. The City's three kinds of funds, governmental, proprietary, and fiduciary, use different accounting approaches.

**Governmental funds** - Most of the City's basic services are reported in 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. 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 City's general government operations and the basic services it provides. Governmental fund information helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. We describe the relationship (or differences) between governmental *activities* (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in a reconciliation alongside the fund financial statements.

Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the general fund, general purpose capital projects fund, police special fund, stormwater/street fund and railroad renovation fund, all of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

The City adopts an annual appropriated budget for its general fund and major special revenue funds. A budgetary comparison statement has been provided for the general fund and major special revenue funds to demonstrate compliance with this budget.

Our analysis of the City's major governmental funds begins on page 10.

**City of Medina**  
**Medina County, Ohio**  
*Management's Discussion and Analysis*  
*For the Year Ended December 31, 2011*

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**Proprietary funds** - When the City charges customers for the services it provides whether to outside customers or to other units of the City, these services are reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the Statement of Net Assets and the Statement of Activities. In fact, the City's enterprise funds (a component of business type funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.

The proprietary fund financial statements begin on page 26.

**Fiduciary Funds** - These funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the City's own programs. The accounting for the fiduciary funds is much like that used to proprietary funds.

The fiduciary fund financial statements begin on page 29.

**Notes to the Financial Statements** - The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements begin on page 31.

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*The City as a Whole*

Recall that the Statement of Net Assets provides the perspective of the City as a whole.

Table 1 provides a summary of the City's net assets for 2011 compared to 2010:

**Table 1**  
**Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
<b>Assets</b>						
Current and Other Assets	\$ 57,698,249	\$ 56,089,253	\$ 14,849,170	\$ 15,263,797	\$ 72,547,419	\$ 71,353,050
Capital Assets, Net	46,808,037	45,788,031	31,213,927	31,637,385	78,021,964	77,425,416
Total Assets	<u>104,506,286</u>	<u>101,877,284</u>	<u>46,063,097</u>	<u>46,901,182</u>	<u>150,569,383</u>	<u>148,778,466</u>
<b>Liabilities</b>						
Current and Other Liabilities	4,722,364	3,986,719	617,140	361,844	5,339,504	4,348,563
Long-Term Liabilities						
Due Within One Year	1,029,857	557,916	1,158,855	1,284,066	2,188,712	1,841,982
Due in More than One Year	14,406,626	15,181,931	15,203,003	16,276,827	29,609,629	31,458,758
Total Liabilities	<u>20,158,847</u>	<u>19,726,566</u>	<u>16,978,998</u>	<u>17,922,737</u>	<u>37,137,845</u>	<u>37,649,303</u>
<b>Net Assets</b>						
Invested in Capital Assets Net of Debt	43,188,085	45,000,217	15,917,114	15,507,033	59,105,199	60,507,250
Restricted for:						
Capital Outlay	1,635,034	888,397	0	0	1,635,034	888,397
Debt Service	1,430,191	1,751,621	0	0	1,430,191	1,751,621
Safety Services	3,966,084	4,125,463	0	0	3,966,084	4,125,463
Street Repair and Improvement	8,475,441	5,398,047	0	0	8,475,441	5,398,047
Perpetual Care:						
Expendable	15,178	16,291	0	0	15,178	16,291
Nonexpendable	288,489	288,489	0	0	288,489	288,489
Other	5,424,695	5,279,599	0	0	5,424,695	5,279,599
Unrestricted	<u>19,924,242</u>	<u>19,402,594</u>	<u>13,166,985</u>	<u>13,471,412</u>	<u>33,091,227</u>	<u>32,874,006</u>
Total Net Assets	<u>\$ 84,347,439</u>	<u>\$ 82,150,718</u>	<u>\$ 29,084,099</u>	<u>\$ 28,978,445</u>	<u>\$ 113,431,538</u>	<u>\$ 111,129,163</u>

The City's *combined* net assets changed from a year ago, *increasing* \$2.3 million or 2.1%.

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Net assets in the City's governmental activities increased by 2.7% (\$84.3 million compared to \$82.2 million in 2010). Unrestricted net assets, the part of net assets that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements increased \$.5 million over 2010. Restricted net assets, those restricted mainly for debt repayment, capital projects and special purposes such as cemetery operations and drug and alcohol programs increased by \$3.5 million. The investment in capital assets, net of debt category decreased by \$1.8 million from 2010.

There was a \$1.5 million increase in cash due to the timing of revenues to cover expenses. Intergovernmental receivables showed an increase over 2010 from a \$.8 million ARRA grant for railroad improvements. Governmental activities acquisitions exceeded depreciation increasing capital assets by \$1.0 million over 2010. Accounts and contracts payable increased \$1.2 million over 2010 due to the railroad renovation and road improvements.

Net assets in the City's business-type activities increased by \$.1 million (\$29.1 million compared to \$29.0 million in 2010). The City generally can only use these net assets to finance the continuing operations of the water, refuse operations and other business-type activities of the City. Capital assets decreased \$.4 million due to depreciation expense exceeding acquisitions in 2011. Liabilities decreased \$1.2 million from 2010 mainly through principal payments on debt.

Table 2 shows the changes in net assets for fiscal years 2011 and 2010. This will enable readers to draw further conclusions about the City's financial status and possibly project future problems.

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**Table 2**  
**Change in Net Assets**

	Governmental Activities		Business-Type Activities		Total	
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
<b>Revenues</b>						
<i>Program Revenues:</i>						
Charges for Services	\$ 3,563,527	\$ 3,236,678	\$ 8,897,261	\$ 9,116,110	\$ 12,460,788	\$ 12,352,788
Operating Grants and Contributions	1,904,129	2,803,916	0	0	1,904,129	2,803,916
Capital Grants	1,806,173	316,465	0	0	1,806,173	316,465
<b>Total Program Revenues</b>	<b>7,273,829</b>	<b>6,357,059</b>	<b>8,897,261</b>	<b>9,116,110</b>	<b>16,171,090</b>	<b>15,473,169</b>
<i>General Revenues:</i>						
Property Taxes	2,561,533	2,761,331	0	0	2,561,533	2,761,331
City Income Taxes	11,927,075	11,421,201	767,693	728,632	12,694,768	12,149,833
Payment in Lieu of Taxes	35,938	12,411	0	0	35,938	12,411
Grants and Contributions	1,183,788	1,966,495	19,526	0	1,203,314	1,966,495
Interest and Investment Earnings	94,902	419,153	58,847	9,922	153,749	429,075
Other	16,992	117,764	4,344	5,731	21,336	123,495
<b>Total General Revenues</b>	<b>15,820,228</b>	<b>16,698,355</b>	<b>850,410</b>	<b>744,285</b>	<b>16,670,638</b>	<b>17,442,640</b>
<b>Total Revenues</b>	<b>23,094,057</b>	<b>23,055,414</b>	<b>9,747,671</b>	<b>9,860,395</b>	<b>32,841,728</b>	<b>32,915,809</b>
<b>Program Expenses</b>						
General Government	7,567,023	7,687,096	0	0	7,567,023	7,687,096
Security of Persons and Property	6,944,210	7,573,059	0	0	6,944,210	7,573,059
Public Health	214,477	197,159	0	0	214,477	197,159
Community Development	663,584	987,010	0	0	663,584	987,010
Transportation	3,723,619	3,581,886	0	0	3,723,619	3,581,886
Basic Utility	62,981	61,132	0	0	62,981	61,132
Leisure Time	937,537	859,950	0	0	937,537	859,950
Interest and Fiscal Charges	783,905	85,664	0	0	783,905	85,664
Water	0	0	4,002,719	3,797,561	4,002,719	3,797,561
Sanitation	0	0	3,258,046	2,998,195	3,258,046	2,998,195
Recreation Center	0	0	2,381,252	2,433,821	2,381,252	2,433,821
<b>Total Expenses</b>	<b>20,897,336</b>	<b>21,032,956</b>	<b>9,642,017</b>	<b>9,229,577</b>	<b>30,539,353</b>	<b>30,262,533</b>
<i>Increase (Decrease) in Net Assets</i>						
<i>Before Transfers</i>	2,196,721	2,022,458	105,654	630,818	2,302,375	2,653,276
Net Transfers	0	(352,537)	0	352,537	0	0
<b>Change in Net Assets</b>	<b>2,196,721</b>	<b>1,669,921</b>	<b>105,654</b>	<b>983,355</b>	<b>2,302,375</b>	<b>2,653,276</b>
Beginning Net Assets	82,150,718	79,447,624	28,978,445	29,056,308	111,129,163	108,503,932
Fund Reclassification	0	1,033,173	0	(1,061,218)	0	(28,045)
<b>Ending Net Assets</b>	<b>\$ 84,347,439</b>	<b>\$ 82,150,718</b>	<b>\$ 29,084,099</b>	<b>\$ 28,978,445</b>	<b>\$ 113,431,538</b>	<b>\$ 111,129,163</b>

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**Governmental Activities**

Governmental activities accounted for an increase in net assets of \$2.2 million.

Due to the timing of grant receipts for security and community programs, operating grants in 2011 showed a \$.9 million decrease over 2010 while capital grants increased \$1.5 million due to grants for road and railroad improvements in 2011.

Expenses decreased \$.1 million from 2010. Interest expense increased \$.7 million from interest paid on debt issued in 2010 while cost cutting efforts contributed to a \$.6 million decrease in security expenses.

Revenues provided by specific programs including charges for services amount to 15.4% of all governmental revenue. Revenues provided by sources other than city residents in the form of operating and capital grants comprise another 16.1%.

The 1.25% income tax is the largest single source of revenue for the City providing 51.6% of total revenue. Income tax revenues are allocated based on City ordinance with the exception of the stormwater/street fund portion, which is decided by vote. In 2011, all costs of collecting the taxes and administering and enforcing the provisions were paid into the general fund. The remaining balance was allocated among general fund, street maintenance and repair, parks and recreation, police special, fire special, stormwater/street, general purpose capital projects, fire capital replacement, computer/electronic technology and recreation center.

Another major component of general revenue is property taxes, which amounted to 11.1% of total revenues. All other general revenues account for 5.8% of the remaining revenue.

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

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**Table 3**  
**Governmental Activities**

	2011		Restated 2010	
	Total Cost	Net Cost	Total Cost	Net Cost
General Government	\$ 7,567,023	\$ 5,453,679	\$ 7,687,096	\$ 5,668,851
Security of Persons and Property	6,944,210	5,499,708	7,573,059	5,560,857
Public Health	214,477	141,635	197,159	120,070
Community Development	663,584	663,584	987,010	594,146
Transportation	3,723,619	365,377	3,581,886	1,762,262
Basic Utility	62,981	62,981	61,132	61,132
Lesiure Time	937,537	875,738	859,950	773,548
Interest and Fiscal Charges	783,905	560,805	85,664	85,664
<i>Total Expenses</i>	<u>\$ 20,897,336</u>	<u>\$ 13,623,507</u>	<u>\$ 21,032,956</u>	<u>\$ 14,626,530</u>

The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions. Program revenues supported 34.8% and 30.5% of program expenses for 2011 and 2010, respectively.

**Business-Type Activities**

The City's major enterprise funds consist of the water fund, the sanitation fund and the recreation center fund. For a description of these funds, see accompanying Notes to the Basic Financial Statements.

The net assets of the business-type activities increased \$.1 million in 2011. This change was a net effect of the individual funds that make up the total business-type activities. See the discussion below on the analysis of individual enterprise funds.

The basic financial statements for these funds are included in this report.

*The City's Funds*

**Governmental Funds**

Information about the City's major governmental funds begins on page 18. These funds are reported using the modified accrual basis of accounting. All governmental funds had total revenues of \$22.9 million, other financing sources of \$.1 million, expenditures of \$22.2 million and other financing uses of \$.1 million. Governmental funds had an increase in fund balance of \$.7 million over 2010. The City's governmental funds reported combined ending fund balances of \$49.0 million, \$9.3 million of this total constitutes unassigned fund balance, which is available for appropriation at the City's discretion within certain legal constraints and purpose restrictions. The remainder of the fund balance is restricted, committed or assigned to indicate that it is not available for new spending.



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Fund balance in general fund decreased \$.4 million from 2010. Intergovernmental revenues had the largest decrease of \$1.0 million due to a substantial decrease in the Ohio Department of Transportation grant earned in 2010. Expenditures remained consistent with 2010 but revenues were not enough to cover them.

The general purpose capital project fund increased \$.1 million over 2010. An increase in interest on unspent bond proceeds and reimbursement from the Build America Bonds contributed to this increase.

The police special fund had a \$.6 million increase in fund balance over 2010. Revenues increased slightly over 2010, but there was a decrease in expenditures of \$.3 million from 2010 due to cost cutting measures by the City.

The fund balance of the stormwater/street fund increased \$.6 million over 2010. The City received grants for street improvements contributing to this increase.

The railroad renovation fund had a decrease in fund balance of \$.9 million from 2010. The renovation project was completed in 2011; however, the grant revenue has not been received and was recorded as deferred.

### **Enterprise Funds**

The City's enterprise funds provide the same type of information found in the government-wide financial statements, but in more detail.

The water fund had an increase in net assets of slightly over \$83,000 in 2011. Although expenses in general were \$.2 million higher than in 2010, revenues were sufficient to cover expenses. There are no individually significant line items accounting for this change.

The sanitation fund had a decrease in net assets of \$.3 million. Expenses in general increased over 2010, with the largest increase of \$.1 million in contractual services due to rising costs.

The recreation center fund showed a \$.3 million increase in net assets over 2010. Consistent with prior years, the revenues are sufficient to cover expenses in the fund and there are no individually significant changes from 2010.

Information about the City's major proprietary funds begins on page 26.

### *General Fund Budgeting Highlights*

The budgetary process is prescribed by provisions of the Ohio Revised Code and the Codified Ordinance of the City and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the Tax Budget, the Certificate of Estimated Resources and the Appropriation Ordinance: all are prepared on the budgetary basis of accounting. The Certificate of Estimated Resources and the Appropriations Ordinance are subject to amendment throughout the year with the legal restriction that appropriations cannot exceed estimated resources, as certified. All funds, other than agency funds, are legally required to be budgeted and appropriated. The legal level of budgetary control is dividing personal services within each department. Any budgetary modifications at this level may only be made by resolution of City Council.

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Actual expenditures were less than original appropriations by \$.4 million and less than final appropriations by \$2.4 million. This occurred due to cost saving actions by City officials and appropriations for contingencies not realized and delayed implementation of projects for cost saving and other reasons. Actual revenues were under original estimates by \$78,000 and over final estimates by \$47,000. Intergovernmental revenues showed the largest difference due to timing of receipts for grants and reimbursements from other governmental agencies.

**Capital Asset and Debt Administration**

*Capital Assets*

At the end of 2011, the City had \$78.0 million invested in a broad range of capital assets, including police and fire equipment, land, buildings, park facilities, roads, bridges, and water lines (see below). Table 4 shows fiscal year 2011 balances compared with 2010.

**Table 4**  
**Capital Assets**  
**Net of Depreciation**

	Governmental Activities		Business-Type Activities		Total	
	2011	Restated 2010	2011	Restated 2010	2011	Restated 2010
Land	\$ 3,529,235	\$ 3,529,235	\$ 167,384	\$ 167,384	\$ 3,696,619	\$ 3,696,619
Construction in Progress	781,078	151,383	12,040	0	793,118	151,383
Buildings and Improvements	7,261,930	6,567,505	10,115,945	10,256,961	17,377,875	16,824,466
Furniture and Equipment	426,092	356,108	27,306	56,505	453,398	412,613
Vehicles	1,543,986	1,855,468	494,121	419,883	2,038,107	2,275,351
Infrastructure	33,265,716	33,328,332	20,397,131	20,736,652	53,662,847	54,064,984
<b>Totals</b>	<b>\$ 46,808,037</b>	<b>\$ 45,788,031</b>	<b>\$ 31,213,927</b>	<b>\$ 31,637,385</b>	<b>\$ 78,021,964</b>	<b>\$ 77,425,416</b>

Capital assets increased \$.6 million from 2010 due to acquisitions exceeding depreciation expense. The City purchased equipment for the fire and police departments, completed construction on the service department building and railroad renovations and continued road improvements. The City also completed construction on the pump station and purchased vehicles for the water and sanitation departments. More detailed information about the City's capital assets is presented in Note 10 to the basic financial statements.

*Debt*

At December 31, 2011, the City had \$29.1 million in General Obligation Bonds, \$.6 million in Special Assessment Bonds and \$1.2 million in loans payable.

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**Table 5**  
**Debt Obligations**

	Governmental Activities		Business-Type Activities		Total	
	2011	2010	2011	2010	2011	2010
<i>General Obligation Bonds:</i>						
2010 Street Improvements	\$ 10,810,000	\$ 10,810,000	\$ 0	\$ 0	\$ 10,810,000	\$ 10,810,000
2010 General Purpose	3,035,000	3,035,000	0	0	3,035,000	3,035,000
1995 Various Water Improvement	0	0	200,000	250,000	200,000	250,000
2001 Various Water Improvement	0	0	0	390,000	0	390,000
2002 Water Improvement	0	0	3,920,000	4,190,000	3,920,000	4,190,000
2010 Water Improvement	0	0	1,210,000	1,210,000	1,210,000	1,210,000
2010 Water Improvement Refunding	0	0	5,160,000	5,235,000	5,160,000	5,235,000
2001 and 2002 Recreation Center	0	0	1,830,000	2,160,000	1,830,000	2,160,000
2010 Recreation Center Refunding	0	0	2,955,000	2,985,000	2,955,000	2,985,000
	<u>13,845,000</u>	<u>13,845,000</u>	<u>15,275,000</u>	<u>16,420,000</u>	<u>29,120,000</u>	<u>30,265,000</u>
<i>Special Assessment Bonds:</i>						
Various Street Improvements	550,000	784,000	0	0	550,000	784,000
Water Line	<u>12,016</u>	<u>17,098</u>	<u>5,984</u>	<u>8,902</u>	<u>18,000</u>	<u>26,000</u>
	<u>562,016</u>	<u>801,098</u>	<u>5,984</u>	<u>8,902</u>	<u>568,000</u>	<u>810,000</u>
<i>Loans Payable:</i>						
OWDA Loan	0	0	1,045,099	1,116,451	1,045,099	1,116,451
OPWC Loan	<u>123,484</u>	<u>131,716</u>	<u>0</u>	<u>0</u>	<u>123,484</u>	<u>131,716</u>
	<u>123,484</u>	<u>131,716</u>	<u>1,045,099</u>	<u>1,116,451</u>	<u>1,168,583</u>	<u>1,248,167</u>
Total	<u>\$ 14,530,500</u>	<u>\$ 14,777,814</u>	<u>\$ 16,326,083</u>	<u>\$ 17,545,353</u>	<u>\$ 30,856,583</u>	<u>\$ 32,323,167</u>

At December 31, 2011, the City had outstanding long-term debt obligations in the amount of \$30.9 million, which is a decrease of \$1.5 million.

Principal payments in 2011 in the governmental activities and business-type activities totaled \$.2 million and \$1.2 million, respectively.

Other obligations include accrued vacation pay and sick leave. More detailed information about the City's long-term liabilities is presented in Note 14 of the basic financial statements.

*Contacting the City's Financial Management*

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to show the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Director of Finance, 132 N. Elmwood Avenue, P.O. Box 703, Medina, Ohio, 44256-0703.

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**City of Medina**  
**Medina County, Ohio**  
*Statement of Net Assets*  
*December 31, 2011*

	Governmental Activities	Business-Type Activities	Total
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 47,040,680	\$ 5,920,294	\$ 52,960,974
Cash with Fiscal Agent	11,962	0	11,962
Receivables:			
Accounts	307,721	1,260,367	1,568,088
Interest	28,581	2,716	31,297
Taxes	5,386,433	198,801	5,585,234
Intergovernmental	2,707,686	0	2,707,686
Special Assessments	780,704	0	780,704
Deferred Charges	138,095	91,450	229,545
Internal Balances	1,163,937	(1,163,937)	0
Prepaid Items	132,450	40,664	173,114
Investment in Joint Venture	0	8,498,815	8,498,815
Non-Depreciable Capital Assets	4,310,313	179,424	4,489,737
Other Capital Assets, Net of Depreciation	42,497,724	31,034,503	73,532,227
<i>Total Assets</i>	<u>104,506,286</u>	<u>46,063,097</u>	<u>150,569,383</u>
<b>Liabilities</b>			
Accounts and Contracts Payable	1,613,244	346,986	1,960,230
Accrued Salaries, Wages and Benefits	742,680	220,029	962,709
Matured Interest Payable	11,962	0	11,962
Accrued Interest Payable	90,182	50,125	140,307
Unearned Revenue	2,264,296	0	2,264,296
Long-Term Liabilities:			
Due Within One Year	1,029,857	1,158,855	2,188,712
Due In More Than One Year	14,406,626	15,203,003	29,609,629
<i>Total Liabilities</i>	<u>20,158,847</u>	<u>16,978,998</u>	<u>37,137,845</u>
<b>Net Assets</b>			
Invested in Capital Assets, Net of Related Debt	43,188,085	15,917,114	59,105,199
Restricted for:			
Capital Outlay	1,635,034	0	1,635,034
Debt Service	1,430,191	0	1,430,191
Safety Services	3,966,084	0	3,966,084
Street Repair and Improvement	8,475,441	0	8,475,441
Perpetual Care:			
Expendable	15,178	0	15,178
Nonexpendable	288,489	0	288,489
Other Purposes	5,424,695	0	5,424,695
Unrestricted	19,924,242	13,166,985	33,091,227
<i>Total Net Assets</i>	<u>\$ 84,347,439</u>	<u>\$ 29,084,099</u>	<u>\$ 113,431,538</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**  
*Statement of Activities*  
For the Year Ended December 31, 2011

	Expenses	Program Revenues		
		Charges for Services and Sales	Operating Grants, Contributions and Interest	Capital Grants and Contributions
<b>Governmental Activities</b>				
General Government	\$ 7,567,023	\$ 2,004,408	\$ 72,824	\$ 36,112
Security of Persons and Property	6,944,210	1,280,703	163,799	0
Public Health	214,477	72,736	106	0
Community Development	663,584	0	0	0
Transportation	3,723,619	150,021	1,438,160	1,770,061
Basic Utility	62,981	0	0	0
Lesiure Time	937,537	55,659	6,140	0
Interest and Fiscal Charges	783,905	0	223,100	0
<i>Total Governmental Activities</i>	<u>20,897,336</u>	<u>3,563,527</u>	<u>1,904,129</u>	<u>1,806,173</u>
<b>Business-Type Activities</b>				
Water	4,002,719	4,020,103	0	0
Sanitation	3,258,046	2,947,080	0	0
Recreation Center	2,381,252	1,930,078	0	0
<i>Total Business-Type Activities</i>	<u>9,642,017</u>	<u>8,897,261</u>	<u>0</u>	<u>0</u>
<i>Totals</i>	<u>\$ 30,539,353</u>	<u>\$ 12,460,788</u>	<u>\$ 1,904,129</u>	<u>\$ 1,806,173</u>

**General Revenues:**

- Property Taxes Levied for:
  - General Purposes
  - Police, Fire and Community Operations
- Municipal Income Taxes Levied for:
  - General Purposes
  - Police, Fire and Community Operations
  - Recreational Purposes
  - Capital Outlay
- Payment in Lieu of Taxes
- Grants and Entitlements not Restricted to Specific Programs
- Interest and Investment Earnings
- Other

*Total General Revenues*

*Change in Net Assets*

*Net Assets Beginning of Year*  
*(Restated, See Note 2)*

*Net Assets End of Year*

See accompanying notes to the basic financial statements.

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
\$ (5,453,679)	\$ 0	\$ (5,453,679)
(5,499,708)	0	(5,499,708)
(141,635)	0	(141,635)
(663,584)	0	(663,584)
(365,377)	0	(365,377)
(62,981)	0	(62,981)
(875,738)	0	(875,738)
(560,805)	0	(560,805)
<u>(13,623,507)</u>	<u>0</u>	<u>(13,623,507)</u>
0	17,384	17,384
0	(310,966)	(310,966)
0	(451,174)	(451,174)
<u>0</u>	<u>(744,756)</u>	<u>(744,756)</u>
<u>(13,623,507)</u>	<u>(744,756)</u>	<u>(14,368,263)</u>
1,395,407	0	1,395,407
1,166,126	0	1,166,126
2,330,911	0	2,330,911
8,636,549	0	8,636,549
0	767,693	767,693
959,615	0	959,615
35,938	0	35,938
1,183,788	19,526	1,203,314
94,902	58,847	153,749
16,992	4,344	21,336
<u>15,820,228</u>	<u>850,410</u>	<u>16,670,638</u>
2,196,721	105,654	2,302,375
<u>82,150,718</u>	<u>28,978,445</u>	<u>111,129,163</u>
<u>\$ 84,347,439</u>	<u>\$ 29,084,099</u>	<u>\$ 113,431,538</u>

See accompanying notes to the basic financial statements.

**City of Medina  
Medina County, Ohio**

*Balance Sheet  
Governmental Funds  
December 31, 2011*

	General	General Purpose Capital Projects	Police Special	Stormwater/ Street	Railroad Renovation Fund	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>							
Equity in Pooled Cash and Investments	\$ 8,352,883	\$ 3,058,635	\$ 3,072,796	\$ 13,853,491	\$ 375,604	\$ 18,327,271	\$ 47,040,680
Cash with Fiscal Agent	0	0	0	0	0	11,962	11,962
Receivables:							
Accounts	256,462	0	0	0	0	51,259	307,721
Interest	27,417	0	0	0	0	1,164	28,581
Interfund	2,002,597	0	0	0	0	0	2,002,597
Taxes	1,840,066	186,376	1,118,257	621,254	0	1,620,480	5,386,433
Intergovernmental	502,434	0	95,713	611,784	873,656	624,099	2,707,686
Special Assessments	0	0	0	0	0	780,704	780,704
Advances to Other Funds	443,270	1,163,937	0	0	0	0	1,607,207
Prepaid Items	55,445	0	48,383	0	1,090	27,532	132,450
<b>Total Assets</b>	<b>\$ 13,480,574</b>	<b>\$ 4,408,948</b>	<b>\$ 4,335,149</b>	<b>\$ 15,086,529</b>	<b>\$ 1,250,350</b>	<b>\$ 21,444,471</b>	<b>\$ 60,006,021</b>
<b>Liabilities and Fund Balance</b>							
<b>Liabilities</b>							
Accounts and Contracts Payable	\$ 152,508	\$ 49,432	\$ 21,832	\$ 182,021	\$ 880,854	\$ 326,597	\$ 1,613,244
Accrued Salaries, Wages and Benefits	305,238	0	248,922	160	1,374	186,986	742,680
Matured Interest Payable	0	0	0	0	0	11,962	11,962
Interfund Payable	0	0	0	460,695	0	1,541,902	2,002,597
Deferred Revenue	1,984,270	54,752	328,515	182,508	873,656	2,415,944	5,839,645
Advances From Other Funds	0	0	0	0	0	443,270	443,270
Unearned Revenue	0	373,334	0	0	0	0	373,334
<b>Total Liabilities</b>	<b>2,442,016</b>	<b>477,518</b>	<b>599,269</b>	<b>825,384</b>	<b>1,755,884</b>	<b>4,926,661</b>	<b>11,026,732</b>
<b>Fund Balance</b>							
Nonspendable	75,623	0	48,383	0	1,090	316,021	441,117
Restricted	0	3,931,430	0	14,261,145	0	11,863,226	30,055,801
Committed	0	0	3,687,497	0	0	2,831,323	6,518,820
Assigned	903,440	0	0	0	0	1,720,378	2,623,818
Unassigned	10,059,495	0	0	0	(506,624)	(213,138)	9,339,733
<b>Total Fund Balances</b>	<b>11,038,558</b>	<b>3,931,430</b>	<b>3,735,880</b>	<b>14,261,145</b>	<b>(505,534)</b>	<b>16,517,810</b>	<b>48,979,289</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 13,480,574</b>	<b>\$ 4,408,948</b>	<b>\$ 4,335,149</b>	<b>\$ 15,086,529</b>	<b>\$ 1,250,350</b>	<b>\$ 21,444,471</b>	<b>\$ 60,006,021</b>

See accompanying notes to the basic financial statements.



**City of Medina**  
**Medina County, Ohio**  
*Reconciliation of Total Governmental Fund Balances to*  
*Net Assets Governmental Activities*  
*December 31, 2011*

Total Governmental Fund Balances	\$	48,979,289
 <i>Amounts reported for governmental activities in the statement of net assets are different because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		46,808,037
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	\$ 90,166	
Municipal Income Tax	877,258	
Miscellaneous	99,728	
Intergovernmental	1,727,493	
Special Assessments	<u>780,704</u>	3,575,349
In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due.		(90,182)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.		
General Obligation and Special Assessment Bonds	14,407,016	
Loan Payable	123,484	
Bond Issuance Costs	(138,095)	
Compensated Absences	<u>532,649</u>	<u>(14,925,054)</u>
 <i>Net Assets of Governmental Activities</i>	 \$	 <u><u>84,347,439</u></u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**

*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Year Ended December 31, 2011*

	General	General Purpose Capital Projects	Police Special	Stormwater/ Street	Railroad Renovation Fund	Other Governmental Funds	Total Governmental Funds
<b>Revenues</b>							
Property Taxes	\$ 1,395,407	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,193,936	\$ 2,589,343
Municipal Income Taxes	2,372,598	725,839	4,355,037	2,419,466	0	2,177,519	12,050,459
Other Local Taxes	1,059	0	0	0	0	0	1,059
Payment in Lieu of Taxes	5,222	1,548	13,822	7,679	0	7,667	35,938
Intergovernmental Revenue	1,198,999	108,933	122,823	1,068,515	0	1,711,456	4,210,726
Fees Licenses and Permits	525,161	0	0	0	0	7,916	533,077
Fines and Forfeitures	999,590	0	0	0	0	628,442	1,628,032
Special Assessments	0	0	0	0	0	272,615	272,615
Charges for Services	360,374	0	394,880	0	77,477	415,256	1,247,987
Interest Income	94,902	108,577	0	0	0	5,700	209,179
Rentals	16,188	13,339	0	0	0	1,690	31,217
Gifts and Donations	400	0	300	0	0	7,415	8,115
Miscellaneous	60,820	0	0	5,507	0	9,527	75,854
<i>Total Revenues</i>	<u>7,030,720</u>	<u>958,236</u>	<u>4,886,862</u>	<u>3,501,167</u>	<u>77,477</u>	<u>6,439,139</u>	<u>22,893,601</u>
<b>Expenditures</b>							
Current:							
General Government	6,185,201	0	0	0	0	833,235	7,018,436
Security of Persons and Property	187,269	0	4,245,528	0	0	2,411,789	6,844,586
Public Health	212,404	0	0	0	0	1,124	213,528
Community Development	674,263	0	0	0	0	8,113	682,376
Transportation	60,327	0	0	2,388,695	141,453	1,346,045	3,936,520
Basic Utility	0	0	0	0	0	70,516	70,516
Leisure Time	0	0	0	0	0	962,310	962,310
Capital Outlay	0	683,852	0	0	873,656	7,745	1,565,253
Debt Service:							
Principal Retirement	0	0	0	8,232	0	239,082	247,314
Interest and Fiscal Charges	0	139,805	0	497,624	0	49,389	686,818
<i>Total Expenditures</i>	<u>7,319,464</u>	<u>823,657</u>	<u>4,245,528</u>	<u>2,894,551</u>	<u>1,015,109</u>	<u>5,929,348</u>	<u>22,227,657</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(288,744)	134,579	641,334	606,616	(937,632)	509,791	665,944
<b>Other Financing Sources (Uses)</b>							
Transfers In	0	0	0	0	45,000	68,517	113,517
Proceeds from Sale of Capital Assets	22,572	0	0	0	0	0	22,572
Transfers Out	(113,517)	0	0	0	0	0	(113,517)
<i>Total Other Financing Sources (Uses)</i>	<u>(90,945)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>45,000</u>	<u>68,517</u>	<u>22,572</u>
<i>Net Change in Fund Balance</i>	(379,689)	134,579	641,334	606,616	(892,632)	578,308	688,516
<i>Fund Balance Beginning of Year</i> (Restated, See Note 2)							
	<u>11,418,247</u>	<u>3,796,851</u>	<u>3,094,546</u>	<u>13,654,529</u>	<u>387,098</u>	<u>15,939,502</u>	<u>48,290,773</u>
<i>Fund Balance End of Year</i>	<u>\$ 11,038,558</u>	<u>\$ 3,931,430</u>	<u>\$ 3,735,880</u>	<u>\$ 14,261,145</u>	<u>\$ (505,534)</u>	<u>\$ 16,517,810</u>	<u>\$ 48,979,289</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**  
*Reconciliation of the Changes*  
*in Fund Balances of Governmental Funds to the Statement of Activities*  
*For the Year Ended December 31, 2011*

Net Change in Fund Balances - Total Governmental Funds	\$	688,516
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
 Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation expense exceeded capital outlay in the current period.		
Capital Asset Additions	\$ 3,764,490	
Current Year Depreciation	(2,744,484)	1,020,006
 Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.		
Delinquent Property Taxes	(60,564)	
Municipal Income Taxes	(90,630)	
Miscellaneous	(40,272)	
Intergovernmental	797,864	
Special Assessments	(311,143)	295,255
 The issuance of long term debt provides current financial resources to the governmental funds while the repayment of principal of long term debt consumes the current financial resources and reduces long-term liabilities in the statement of net assets.		
Bond Principal	239,082	
Loan Principal	8,232	
Bond Issuance Costs	(6,905)	240,409
 Some expenses reported in the statement of activities do not use current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		42,717
Change in Net Assets of Governmental Activities	\$	2,196,721

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**

*Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Over/Under
	Original	Final		
<b>Revenues</b>				
Property Taxes	\$ 1,344,675	\$ 1,310,140	\$ 1,395,407	\$ 85,267
Municipal Income Taxes	2,306,796	2,306,796	2,365,292	58,496
Other Local Taxes	850	850	1,034	184
Payment in Lieu of Taxes	5,500	5,222	5,222	0
Intergovernmental Revenue	1,528,195	1,528,195	1,181,164	(347,031)
Fees, Licenses and Permits	158,825	98,825	159,381	60,556
Fines and Forfeitures	961,650	964,650	1,002,274	37,624
Charges for Services	74,442	71,442	71,820	378
Interest Income	101,423	101,423	215,387	113,964
Rentals	15,000	15,000	16,188	1,188
Gifts and Donations	400	400	400	0
Miscellaneous	41,093	10,670	47,314	36,644
<i>Total Revenues</i>	<u>6,538,849</u>	<u>6,413,613</u>	<u>6,460,883</u>	<u>47,270</u>
<b>Expenditures</b>				
Current:				
General Government	6,050,543	7,720,204	5,672,433	2,047,771
Security of Persons and Property	199,253	264,345	190,871	73,474
Public Health	208,406	301,871	229,124	72,747
Community Development	788,650	983,957	733,898	250,059
<i>Total Expenditures</i>	<u>7,246,852</u>	<u>9,270,377</u>	<u>6,826,326</u>	<u>2,444,051</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(708,003)	(2,856,764)	(365,443)	2,491,321
<b>Other Financing Sources (Uses)</b>				
Proceeds from the Sale of Capital Assets	22,572	22,572	22,572	0
Advances In	2,585,000	2,585,000	3,241,165	656,165
Advances Out	(20,000)	(2,087,582)	(2,014,303)	73,279
Transfers Out	(102,000)	(162,353)	(113,517)	48,836
<i>Total Other Financing Sources (Uses)</i>	<u>2,485,572</u>	<u>357,637</u>	<u>1,135,917</u>	<u>778,280</u>
<i>Net Change in Fund Balance</i>	1,777,569	(2,499,127)	770,474	3,269,601
<i>Fund Balance Beginning of Year</i> <i>(Restated, See Note 2)</i>	6,249,617	6,249,617	6,249,617	0
Prior Year Encumbrances Appropriated	366,160	366,160	366,160	0
<i>Fund Balance End of Year</i>	<u>\$ 8,393,346</u>	<u>\$ 4,116,650</u>	<u>\$ 7,386,251</u>	<u>\$ 3,269,601</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**

*Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Police Special Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Over/Under
	Original	Final		
<b>Revenues</b>				
Municipal Income Taxes	\$ 4,305,460	\$ 4,305,638	\$ 4,319,744	\$ 14,106
Revenue in Lieu of Taxes	14,000	13,822	13,822	0
Intergovernmental Revenue	97,658	97,658	100,788	3,130
Charges for Services	367,500	367,500	394,880	27,380
Gifts and Donations	3,000	3,000	300	(2,700)
<i>Total Revenues</i>	<u>4,787,618</u>	<u>4,787,618</u>	<u>4,829,534</u>	<u>41,916</u>
<b>Expenditures</b>				
Current:				
Security of Persons and Property	4,830,010	4,886,897	4,321,724	565,173
<i>Total Expenditures</i>	<u>4,830,010</u>	<u>4,886,897</u>	<u>4,321,724</u>	<u>565,173</u>
<i>Net Change in Fund Balance</i>	(42,392)	(99,279)	507,810	607,089
<i>Fund Balance Beginning of Year</i>	2,476,763	2,476,763	2,476,763	0
Prior Year Encumbrances Appropriated	54,473	54,473	54,473	0
<i>Fund Balance End of Year</i>	<u>\$ 2,488,844</u>	<u>\$ 2,431,957</u>	<u>\$ 3,039,046</u>	<u>\$ 607,089</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**

*Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Stormwater/Street Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts			Variance with Final Budget Over/Under
	Original	Final	Actual	
<b>Revenues</b>				
Municipal Income Taxes	\$ 2,392,000	\$ 2,392,021	\$ 2,399,858	\$ 7,837
Payment in Lieu of Taxes	7,700	7,679	7,679	0
Intergovernmental Revenue	234,168	234,168	456,731	222,563
Miscellaneous	2,310	2,310	5,507	3,197
<i>Total Revenues</i>	<u>2,636,178</u>	<u>2,636,178</u>	<u>2,869,775</u>	<u>233,597</u>
<b>Expenditures</b>				
Current:				
Transportation	3,433,494	7,378,983	5,971,757	1,407,226
Debt Service:				
Principal Retirement	8,232	8,232	8,232	0
Issuance Costs	497,624	497,624	497,624	0
<i>Total Expenditures</i>	<u>3,939,350</u>	<u>7,884,839</u>	<u>6,477,613</u>	<u>1,407,226</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(1,303,172)	(5,248,661)	(3,607,838)	1,640,823
<b>Other Financing Sources (Uses)</b>				
Advances In	0	549,784	460,695	(89,089)
Advances Out	0	(549,784)	(476,000)	73,784
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>(15,305)</u>	<u>(15,305)</u>
<i>Net Change in Fund Balance</i>	(1,303,172)	(5,248,661)	(3,623,143)	1,625,518
<i>Fund Balance Beginning of Year</i>	12,792,694	12,792,694	12,792,694	0
Prior Year Encumbrances Appropriated	1,069,493	1,069,493	1,069,493	0
<i>Fund Balance End of Year</i>	<u>\$ 12,559,015</u>	<u>\$ 8,613,526</u>	<u>\$ 10,239,044</u>	<u>\$ 1,625,518</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**

*Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Railroad Renovation Fund  
For the Year Ended December 31, 2011*

	Budgeted Amounts		Actual	Variance with Final Budget Over/Under
	Original	Final		
<b>Revenues</b>				
Charges for Services	\$ 82,500	\$ 82,500	\$ 77,477	\$ (5,023)
<i>Total Revenues</i>	82,500	82,500	77,477	(5,023)
<b>Expenditures</b>				
Current:				
Transportation	87,517	222,416	172,930	49,486
<i>Total Expenditures</i>	87,517	222,416	172,930	49,486
<i>Excess of Revenues Over (Under) Expenditures</i>	(5,017)	(139,916)	(95,453)	44,463
<b>Other Financing Sources (Uses)</b>				
Transfers In	17,500	17,500	45,000	27,500
<i>Total Other Financing Sources (Uses)</i>	17,500	17,500	45,000	27,500
<i>Net Change in Fund Balance</i>	12,483	(122,416)	(50,453)	71,963
<i>Fund Balance Beginning of Year</i>	375,319	375,319	375,319	0
Prior Year Encumbrances Appropriated	12,517	12,517	12,517	0
<i>Fund Balance End of Year</i>	<u>\$ 400,319</u>	<u>\$ 265,420</u>	<u>\$ 337,383</u>	<u>\$ 71,963</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**  
*Statement of Fund Net Assets*  
*Proprietary Funds*  
*December 31, 2011*

	<b>Business-Type Activities - Enterprise Funds</b>				
	Water	Sanitation	Recreation Center	Nonmajor	Total
<b>Assets</b>					
<b>Current Assets</b>					
Equity in Pooled Cash and Investments	\$ 3,713,275	\$ 931,244	\$ 1,181,749	\$ 94,026	\$ 5,920,294
Receivables					
Accounts	693,143	567,224	0	0	1,260,367
Interest	2,170	546	0	0	2,716
Taxes	0	0	198,801	0	198,801
Prepaid Items	17,127	16,855	6,682	0	40,664
<i>Total Current Assets</i>	4,425,715	1,515,869	1,387,232	94,026	7,422,842
<b>Non-Current Assets</b>					
Investment in Joint Venture	8,498,815	0	0	0	8,498,815
Deferred Charges	64,135	0	27,315	0	91,450
Capital Assets					
Non-Depreciable Capital Assets	179,424	0	0	0	179,424
Other Capital Assets, Net of Depreciation	24,277,663	441,655	6,315,185	0	31,034,503
<i>Total Non-Current Assets</i>	33,020,037	441,655	6,342,500	0	39,804,192
<i>Total Assets</i>	37,445,752	1,957,524	7,729,732	94,026	47,227,034
<b>Liabilities</b>					
<b>Current Liabilities</b>					
Accounts Payable	121,634	137,499	87,853	0	346,986
Accrued Salaries, Wages and Benefits	66,428	69,273	84,328	0	220,029
Accrued Interest Payable	34,856	0	15,269	0	50,125
Compensated Absences - Current	22,190	32,437	11,528	0	66,155
General Obligation Bonds Payable - Current	650,000	0	365,000	0	1,015,000
Special Assessments Bonds Payable - Current	2,992	0	0	0	2,992
Loans Payable - Current	74,708	0	0	0	74,708
<i>Total Current Liabilities</i>	972,808	239,209	563,978	0	1,775,995
<b>Non-Current Liabilities</b>					
Compensated Absences	21,674	23,786	13,567	0	59,027
General Obligation Bonds Payable	9,746,835	0	4,423,758	0	14,170,593
Special Assessments Bonds Payable	2,992	0	0	0	2,992
Loans Payable	970,391	0	0	0	970,391
Advances from Other Funds	1,163,937	0	0	0	1,163,937
<i>Total Non-Current Liabilities</i>	11,905,829	23,786	4,437,325	0	16,366,940
<i>Total Liabilities</i>	12,878,637	262,995	5,001,303	0	18,142,935
<b>Net Assets</b>					
Invested in Capital Assets, Net of Related Debt	13,921,717	441,655	1,553,742	0	15,917,114
Unrestricted	10,645,398	1,252,874	1,174,687	94,026	13,166,985
<i>Total Net Assets</i>	\$ 24,567,115	\$ 1,694,529	\$ 2,728,429	\$ 94,026	\$ 29,084,099

See accompanying notes to the basic financial statements.



**City of Medina**  
**Medina County, Ohio**  
*Statement of Revenues, Expenses and Changes in Fund Net Assets*  
*Proprietary Funds*  
*For the Year Ended December 31, 2011*

	<b>Business-Type Activities - Enterprise Funds</b>				
	Water	Sanitation	Recreation Center	Nonmajor	Total
<b>Operating Revenues</b>					
Charges for Services	\$ 4,020,103	\$ 2,947,080	\$ 1,930,078	\$ 0	\$ 8,897,261
Other	0	1,887	0	0	1,887
<i>Total Operating Revenues</i>	<u>4,020,103</u>	<u>2,948,967</u>	<u>1,930,078</u>	<u>0</u>	<u>8,899,148</u>
<b>Operating Expenses</b>					
Personal Services	1,011,274	1,130,640	1,303,519	0	3,445,433
Contractual Service	1,615,937	1,579,655	276,357	0	3,471,949
Materials and Supplies	387,898	441,954	422,587	0	1,252,439
Depreciation	430,100	105,145	162,437	0	697,682
Other	2,105	652	4,937	0	7,694
<i>Total Operating Expenses</i>	<u>3,447,314</u>	<u>3,258,046</u>	<u>2,169,837</u>	<u>0</u>	<u>8,875,197</u>
<i>Operating Income (Loss)</i>	572,789	(309,079)	(239,759)	0	23,951
<b>Non-Operating Revenues (Expenses)</b>					
Intergovernmental Revenue	19,526	0	0	0	19,526
Municipal Income Tax	0	0	767,693	0	767,693
Interest Income	46,277	12,570	0	0	58,847
Payment in Lieu of Taxes	0	0	2,457	0	2,457
Interest Expense	(555,405)	0	(211,415)	0	(766,820)
<i>Total Non-Operating Revenues (Expenses)</i>	<u>(489,602)</u>	<u>12,570</u>	<u>558,735</u>	<u>0</u>	<u>81,703</u>
<i>Change in Net Assets</i>	83,187	(296,509)	318,976	0	105,654
<i>Net Assets Beginning of Year</i> <i>(Restated, See Note 2)</i>	<u>24,483,928</u>	<u>1,991,038</u>	<u>2,409,453</u>	<u>94,026</u>	<u>28,978,445</u>
<i>Net Assets End of the Year</i>	<u>\$ 24,567,115</u>	<u>\$ 1,694,529</u>	<u>\$ 2,728,429</u>	<u>\$ 94,026</u>	<u>\$ 29,084,099</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Funds*  
For the Year Ended December 31, 2011

	<b>Business-Type Activities - Enterprise Funds</b>				
	Water	Sanitation	Recreation Center	Nonmajor	Total
<b>Cash Flows From Operating Activities</b>					
Cash Received from Customers	\$ 4,057,829	\$ 2,946,398	\$ 1,930,078	\$ 0	\$ 8,934,305
Cash Paid for Goods and Services	(2,005,714)	(1,900,664)	(622,374)	0	(4,528,752)
Cash Paid to Employees	(1,007,715)	(1,118,178)	(1,316,060)	0	(3,441,953)
Other Operating Revenue	0	1,887	0	0	1,887
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>1,044,400</u>	<u>(70,557)</u>	<u>(8,356)</u>	<u>0</u>	<u>965,487</u>
<b>Cash Flows From Non-Capital Financing Activities</b>					
Income Tax	0	0	767,955	0	767,955
Payment in Lieu of Taxes	0	0	2,457	0	2,457
<i>Net Cash Provided By (Used For) Non-Capital Financing Activities</i>	<u>0</u>	<u>0</u>	<u>770,412</u>	<u>0</u>	<u>770,412</u>
<b>Cash Flows From Investing Activities</b>					
Interest on Investments	101,869	28,652	0	0	130,521
<i>Net Cash Provided By (Used For) Investing Activities</i>	<u>101,869</u>	<u>28,652</u>	<u>0</u>	<u>0</u>	<u>130,521</u>
<b>Cash Flows From Capital and Related Activities</b>					
Federal Interest Subsidy	19,526	0	0	0	19,526
Payments for Capital Acquisitions	(99,960)	(174,264)	0	0	(274,224)
Principal Payments on Debt	(859,270)	0	(360,000)	0	(1,219,270)
Bond Issuance Costs	4,276	0	2,732	0	7,008
Interest Paid on Bonds	(507,125)	0	(192,435)	0	(699,560)
<i>Net Cash Provided By (Used For) Capital and Related Financing Activities</i>	<u>(1,442,553)</u>	<u>(174,264)</u>	<u>(549,703)</u>	<u>0</u>	<u>(2,166,520)</u>
<i>Net Increase (Decrease) in Cash and Investments</i>	(296,284)	(216,169)	212,353	0	(300,100)
<i>Cash and Investments Beginning of Year</i>	4,009,559	1,147,413	969,396	94,026	6,220,394
<i>Cash and Investments End of Year</i>	<u>\$ 3,713,275</u>	<u>\$ 931,244</u>	<u>\$ 1,181,749</u>	<u>\$ 94,026</u>	<u>\$ 5,920,294</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities</b>					
Operating Income (Loss)	\$ 572,789	\$ (309,079)	\$ (239,759)	\$ 0	\$ 23,951
Adjustments:					
Depreciation and Amortization Expense	430,100	105,145	162,437	0	697,682
(Increase) Decrease in Assets:					
Accounts Receivable	37,726	(682)	0	0	37,044
Prepays	(1,268)	(1,798)	1,605	0	(1,461)
Increase (Decrease) in Liabilities:					
Accounts Payable	1,494	123,395	79,902	0	204,791
Accrued Salaries, Wages and Benefits	4,913	5,666	(2,826)	0	7,753
Compensated Absences	(1,354)	6,796	(9,715)	0	(4,273)
<i>Total Adjustments</i>	<u>471,611</u>	<u>238,522</u>	<u>231,403</u>	<u>0</u>	<u>941,536</u>
<i>Net Cash Provided By (Used For) Operating Activities</i>	<u>\$ 1,044,400</u>	<u>\$ (70,557)</u>	<u>\$ (8,356)</u>	<u>\$ 0</u>	<u>\$ 965,487</u>

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**  
*Statement of Fiduciary Net Assets*  
*Fiduciary Funds*  
*December 31, 2011*

	Private Purpose Trust Tricentennial	Agency
<b>Assets</b>		
Equity in Pooled Cash and Investments	\$ 6,435	\$ 445,000
Cash in Segregated Accounts	0	328,304
<i>Total Assets</i>	6,435	\$ 773,304
<b>Liabilities</b>		
Undistributed Monies	0	\$ 773,304
<i>Total Liabilities</i>		\$ 773,304
<b>Net Assets</b>		
Held in Trust for Tricentennial	\$ 6,435	

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**  
*Statement of Changes in Fiduciary Net Assets*  
*Fiduciary Funds*  
*For the Year Ended December 31, 2011*

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	Private Purpose Trust
	Tricentennial
<b>Additions</b>	
Miscellaneous	\$ 10
<b>Deductions</b>	0
Change in Net Assets	10
Net Assets Beginning of Year	6,425
Net Assets End of Year	\$ 6,435

See accompanying notes to the basic financial statements.

**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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**Note 1 – Description of the City and Reporting Entity**

The City of Medina (the City) was organized in 1952 as a political body and corporation established for the purpose of exercising the rights and privileges conveyed to it by the constitution of the State of Ohio. The City operates under a charter as a home-rule municipal corporation under the laws of the State of Ohio. The City provides police and fire protection, emergency medical, parks and recreation, planning, zoning, street maintenance and repair, water distribution, refuse collection and general administrative services to the citizens of the City.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements are not misleading. A primary government consists of all funds, departments, boards and agencies that are not legally separate from the City. The primary government of the City includes City departments and agencies that provide the following services: police protection, fire fighting and prevention, street maintenance and repairs, building inspection, parks and recreation, water, and sanitation.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board; and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organizations. Component units may also include organizations for which the City authorizes the issuance of debt or the levying of taxes, or determines the budget. The City has no component units.

The City participates in the Medina-Lorain Water Consortium, a joint venture and the Joint Economic Development District, a jointly governed organization. (See Note 16 and 17.)

Management believes the financial statements included in this report represent all of the funds of the City over which the City has the ability to exercise direct operating control.

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

The basic financial statements of the City have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City applies generally accepted accounting principles that were issued prior to November 30, 1989 by the Financial Accounting Standards Board ("FASB") to its governmental and business-type activities and proprietary funds provided they do not conflict with or contradict GASB pronouncements. The City has elected not to follow FASB guidance for business-type activities and enterprise funds issued after November 30, 1989. The FASB has codified its standards and the standards issued prior to November 30, 1989 are included in the codification.

The most significant of the City's accounting policies are described below.

**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Basis of Presentation***

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

***Government-wide Financial Statements***

The Statement of Net Assets and the Statement of Activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental and those that are considered business-type activities.

The Statement of Net Assets presents the financial condition of the governmental and business-type activities of the City at year-end. The Statement of Activities presents a comparison between direct expenses and program revenues for each program or function of the City's governmental activities and for the business-type activities. 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 City, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the City.

***Fund Financial Statements***

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

***Fund Accounting***

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

***Governmental Funds***

Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The

**City of Medina**  
**Medina County, Ohio**

*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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

*General Fund* - The general fund accounts for all financial resources except those required to be accounted for in another fund. The general fund balance is available to the City for any purpose provided it is expended or transferred according to the general laws of Ohio.

*General Purpose Capital Projects Fund* – The general capital improvement fund accounts for a percentage of tax money received to defray the cost of general purpose capital expenditures.

*Police Special Fund* – The police special special revenue fund accounts for financial resources whose use is committed to police department expenses. These resources are primarily generated through income tax.

*Stormwater/Street Fund* – The stormwater/street special revenue fund accounts for financial resources whose use is restricted to street projects. These resources are primarily generated through income tax.

*Railroad Renovation Fund* – The railroad renovation special revenue fund accounts for financial resources whose use is restricted railroad maintenance and improvement. These resources are primarily generated through rail user fees and grants.

The other governmental funds of the City account for grants and other resources to which the City is bound to observe constraints imposed upon the use of the resources.

***Proprietary Funds***

Proprietary fund reporting focuses on changes in net assets, financial position and cash flows. Proprietary funds are classified as enterprise.

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

*Water Fund* – The water fund accounts for financial resources whose use is restricted to providing water service. These resources are primarily generated through charges for water service.

*Sanitation Fund* – The sanitation fund accounts for financial resources whose use is restricted to providing refuse collection. These resources are primarily generated through charges for sanitation services.

*Recreation Center Fund* – The recreation center fund accounts for financial resources whose use is restricted to providing recreation service through the Medina Community Recreation Center. These resources are primarily generated through charges for Medina Community Recreation Center use and income tax.

The other proprietary fund of the City accounts for the storm sewer utility.

**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Fiduciary Funds***

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the City's own programs. The City's agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for deposits held for contractors, developers and rentals. The private purpose trust fund accounts for money held in trust for the tricentennial.

***Measurement Focus***

***Government-wide Financial Statements***

The government-wide financial statements are prepared using the economic resources measurement focus. All non-fiduciary assets and all liabilities associated with the operation of the City are included on the Statement of Net Assets.

***Fund Financial Statements***

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

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

Private purpose trust funds are reported using the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

***Basis of Accounting***

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



**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Revenues - Exchange and Non-exchange Transactions***

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the City, available means expected to be received within sixty days of year-end. Non-exchange transactions, in which the City receives value without directly giving equal value in return, include income taxes, property taxes, grants, entitlements and donations. On an accrual basis, revenue from income taxes is recognized in the period in which the income is earned. Revenue from property taxes is recognized in the year for which the taxes are levied (See Note 8). Revenue from grants, entitlements and donations is recognized in the year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the City must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the City on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized. Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year end: income tax, state-levied locally shared taxes (including gasoline tax), fines and forfeitures, interest, grants, fees and rentals.

***Deferred/Unearned Revenue***

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied. Property taxes for which there is an enforceable legal claim as of December 31, 2011, but which were levied to finance year 2012 operations, have been recorded as deferred revenue. Special assessments not received within the available period and grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue on modified accrual only. On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Operating lease revenue received in advance is reported on the governmental fund financial statements as unearned revenue (See Note 9 and 14 for further details).

***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.

***Budgetary Data***

All funds, except agency funds, are legally required to be budgeted and appropriated, however, only governmental funds are required to be reported. The major documents prepared are the tax budget, the certificate of estimated resources, and the appropriations resolution, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates.

**City of Medina**  
**Medina County, Ohio**

*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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The certificate of estimated resources establishes a limit on the amount Council may appropriate. The appropriations resolution is Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by Council. The legal level of control has been established by Council at the object level (personal services and other) within each department in the general fund and at the object level (personal services and other) for all other funds. Budgetary modifications may only be made by resolution of the City Council at the legal level of control.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the Director of Finance. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during 2011.

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

***Cash and Investments***

To improve cash management, cash received by the City is pooled. Monies for all funds, except an amount in the special assessment bond retirement fund are maintained in this pool. Individual fund integrity is maintained through the City's records. Interest in the pool is presented as "equity in pooled cash and investments" on the financial statements.

During 2011, investments included a repurchase agreement, Federated Money Market, Federal Home Loan Mortgage and STAROhio.

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

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 investments could be sold for on December 31, 2011.

Investment procedures are restricted by the provisions of the Ohio Revised Code. Interest revenue credited to the general fund during 2011 amounted to \$94,902, which includes \$78,202, assigned from other City 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 City are presented on the financial statements as "Equity in Pooled Cash and Investments." Investments with an original maturity of more than three months that are not made from the pool are reported as "Investments."

**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Capital Assets***

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

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The City maintains a capitalization threshold of ten thousand dollars. The City's infrastructure consists of bridges, culverts, storm sewers, streets, traffic signals and water lines. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not. It is the policy of the City to not capitalize interest costs incurred as part of construction for enterprise funds.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Land	N/A	N/A
Construction in Progress	N/A	N/A
Improvements	10 - 20 Years	10 - 20 Years
Buildings	10 - 100 Years	10 - 75 Years
Vehicles, Furniture and Equipment	4 - 25 Years	5 - 15 Years
Infrastructure	10 - 50 Years	10 - 75 Years

***Interfund Balances***

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

**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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***Compensated Absences***

The City reports compensated absences in accordance with the provisions of GASB No. 16, "Accounting for 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.

Sick leave benefits are accrued as a liability using the termination method. An accrual for 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 City's past experience of making termination payments.

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

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

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond December 31, 2011, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the year in which services are consumed.

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

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

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

***Fund Balance***

In accordance with Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions", the City classifies its fund balance based on the purpose for which the resources were received and the level of constraint placed on the resources. The classifications are as follows:

**City of Medina**  
**Medina County, Ohio**

*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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*Nonspendable* – The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of loans receivable, as well as property acquired for resale, unless the use of the proceeds from the collection of those receivables or from the sale of those properties is restricted, committed or assigned.

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

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

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by the City for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by City Council.

*Unassigned* – Unassigned fund balance is the residual classification for the general fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed or assigned.

The City applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

***Net Assets***

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The City reported no significant net asset balances restricted by enabling legislation. Net assets restricted for other purposes primarily include amounts to operate special programs including community development and drug and alcohol education.

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

***Operating Revenues and Expenses***

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the City, these revenues are charges for services for water services, refuse collection, use of the recreation center, and storm water. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenue and expenses not meeting these definitions are classified as nonoperating.

***Contributions of Capital***

Contributions of capital in proprietary fund financial statements arise from outside contributions of capital assets, tap-in fees to the extent they exceed the cost of the connection to the system, or from grants or outside contributions of resources restricted to capital acquisition and construction.

***Interfund Activity***

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in business-type activities. Interfund transfers are eliminated when reported in the entity wide financial statements for both the governmental and business-type activities. Transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing fund, and as a reduction of expenditures/expenses in the fund that is reimbursed.

***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 City Administration and that are either unusual in nature or infrequent in occurrence. Neither type of transaction occurred during 2011.

***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.

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***Changes in Accounting Principles***

For the year ended December 31, 2011, the City has implemented Governmental Accounting Standards Board (GASB) Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions" and GASB Statement No. 59, "Financial Instruments Omnibus."

GASB Statement No. 54 enhances the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds. The requirements of this statement classify fund balance as nonspendable, restricted, committed, assigned and/or unassigned.

GASB Statement No. 59 updated and improved existing standards regarding financial reporting and disclosure requirements of certain financial instruments and external investment pools for which significant issues have been identified in practice. Implementation of this GASB statement did not affect the presentation of the financial statements of the City.

***Restatement of Fund Balances/Net Assets***

On January 1, 2011, the City implemented Governmental Accounting Standards Board Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." As a result, the open space #1, open space #2, open space #3, open space #4, parking, cable TV and shade tree trust special revenue funds were reclassified to the general fund for GAAP reporting purposes. In addition, the agency revolving fund, previously recorded as general fund was reclassified to an agency fund and the municipal airport enterprise fund was reclassified as a special revenue fund for GAAP reporting purposes.

The following is the effect of those changes in fund balance:

	General Fund	Other Governmental Funds
	<u>                    </u>	<u>                    </u>
Fund Balance, December 31, 2010	\$ 10,925,440	\$ 16,092,523
Fund Reclassification	492,807	(409,001)
Restated Fund Balance, January 1, 2011	<u>\$ 11,418,247</u>	<u>\$ 15,683,522</u>

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The following is the effect of those changes in net assets:

	Governmental Activities	Business-Type Activities Nonmajor Funds	Business-Type Activities
Net Assets December 31, 2010	\$ 81,163,480	\$ 1,109,309	\$ 29,993,728
Fund Reclassification	987,238	(1,015,283)	(1,015,283)
Restated Net Assets January 1, 2011	<u>\$ 82,150,718</u>	<u>\$ 94,026</u>	<u>\$ 28,978,445</u>

The following is the effect of those changes in agency fund assets and liabilities:

	Total Agency Funds
Assets and Liabilities December 31, 2010	\$ 738,515
Fund Reclassification	28,045
Restated Assets and Liabilities January 1, 2011	<u>\$ 766,560</u>

The following is the change to the beginning fund balance of the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual for general fund based on the reclassification of funds:

	General Fund
Fund Balance December 31, 2010	\$ 6,443,579
Fund Reclassification	(193,962)
Restated Fund Balance January 1, 2011	<u>\$ 6,249,617</u>



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**Note 3 – Accountability and Compliance**

Fund balances at December 31, 2011 included the following individual fund deficits:

	<u>Deficit Fund Balance</u>
Nonmajor Governmental Funds:	
FEMA Grant	\$ 1,270
Community Development Block Grant	201,656
Special Assessments Project Fund	10,212
Railroad Renovation Fund	505,534

The deficits in these nonmajor governmental funds resulted from adjustments for accrued liabilities. The general fund is liable for any deficit in these funds and will provide transfers when cash is required, not when accruals occur.

Ohio Rev. Code Section 5705.39 states that total appropriations from each fund shall not exceed the total of the estimated revenue available as certified by the budget commission. At December 31, 2011, the CDBG, fire capital replacement, Issue II and special assessments projects funds reported appropriations exceeding estimated resources by \$690,025, \$253,142, \$61,070, and \$6,036, respectively.

Ohio Rev. Code Section 5705.41 (B) states that no subdivision or taxing unit is to expend money unless it has been appropriated. At December 31, 2011, expenditures exceed appropriations at the legal level in the following funds, fire bond retirement, and general purpose capital project which reported expenditures exceeding appropriations by \$10 and \$55,551, respectively.

**Note 4 – Fund Balance**

Fund balance can be classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the City is bound to observe constraints imposed upon the use of the resources in governmental funds.

The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented as follows:

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	General Fund	General Purpose Capital Projects Fund	Police Special Fund	Stormwater/Street Fund	Railroad Renovation Fund	Other Governmental Funds	Total
<b>Nonspendable for:</b>							
Unclaimed Monies	\$ 20,178	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 20,178
Prepays	55,445	0	48,383	0	1,090	27,532	132,450
Perpetual Care	0	0	0	0	0	288,489	288,489
<b>Total Nonspendable</b>	<b>75,623</b>	<b>0</b>	<b>48,383</b>	<b>0</b>	<b>1,090</b>	<b>316,021</b>	<b>441,117</b>
<b>Restricted for:</b>							
Security Operations and Programs	0	0	0	0	0	1,909,140	1,909,140
Emergency Medical Services	0	0	0	0	0	1,963,568	1,963,568
Drug and Alcohol Programs	0	0	0	0	0	325,342	325,342
Airport Operations and Improvements	0	0	0	0	0	108,556	108,556
Court Operations and Capital Outlay	0	0	0	0	0	3,773,540	3,773,540
Cemetery Operations and Improvement	0	0	0	0	0	252,228	252,228
Community Improvement	0	3,931,430	0	0	0	986,244	4,917,674
Stormwater/Street Improvement	0	0	0	14,261,145	0	0	14,261,145
Street Repair and Improvement	0	0	0	0	0	2,145,619	2,145,619
Other Purposes	0	0	0	0	0	398,989	398,989
<b>Total Restricted</b>	<b>0</b>	<b>3,931,430</b>	<b>0</b>	<b>14,261,145</b>	<b>0</b>	<b>11,863,226</b>	<b>30,055,801</b>
<b>Committed to:</b>							
Recreation Activities and Improvement	0	0	0	0	0	1,502,742	1,502,742
Security Operations and Programs	0	0	3,687,497	0	0	802,948	4,490,445
Technology Capital Improvement	0	0	0	0	0	525,633	525,633
<b>Total Committed</b>	<b>0</b>	<b>0</b>	<b>3,687,497</b>	<b>0</b>	<b>0</b>	<b>2,831,323</b>	<b>6,518,820</b>
<b>Assigned for:</b>							
Recreation Activities and Improvement	0	0	0	0	0	355	355
Street Repair and Improvement	0	0	0	0	0	476,062	476,062
Community Improvement	98,421	0	0	0	0	252,363	350,784
Other Capital Projects	0	0	0	0	0	991,598	991,598
Cable Television	433,913	0	0	0	0	0	433,913
Encumbrances	345,116	0	0	0	0	0	345,116
Other Purposes	25,990	0	0	0	0	0	25,990
<b>Total Assigned</b>	<b>903,440</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,720,378</b>	<b>2,623,818</b>
Unassigned (Deficit)	10,059,495	0	0	0	(506,624)	(213,138)	9,339,733
<b>Total Fund Balance (Deficit)</b>	<b>\$ 11,038,558</b>	<b>\$ 3,931,430</b>	<b>\$ 3,735,880</b>	<b>\$ 14,261,145</b>	<b>\$ (505,534)</b>	<b>\$ 16,517,810</b>	<b>\$ 48,979,289</b>

**Note 5 – Deposits and Investments**

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

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

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Inactive deposits are public deposits that Council has identified as not required for use within the current 5-year period of designation of depositories. Inactive deposits must either be evidenced by certificates of deposit maturing not later than the end of the current period of designation of depositories, or by savings or deposit accounts including, but not limited to, passbook accounts.

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds with the City Finance Director by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited with the institution.

Interim monies may be invested in the following securities:

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreements must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio and political subdivisions;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions; and
6. The State Treasurer's investment pool (STAROhio)
7. Certain banker's acceptances and commercial paper notes in an amount not to exceed 25% of the interim monies available for investment at any one time; and,
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

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Effective September 27, 1996, investments in stripped principal or interest obligations are no longer allowed to be purchased. Reverse repurchase agreements and derivatives are also prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the City, and must be purchased with the expectation that it will be held to maturity.

Custodial credit risk is the risk that in the event of bank failure, the government's deposits may not be returned to it. Protection of the City's cash and deposits is provided by the Federal Deposit Insurance Corporation, as well as qualified securities pledged by the institution holding the assets. By law, financial institutions must collateralize all uninsured public deposits. The face value of the pooled collateral must equal at least 105 percent of uninsured public funds deposited. Collateral is held by trustees including the Federal Reserve Bank and designated third party trustees of the financial institutions.

**Deposits** - The carrying value of the City's deposits totaled \$22,689,745 and the bank balances of the deposits totaled \$23,719,771. Of the bank balance \$2,343,737 was covered by depository insurance; and \$21,376,034 was uninsured and uncollateralized. Although the securities serving as collateral were held by the pledging institution in the pledging institution's name, and all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

**Investments** - Investments are reported at fair value. As of December 31, 2011, the City had the following investments:

Standard and Poors	Investment	Fair Value	Investment Maturity		% Total Investments
			Less than One Year	1 - 3 Years	
AAAm	STAROhio *	\$ 4,211,019	\$ 4,211,019	\$ 0	13.6%
AAA	Federated Money Market	480,326	480,326	0	1.5%
AAA	Federal Home Loan Mortgage Corporation	5,176,585	0	5,176,585	16.7%
N/A	Repurchase Agreement	21,195,000	21,195,000	0	68.2%
		<u>\$ 31,062,930</u>	<u>\$ 25,886,345</u>	<u>\$ 5,176,585</u>	<u>100.0%</u>

N/A - Underlying securities are exempt

\* It is the policy of STAROhio that the portfolio maintains an average weighted maturity of less than 60 days.

**Interest Rate Risk** - The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The City's policy indicates that the investments must mature within five years, unless matched to a specific obligation or debt of the City.

**Credit Risk** - The credit risk of the City's investments is in the table above. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. No more than 50 percent of the City's total investment portfolio will be invested in a single financial institution with the exception of U.S. Treasury securities and authorized pools.

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***Custodial Credit Risk*** - For an investment, custodial risk is that risk that, in the event of the failure of the counterparty, the City will no longer be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment in repurchase agreements is collateralized by underlying securities pledged by the investment's counterparty, not in the name of the City. Ohio law requires the market value of the securities subject to repurchase agreements must exceed the principal value of the securities subject to a repurchase agreement by 2%. The City has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

***Concentration of Credit Risk*** - The City places no limit on the amount it may invest in any one issuer. The investment percentages are listed above.

**Note 6 – Budgetary Basis of Accounting**

While the City 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, disbursements and encumbrances. The Statement of Revenues, Expenditures and Changes in Fund Balances - Budget (Non-GAAP Basis) and Actual presented for the General Fund, Police Special Fund and Stormwater/Street Fund are 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 as follows:

1. Revenues and other sources are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses and other uses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as an assignment of fund balance (GAAP).
4. Advances in and advances out are operating transactions (budget) as opposed to balance sheet transactions (GAAP).
5. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund, police special fund and stormwater/street fund.

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	Net Change in Fund Balance			
	General Fund **	Police Special Fund	Stormwater/ Street Fund	Railroad Renovation Fund
GAAP Basis (as reported)	\$ (379,689)	\$ 641,334	\$ 606,616	\$ (892,632)
Adjustments:				
Net adjustment for revenue accruals	130,987	(57,328)	(631,392)	0
Advances in	3,241,165	0	460,695	0
Net adjustment for expenditure accruals	28,798	(42,448)	31,386	880,398
Advances out	(2,014,303)	0	(476,000)	0
Funds budgeted elsewhere	163,862	0	0	0
Encumbrances	(400,346)	(33,748)	(3,614,448)	(38,219)
Budget basis	<u>\$ 770,474</u>	<u>\$ 507,810</u>	<u>\$ (3,623,143)</u>	<u>\$ (50,453)</u>

\*\* As part of Governmental Accounting Standards Board Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the open space #1, open space #2, open space #3, open space #4, parking, cable TV and shade tree trust funds.

**Note 7 – Interfund Balances and Transfers**

***Interfund Receivables/Payables***

Interfund receivables and payables resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, or (3) payments between funds are made.

Interfund obligations for the year ended December 31, 2011, consisted of the following:

	Interfund Receivable	Interfund Payable
General Fund	\$ 2,002,597	\$ 0
Stormwater/Street Fund		460,695
Other Governmental Funds	0	1,541,902
Total	<u>\$ 2,002,597</u>	<u>\$ 2,002,597</u>

Advances were made to cover expenditures until expected revenues were received. All interfund loans will be repaid in fiscal year 2012 with monies to be received from reimbursable expenditures incurred during fiscal year 2011.

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***Advances To/From Other Funds***

Advances to/from other funds for the year ended December 31, 2011, consisted of the following:

<u>Advances To Other Funds</u>	<u>Advances From Other Funds</u>	<u>Amount</u>
General Fund	Other Governmental Fund	\$ 443,270
General Purpose Capital Projects Fund	Water Capital Enterprise Fund	1,163,937
		<u>\$ 1,607,207</u>

In 2010, the general fund advanced monies to the special assessment project fund and the CDBG fund to cover expenditures until revenue was received. It is the intention of the City to repay the advances, however, it is not known at this time when repayment will take place.

In 2006, the general purpose capital projects fund advanced to the water capital enterprise fund for a water project. As of December 31, 2011, outstanding advances are anticipated to be repaid at some point in the future.

***Transfers***

During 2011, the general fund transferred \$45,000 to the railroad renovation fund and \$68,517 to other governmental funds to cover expenditures.

**Note 8 – Receivables**

Receivables at December 31, 2011, consisted of taxes, interest, interfund, special assessments, accounts (billings for user charged services) and intergovernmental receivables.

No allowances for doubtful accounts have been recorded because uncollectible amounts are expected to be insignificant.

***Property Taxes***

Property taxes include amounts levied against all real and public utility property located in the City. Property tax revenue received during 2011 for real and public utility property taxes represents collections of the 2010 taxes.

2011 real property taxes were levied after October 1, 2011 on the assessed value as of January 1, 2011, the lien date. Assessed values are established by State law at 35 percent of appraised market value. 2011 real property taxes are collected in and intended to finance 2012.

Public utility tangible personal property currently is assessed at varying percentages of true value; public utility real property is assessed at 35 percent of true value. 2011 public utility property taxes which became a lien December 31, 2010, are levied after October 1, 2011, and are collected in 2012 with real property taxes.

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House Bill No. 66 was signed into law on June 30, 2005. House Bill No. 66 phased out the tax on tangible personal property of general businesses, telephone and telecommunications companies, and railroads. The tax on general business and railroad property was eliminated in calendar year 2009, and the tax on telephone and telecommunications property was eliminated in calendar year 2010. The tax was phased out by reducing the assessment rate on the property each year. The bill replaced the revenue lost by the City due to the phasing out of the tax. In calendar years 2006-2010, the City was fully reimbursed for the lost revenue. In calendar years 2011-2017, the reimbursements are being phased out. On June 30, 2011, House Bill No. 153 was signed into law, which further reduced the amounts of these reimbursements.

The full tax rate for all City operations for the year ended December 31, 2011, was \$5.40 per \$1,000 of assessed valuation. The assessed values of real property upon which 2011 property tax receipts were based are as follows:

<u>Category</u>	<u>Assessed Value</u>
Real Property	\$ 560,776,440
Public Utilities - Real	6,830
Public Utilities - Personal	<u>17,384,150</u>
 Total Assessed Value	 <u>\$ 578,167,420</u>

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 later payment dates to be established.

Tangible personal property taxes paid 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.

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Medina. The County Auditor periodically remits to the City its portion of the taxes collected. Property taxes receivable represents real property taxes, public utility real and tangible personal property taxes, and outstanding delinquencies which became measurable as of December 31, 2011, and for which there is an enforceable legal claim. In the governmental funds, the entire receivable has been offset by deferred revenue since the current taxes were not levied to finance 2011 operations and the collection of delinquent taxes during the available period is not subject to reasonable estimation. On the accrual basis, collectible delinquent property taxes have been recorded as revenue while the remainder of the receivable is deferred.

***Income Taxes***

The City levies a municipal income tax on all salaries, wages, commissions and other compensation, and net profits earned within the City as well as incomes of residents earned outside of the City. Effective January 1, 2005, the income tax rate was 1.25%. The Central Collection Agency (CCA) is the City's agent for administering income tax collecting and accounting.



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Employers within the City are required to withhold income tax on work done or services performed in the City by both residents and non-residents of the City. All individuals who work or conduct business in the City and do not have income tax withheld must file estimated tax returns using the 1.25% rate for 2011 and remit the tax to the City either monthly or quarterly, as required. All businesses located in or doing business in the City must file a net profit estimate for 2011 using the 1.25% rate.

All residents, 16 years of age and over, working outside the City are subject to the 1.25% tax less the credit allowed for taxes paid to another taxing community. Maximum credit allowed residents for taxes paid to another community is .19%.

Income tax revenues are allocated based on City ordinance with the exception of the stormwater/street fund portion which is decided by vote. In 2011, all costs of collecting the taxes and administering and enforcing the provisions was paid from the general fund. The remaining balance was allocated among General Fund, Street Maintenance and Repair, Parks and Recreation, Police Special, Fire Special, Stormwater/Streets, General Purpose Capital, Fire Capital Replacement, Computer/Electronic Technology and Recreation Center.

***Intergovernmental Receivables***

A summary of intergovernmental receivables follows:

	<u>Amount</u>
<b>Governmental Activities:</b>	
Homestead/Rollback	\$ 147,704
Estate Tax	137,732
Auto Registration	80,002
Gasoline Tax	395,489
Permissive Tax	21,678
Local Government	266,998
Tax Loss Reimbursement	47,327
Services	104,964
Grants	<u>1,505,792</u>
Total	<u>\$ 2,707,686</u>

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***Taxes Receivables***

A summary of taxes receivables follows:

	Amount
<b>Governmental Activities:</b>	
Real Estate Tax	\$ 2,354,462
Municipal Income Tax	3,031,678
Other Local Taxes	293
 Total	 \$ 5,386,433
 <b>Business-Type Activities</b>	
Municipal Income Tax	\$ 198,801

**Note 9 – Operating Leases – Lessor Disclosure**

The City leases spaces in a parking facility under a non-cancelable lease with the Medina County Library. The full amount of the lease payments of \$400,000 has been received by the City and is reported “unearned revenue” on the fund financial statements. Revenue will be recognized over the term of the 30 year lease.

The parking spaces are being depreciated over 50 years as follows:

Leased Asset	Asset Cost	Accumulated Depreciation	Carrying Value
Parking Spaces	\$ 411,514	\$ 20,575	\$ 390,939

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**Note 10 – Capital Assets**

Capital asset activity for the year ended December 31, 2011, was as follows:

	Restated Balance 12/31/2010	Additions	Reductions	Balance 12/31/2011
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 3,529,235	\$ 0	\$ 0	\$ 3,529,235
Construction in Progress	151,383	629,695	0	781,078
<b>Total Capital Assets, not being depreciated</b>	<b>3,680,618</b>	<b>629,695</b>	<b>0</b>	<b>4,310,313</b>
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	7,575,517	827,328	0	8,402,845
Furniture and Equipment	1,176,861	183,448	0	1,360,309
Vehicles	5,425,541	0	(57,452)	5,368,089
Infrastructure				
Roads	36,715,882	2,096,309	0	38,812,191
Storm Sewers	20,408,460	0	0	20,408,460
Traffic Signals	3,762,614	27,710	0	3,790,324
<b>Total Capital Assets, being depreciated</b>	<b>75,064,875</b>	<b>3,134,795</b>	<b>(57,452)</b>	<b>78,142,218</b>
<b>Less Accumulated Depreciation:</b>				
Buildings and Improvements	(1,008,012)	(132,903)	0	(1,140,915)
Furniture and Equipment	(820,753)	(113,464)	0	(934,217)
Vehicles	(3,570,073)	(311,482)	57,452	(3,824,103)
Infrastructure				
Roads	(17,049,383)	(1,257,575)	0	(18,306,958)
Storm Sewers	(9,899,990)	(677,290)	0	(10,577,280)
Traffic Signals	(609,251)	(251,770)	0	(861,021)
<b>Total Accumulated Depreciation</b>	<b>(32,957,462)</b>	<b>(2,744,484)</b>	<b>57,452</b>	<b>(35,644,494)</b>
<b>Total Capital Assets being depreciated, net</b>	<b>42,107,413</b>	<b>390,311</b>	<b>0</b>	<b>42,497,724</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 45,788,031</b>	<b>\$ 1,020,006</b>	<b>\$ 0</b>	<b>\$ 46,808,037</b>

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	Restated Balance 12/31/2010	Additions	Reductions	Balance 12/31/2011
<b>Business-Type Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 167,384	\$ 0	\$ 0	\$ 167,384
Construction in Progress	0	12,040	0	12,040
Total Capital Assets, not being depreciated	167,384	12,040	0	179,424
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	11,961,431	72,217	0	12,033,648
Furniture and Equipment	3,400,062	0	0	3,400,062
Vehicles	1,927,389	189,967	0	2,117,356
Water Lines	25,463,758	0	0	25,463,758
Total Capital Assets, being depreciated	42,752,640	262,184	0	43,014,824
Less Accumulated Depreciation:				
Buildings and Improvements	(1,704,470)	(213,233)	0	(1,917,703)
Furniture and Equipment	(3,343,557)	(29,199)	0	(3,372,756)
Vehicles	(1,507,506)	(115,729)	0	(1,623,235)
Water Lines	(4,727,106)	(339,521)	0	(5,066,627)
Total Accumulated Depreciation	(11,282,639)	(697,682)	0	(11,980,321)
Total Capital Assets being depreciated, net	31,470,001	(435,498)	0	31,034,503
Business-Type Activities Capital Assets, Net	<u>\$ 31,637,385</u>	<u>\$ (423,458)</u>	<u>\$ 0</u>	<u>\$ 31,213,927</u>

Depreciation expense was charged to programs as follows:

	<u>Depreciation</u>
<i>Governmental Activities:</i>	
General Government	\$ 743,082
Transportation	1,672,994
Security of Persons and Property	286,925
Leisure Time	41,483
	<u>\$ 2,744,484</u>

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	<u>Depreciation</u>
<i>Business-Type Activities:</i>	
Water Fund	\$ 430,100
Sanitation Fund	105,145
Recreation Center Fund	<u>162,437</u>
	<u>\$ 697,682</u>

**Note 11 – Defined Benefit Pension Plans**

***Ohio Public Employees Retirement System***

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

OPERS provides retirement, disability, survivor and death benefits, and annual cost-of-living adjustments to members of the Traditional Pension and Combined Plans. Members of the Member-Directed Plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or calling 614-222-5601 or 1-800-222-7377.

Funding Policy – The Ohio Revised Code provides statutory authority for member and employer contributions. For 2011, member and employer contribution rates were consistent across all three plans. While members in the state and local divisions may participate in all three plans, law enforcement and public safety divisions exist only within the Traditional Pension Plan.

For the year ended December 31, 2011, members in state and local classifications contributed 10.0% of covered payroll while public safety and law enforcement members contributed 11.0% and 11.6%, respectively.

The City's 2011 contribution rate was 14.0%, except for those plan members in law enforcement or public safety, for whom the City's contribution was 18.1% of covered payroll. The portion of employer contributions used to fund pension benefits is net of postemployment health care benefits. The portion of employer contribution allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2011.

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The City's required contributions for pension obligations to the Traditional Pension and Combined Plans for the years ended December 31, 2011, 2010, and 2009, were \$1,068,165, \$834,993, and \$648,049, respectively. For 2011, 91.3% has been contributed, with the remainder being reported as a liability. The full amount has been contributed for 2010 and 2009. There were no contributions made to the Member-Directed Plan for 2011.

***Ohio Police and Fire Pension Fund (OP&F)***

Plan Description - The City contributes to the Ohio Police and Fire Pension Fund (OP&F), a cost-sharing multiple-employer defined benefit pension plan. OP&F provides retirement and disability pension benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefit provisions are established by the Ohio State Legislature and are codified in Chapter 742 of the Ohio Revised Code. OP&F issues a publicly available financial report that includes financial information and required supplementary information for the plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy - Plan members are required to contribute 10.0% of their annual covered salary, while employers are required to contribute 19.5% for police officers and 24.0% for firefighters. The City's contributions to OP&F for police and firefighters were \$413,993 and \$34,725 for the year ended December 31, 2011, \$324,372 and \$34,272 for the year ended December 31, 2010, and \$317,196 and \$29,207 for the year ended December 31, 2009, respectively. 91.1% for police and 92.1% for firefighters has been contributed for 2011 with the remainder being reported as a liability. The full amount has been contributed for 2010 and 2009.

**Note 12– Postemployment Benefits**

***Ohio Public Employees Retirement System***

Plan Description – Ohio Public Employees Retirement System (OPERS) administers three separate pension plans: The Traditional Pension Plan – a cost sharing, multiple-employer defined benefit pension plan; the Member-Directed Plan – a defined contribution plan; and the Combined Plan – a cost sharing, multiple employer defined benefit pension plan that has elements of both a defined benefit and defined contribution plan.

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

In order to qualify for post-employment health care coverage, age-and-service retirees under the Traditional Pension and Combined Plans must have 10 or more years of qualifying Ohio service credit. Health care coverage for disability benefit recipients and qualified survivor benefit recipients is available. The health care coverage provided by OPERS meets the definition of an Other Postemployment Benefit (OPEB) as described in GASB Statement 45.

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

OPERS issues a stand-alone financial report. Interested parties may obtain a copy by visiting <https://www.opers.org/investments/cafr.shtml>, writing to OPERS, 277 East Town Street, Columbus, Ohio 43215-4642, or calling 614-222-5601 or 1-800-222-7377.

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

Employer contribution rates are expressed as a percentage of the covered payroll of active members. In 2011, state and local employers contributed at a rate of 14.0% of covered payroll, and public safety and law enforcement employers contributed at 18.1%. These are the maximum employer contribution rates permitted by the Ohio Revised Code. Active members do not make contributions to the OPEB Plan.

OPERS' Postemployment Health Care plan was established under, and is administered in accordance with Internal Revenue Code 401(h). Each year, the OPERS Board of Trustees determines the portion of the employer contribution rate that will be set aside for funding postemployment health care benefits. The portion of employer contributions allocated to health care for members in the Traditional Plan was 4.0% during calendar year 2011. The portion of employer contributions allocated to health care for members in the Combined Plan was 6.05% during calendar year 2011.

The OPERS Board of Trustees is also authorized to establish rules for the retiree, or their surviving beneficiaries, to pay a portion of the health care benefits provided. Payment amounts vary depending on the number of covered dependents and coverage selected.

The City's contributions allocated to fund post-employment health care benefits for the years ended December 31, 2011, 2010, and 2009 were \$427,266, \$473,983 and \$472,922, respectively. For 2011, 91.3% has been contributed with the remainder being reported as a liability. The full amount has been contributed for 2010 and 2009.

The Health Care Preservation Plan (HCPP) adopted by the OPERS Retirement Board on September 9, 2004, was effective January 1, 2007. Member and employer contribution rates increased on January 1 of each year from 2006 to 2008. Rates for law and public safety employers increased over a six year period beginning on January 1, 2006, with a final rate increase on January 1, 2011. These rate increases allowed additional funds to be allocated to the health care plan.

***Ohio Police and Fire Pension Fund (OP&F)***

Plan Description – The City contributes to the Ohio Police and Fire Pension Fund (OP&F) sponsored health care program, a cost-sharing multiple-employer defined post-employment health care plan administered by OP&F. OP&F provides health care benefits including coverage for medical, prescription drugs, dental, vision, Medicare Part B Premium reimbursement and long-term care to retirees, qualifying benefit recipients and their eligible dependents.

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

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

OP&F issues a publicly available financial report that includes financial information and required supplementary information for the Plan. That report may be obtained by writing to OP&F, 140 East Town Street, Columbus, Ohio 43215-5164.

Funding Policy – The Ohio Revised Code provides for contribution requirements of the participating employers and of plan members to the OP&F defined benefit pension plan. Participating employers are required Ohio Revised Code to contribute to the pension plan at rates expressed as percentages of the payroll of active pension plan members, currently, 19.5% and 24.0% of covered payroll for police and fire employers, respectively. The Ohio Revised Code states that the employer contribution may not exceed 19.5% of covered payroll for police employer units and 24.0% of covered payroll for fire employer units. Active members do not make contributions to the OPEB Plan.

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

The Board of Trustees is authorized to allocate a portion of the total employer contributions made into the pension plan to the Section 115 trust and the Section 401(h) account as the employer contribution for retiree health care benefits. For the year ended December 31, 2011, the employer contribution allocated to the health care plan was 6.75% of covered payroll. The amount of employer contributions allocated to the health care plan each year is subject to the Trustees' primary responsibility to ensure that pension benefits are adequately funded and is limited by the provisions of Sections 115 and 401(h).

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

The City's contributions to OP&F which were allocated to fund post-employment health care benefits for police and firefighters were \$219,173 and \$13,588 for the year ended December 31, 2011, \$171,727 and \$13,411 for the year ended December 31, 2010, and \$167,928 and \$11,429 for the year ended December 31, 2009. 91.1% has been contributed for police and 92.1% has been contributed for firefighters for 2011 with the remainder being reported as a liability. The full amount has been contributed for 2010 and 2009.



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**Note 13 – Compensated Absences**

The criteria for determining vacation and sick leave components are derived from negotiated contracts, City ordinances and State laws. Employees earn two to five weeks of vacation per year, depending upon length of service. Annual vacation eligibility is as of December 31 and unused vacation may be carried over for one year.

Employees that have used three weeks vacation, and can not take off the remaining, may receive payment for vacation that would have otherwise been lost. When an employee terminates employment with two weeks notice, they will receive a pro-ration of vacation time that they would receive the next year. When there is not two weeks notice, the employee will not receive any vacation balance currently accrued.

Employees earn sick leave at the rate of 4.6 hours per 80 hours worked with no maximum accumulation. No sick leave is paid out at termination, but upon retirement, employees receive 37.5% of their sick leave balance not to exceed 360 hours.

Employees may elect to receive compensatory time off in lieu of overtime. Currently the maximum balance is 160 hours for police communication employees and 120 hours for other employees.

Compensated absences will be paid from the fund from which the employee is paid. This is generally from the general, street maintenance and repair, fire special, cable TV, water, sanitation and recreation center funds.

**Note 14 – Long Term Obligations**

***General Obligation Bonds***

Outstanding general obligation bonds consist of utility system and building construction issues. General obligation bonds have been issued for governmental and business-type activities.

General obligation bonds are direct obligations of the City for which its full faith, credit, and resources are pledged and are payable from taxes levied on all taxable property in the City.

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The original issue amount for general obligation bonds currently outstanding are as follows:

Purpose	Original Issue Date	Maturity Date	Interest Rates	Original Issue Amount
<i>Governmental Activities</i>				
Street Improvement	2010	2031	3.59%	\$ 10,810,000
General Purpose	2010	2031	3.59%	3,035,000
Total				<u>\$ 13,845,000</u>
<i>Business-Type Activities</i>				
Water Improvements	1995	2015	5.20% to 5.85%	1,000,000
Recreation Center	2002	2024	3.00% to 5.00%	2,035,000
Water Improvements	2002	2022	2.40% to 5.00%	6,080,000
Water Improvement Refunding	2010	2026	3.81%	5,235,000
Water Improvements	2010	2031	5.59%	1,210,000
Recreation Center	2010	2021	3.61%	2,985,000
Total				<u>\$ 18,545,000</u>

Annual debt service requirements to maturity for general obligation bonds are as follows:

Year Ending December 31,	General Obligation Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 535,000	\$ 691,188	\$ 1,226,188	\$ 1,015,000	\$ 622,355	\$ 1,637,355
2013	540,000	684,233	1,224,233	1,045,000	592,796	1,637,796
2014	545,000	674,244	1,219,244	1,075,000	561,560	1,636,560
2015	555,000	660,073	1,215,073	1,105,000	528,382	1,633,382
2016	570,000	643,423	1,213,423	1,095,000	487,936	1,582,936
2017 - 2021	3,080,000	2,854,828	5,934,828	6,220,000	1,720,059	7,940,059
2022 - 2026	3,630,000	1,991,126	5,621,126	3,335,000	478,113	3,813,113
2027 - 2031	4,390,000	826,570	5,216,570	385,000	72,886	457,886
Total	<u>\$ 13,845,000</u>	<u>\$ 9,025,685</u>	<u>\$ 22,870,685</u>	<u>\$ 15,275,000</u>	<u>\$ 5,064,087</u>	<u>\$ 20,339,087</u>

***Special Assessment Bonds***

Outstanding special assessment bonds consist of street and utility improvements which are payable from the proceeds of tax assessments against individual property owners. In the event the property owners fail to make their special assessment payments, the City is responsible for providing the resources to meet the annual principal and interest payments.

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Annual debt service requirements to maturity for special assessment bonds are as follows:

Year Ending December 31,	Special Assessment Bonds					
	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2012	\$ 206,008	\$ 31,406	\$ 237,414	\$ 2,992	\$ 317	\$ 3,309
2013	151,008	19,737	170,745	2,992	159	3,151
2014	145,000	11,413	156,413	0	0	0
2015	60,000	3,300	63,300	0	0	0
Total	<u>\$ 562,016</u>	<u>\$ 65,856</u>	<u>\$ 627,872</u>	<u>\$ 5,984</u>	<u>\$ 476</u>	<u>\$ 6,460</u>

***Loans Payable***

*Water Tank*

The City and the County joined to construct a water tank at the end of Avon Lake Municipal Utilities Eastern Transmission Line #2. This tank provides water for pumping facilities of the City and the County. OWDA funds were used to construct this tank. The City's portion of the loan with OWDA, issued in 2003, amounted to \$1,583,180 at an interest rate of 4.65%. Semi-annual payments are made to the County with the final payment due January 1, 2023.

Annual debt service requirements to maturity for the loan are as follows:

Year Ending December 31,	Loan Payable		
	Business-Type Activities		
	Principal	Interest	Total
2012	\$ 74,708	\$ 47,739	\$ 122,447
2013	78,223	44,225	122,448
2014	81,902	40,545	122,447
2015	85,755	36,692	122,447
2016	89,789	32,658	122,447
2017 - 2021	516,417	95,818	612,235
2022 - 2023	118,305	16,020	134,325
Total	<u>\$ 1,045,099</u>	<u>\$ 313,697</u>	<u>\$ 1,358,796</u>

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*Renovations*

In 2002, the City received an interest free twenty year loan from the Ohio Public Works Commission in the amount of \$164,644 for renovations to the East Reagan/North Jefferson intersection. Semi-annual payments are made to OPWC with the final payment due July 1, 2026.

Annual debt service requirements to maturity for the loan are as follows:

Year Ending December 31,	Governmental Activities Principal
2012	\$ 8,232
2013	8,232
2014	8,232
2015	8,232
2016	8,232
2017 - 2021	41,160
2022 - 2026	<u>41,164</u>
Total	<u>\$ 123,484</u>

*Unearned Revenue*

In 2009, the City entered into an operating lease to lease out thirty-seven parking spaces with the Medina County District Library (“Library”). As part of the 30-year lease agreement, the Library was required to pay the total 30-year lease payment during 2009 in the amount of \$400,000. This revenue has been reported as “unearned revenue” on the balance sheet and “long-term liabilities” on the statement of net assets. Revenue will be recognized as earned over the 30-year lease period.

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***Changes in Long Term Liabilities***

Long term liability activity for the year ended December 31, 2011 was as follows:

	Balance 12/31/10	Additions	Reductions	Balance 12/31/2011	Due Within One Year
<b>Governmental Activities</b>					
<i>General Obligation Bonds</i>					
2010 Street Improvements, 3.59% final payment 2031	\$ 10,810,000	\$ 0	\$ 0	\$ 10,810,000	\$ 420,000
2010 General Purpose, 3.59% final payment 2031	3,035,000	0	0	3,035,000	115,000
<i>Total General Obligation Bonds</i>	<u>13,845,000</u>	<u>0</u>	<u>0</u>	<u>13,845,000</u>	<u>535,000</u>
<i>Special Assessment Bonds</i>					
1993 Water Line, 5.39% final payment 2013	17,098	0	5,082	12,016	6,008
1995 Street Improvements, 4.75% final payment 2015	275,000	0	50,000	225,000	50,000
1991 Street Improvements, 7.375% final payment 2011	40,000	0	40,000	0	0
1992 Street Improvements, 4.41% final payment 2012	125,000	0	60,000	65,000	65,000
1994 Street Improvements, 5.45% final payment due 2014	315,000	0	75,000	240,000	75,000
1998 Street Improvements, 4.50% final payment 2013	29,000	0	9,000	20,000	10,000
<i>Total Special Assessment Bonds</i>	<u>801,098</u>	<u>0</u>	<u>239,082</u>	<u>562,016</u>	<u>206,008</u>
Loan Payable	131,716	0	8,232	123,484	8,232
Compensated Absences	575,366	274,762	317,479	532,649	267,284
Unearned Revenue	386,667	0	13,333	373,334	13,333
<b>Total Governmental Long Term Liabilities</b>	<u><u>\$ 15,739,847</u></u>	<u><u>\$ 274,762</u></u>	<u><u>\$ 578,126</u></u>	<u><u>\$ 15,436,483</u></u>	<u><u>\$ 1,029,857</u></u>

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*2010 General Obligation Bonds*

In December 2010, the City issued general obligation bonds in the amount of \$10.8 million for street improvements and \$3.0 million for general purposes. The issuance costs of \$110,000 and \$35,000 for the street improvements bonds and general purpose bonds, respectively, have been reported as deferred charges and will be amortized to interest expense over the life of the bonds using the straight-line method. Amortization of \$6,905 has been recorded for 2011. The bond issues consist of serial bonds which are not subject to early redemption.

Special assessment bonds are paid from the special assessment bond fund and the general obligation bond for the fire department is paid from the fire bond retirement fund, the street improvements bond is paid from the stormwater/street fund and the general purpose bond is paid from the general purpose capital projects fund. Compensated absences will be paid from the fund from which the person is paid. This is generally from the general fund, police special fund or fire special fund.

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	Balance 12/31/10	Additions	Reductions	Balance 12/31/2011	Due Within One Year
<b>Business-Type Activities</b>					
<i>General Obligation Bonds</i>					
1995 Water Improvements					
5.2%-5.85%, final payment 2015	\$ 250,000	\$ 0	\$ 50,000	\$ 200,000	\$ 50,000
2001 Water Improvements					
4.0%-5.1%, final payment 2011	390,000	0	390,000	0	0
2002 Water Improvements					
2.4%-5.0%, final payment 2022	4,190,000	0	270,000	3,920,000	280,000
2010 Water Improvements Refunding					
3.81%, final payment 2026	5,235,000	0	75,000	5,160,000	275,000
Refunding Premium	131,426	0	8,214	123,212	0
Refunding Loss	(238,015)	0	(21,638)	(216,377)	0
2010 Water Improvements					
5.59%, final payment 2031	1,210,000	0	0	1,210,000	45,000
2002 Recreation Center					
3.0%-5.0% final payment 2024	1,930,000	0	100,000	1,830,000	105,000
2001 Recreation Center					
3.6%-4.9%, final payment 2011	230,000	0	230,000	0	0
2010 Recreation Center Refunding					
3.61%, final payment 2021	2,985,000	0	30,000	2,955,000	260,000
Refunding Premium	130,777	0	8,174	122,603	0
Refunding Loss	(130,730)	0	(11,885)	(118,845)	0
<i>Total General Obligation Bonds</i>	<u>16,313,458</u>	<u>0</u>	<u>1,127,865</u>	<u>15,185,593</u>	<u>1,015,000</u>
<i>Special Assessment Bonds</i>					
1993 Water Line, 5.39%					
final payment 2013	8,902	0	2,918	5,984	2,992
<i>Total Special Assessment Bonds</i>	<u>8,902</u>	<u>0</u>	<u>2,918</u>	<u>5,984</u>	<u>2,992</u>
Loan Payable	1,116,451	0	71,352	1,045,099	74,708
Compensated Absences	122,082	71,917	68,817	125,182	66,155
<b>Total Business-Type Activities</b>					
Long Term Liabilities	<u>\$ 17,560,893</u>	<u>\$ 71,917</u>	<u>\$ 1,270,952</u>	<u>\$ 16,361,858</u>	<u>\$ 1,158,855</u>

**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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*2010 Water Improvements Refunding Bonds*

In December, 2010, the City issued \$5,235,000 refunded general obligation bonds. The proceeds of the bonds were used to refund \$5,070,000 of the City's outstanding water improvement bonds, Series 2001. The bonds were issued for a 16 year period with final maturity at December 1, 2026. At the date of the refunding, \$5,308,015 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. As of December 31, 2011, \$5,070,000 of these bonds are considered defeased.

These refunding bonds were issued with a premium of \$131,426, which is reported as an increase to bonds payable. The amounts are being amortized to interest expenses over the life of the bonds using the straight-line method. There was amortization of \$8,214 recorded in 2011. The issuance costs of \$68,411 have been reported as deferred charges and will be amortized to interest expense over the life of the bonds using the straight-line method. There was amortization of \$4,276 recorded in 2011. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$238,015. The issuance resulted in an economic gain of \$159,457.

*2010 Recreation Center Refunding Bonds*

On December 21, 2010, the City issued \$2,985,000 refunded general obligation bonds. The proceeds of the bonds were used to refund \$2,955,000 of the City's outstanding recreation center bonds, Series 2001. The bonds were issued for a 11 year period with final maturity at December 1, 2021. At the date of the refunding, \$3,085,730 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. As of December 31, 2011, \$2,955,000 of these bonds are considered defeased.

These refunding bonds were issued with a premium of \$130,777, which is reported as an increase to bonds payable. The amounts are being amortized to interest expenses over the life of the bonds using the straight-line method. There was amortization of \$8,174 recorded in 2011. The issuance costs of \$30,047 have been reported as deferred charges and will be amortized to interest expense over the life of the bonds using the straight-line method. There was amortization of \$2,732 recorded in 2011. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$130,730. The issuance resulted in an economic gain of \$187,485.

The bond issue consists of serial bonds which are not subject to early redemption.

Special assessment bonds, the loan payable and water general obligation bond are paid from the water fund, the recreation center general obligation bonds are paid from the recreation center fund.

Compensated absences will be paid from the fund from which the person is paid. This is generally from the water fund, sanitation fund or recreation fund.



**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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**Note 15 – Risk Management**

***Property and Liability***

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omission; injuries to employees and natural disasters. The City has policies for commercial property coverage, boiler and machinery coverage, police liability and an umbrella policy.

The City bonds the Finance Director, Clerk of Courts, and bailiffs.

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

***Medical***

The City provides health and dental benefits and life insurance to full time employees. Most employees are required to pay 5% of the medical insurance premium. Coverage is provided by a commercial insurance carrier and the City is not exposed to any risks related to health claims.

**Note 16 - Investment in Joint Venture**

The City is a member of the Medina-Lorain Water Consortium (the Consortium), which is a joint venture between the City of Avon Lake, the Rural Lorain County Water Authority, Medina County, and the City of Medina. The Consortium was created in 1999 for the purpose of construction, operation and maintenance of a water transmission line to serve the members of the Consortium, and for the purpose of bulk water delivery from the City of Avon Lake. There is an ongoing financial responsibility for all parties for the maintenance and repair of the project. The Consortium is governed by representatives of the member parties. The City of Avon Lake serves as the fiscal agent for the Consortium. As of December 31, 2011, the City's equity interest in the Consortium was \$8,498,815. Financial information can be obtained from Joe Newlin, City of Avon Lake Finance Director, 150 Avon Beldon Road, Avon Lake, Ohio 44012.

**Note 17 – Jointly Governed Organization**

The Joint Economic Development District (JEDD) is a not for profit Community Improvement Corporation formed under Chapter 715.72 through 715.83 of the Ohio Revised Code. The JEDD was formed in 2009 and was designated as the economic development agent for the City of Medina and Montville Township. The purpose of the JEDD is to facilitate economic development to create or preserve jobs and employment opportunities and to improve the economic welfare of the people in the State, the Township, the City and the District served. The JEDD is administered by a Board of locally appointed officials and local business leaders. The JEDD is not dependent upon the City of Medina for its existence.

**City of Medina**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Year Ended December 31, 2011*

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**Note 18 – Contingencies**

Amounts received from grantor agencies are subject to audit and adjustment by the grantor, principally the federal government. Any disallowed costs may require refunding to the grantor. Amounts which may be disallowed, if any, are not presently determinable. However, based on prior experience, management believes such refunds, if any, would not be material.

The City is defendant in several lawsuits. The outcome of these suits is not presently determinable and council believes that the resolution of these matters will not materially affect the City's financial condition.

**Note 19 – Recreation Center Joint Operating Agreement**

On July 9, 2001, the City entered into a joint operating agreement and lease agreement with the Board of Education of the Medina City School District (the School Board) for the Medina Recreation Center (the Recreation Center).

City has been granted a leasehold interest in the Recreation Center for a term commencing on January 4, 2003 and expiring on June 30, 2052, with an option to renew for an indefinite number of additional five year terms. The lease required the City to prepay rent in the amount of \$7,500,000, which was fully paid in 2004. These payments have been treated by the City as a capital lease in accordance with accounting standards generally accepted in the United States of America.

In addition to the initial rent payment, the City is also required to pay annual rent of \$1 each year, and 47.5% of the Recreation Center's custodian, maintenance, and utility expenses which will be initially paid by the School Board and invoiced to the City on a monthly basis. The City and the School Board 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.

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

**Note 20 – Contractual Commitments**

As of December 31, 2011, the City had contractual commitments for the Smith Road and Commerce Drive improvement projects in the amount of \$412,140 and \$989,948 respectively.

**COMBINING STATEMENTS FOR  
NONMAJOR GOVERNMENTAL FUNDS  
AND  
INDIVIDUAL FUND SCHEDULES FOR  
GOVERNMENTAL FUNDS**

**City of Medina**  
**Medina County, Ohio**  
*Combining Statements - Nonmajor Funds*

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**Nonmajor Special Revenue Funds**

The Special Revenue Funds are used to account for the proceeds of specific sources that are legally restricted or committed to expenditure for specified purposes. With the implementation of GASB No. 54, the open space #1, open space #2, open space #3, open space #4, parking, cable tv and shade tree trust funds have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, an Individual Fund Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual has been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

***Street Maintenance and Repair Fund***

To account for a percentage of the monies received from municipal income tax, State gasoline tax and motor vehicle registration designated for street maintenance and repair.

***State Highway Fund***

To account for that portion of the State gasoline tax and motor vehicle registration fees designated for maintenance of State highways within the City.

***Parks and Recreation Fund***

To account for a percentage of municipal tax money and recreational fees collected and expenditures incurred in operating the parks and recreation department.

***Local License Fund***

To account for motor vehicle tax designated to construct and maintain roadways.

***Fire Special Fund***

To account for a percentage of municipal tax money and grant funds to defray fire department expenditures.

***Grants Fund***

To account for revenues received from various grants.

***County Local License Fund***

To account for motor vehicle tax designated to construct and maintain roadways.

***DARE Grant Fund***

To account for revenues received from the State Attorney General's Office and expenditures incurred as prescribed under the DARE Grant Program.

***FEMA Grant Fund***

To account for revenues received and expenditures incurred as prescribed under the FEMA Grant Program.

***Community Development Block Grant Fund***

To account for revenues received from the federal government and expenditures incurred as prescribed under the Community Development Block Grant Program.

**City of Medina**  
**Medina County, Ohio**  
*Combining Statements - Nonmajor Funds*

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**Nonmajor Special Revenue Funds (continued)**

***Police and Fire Disability Fund***

To account for property tax levied for payment of current employer contributions for the police and fire disability and pension benefits and accrued liability.

***CHIP Grant Fund***

To account for revenue received from the federal government and expenditures incurred as prescribed under the Community Development Block Grant Program.

***Open Space #1 Fund***

To account for fund received from developers in lieu of green space as designated by City Wards.

***Open Space #2 Fund***

To account for fund received from developers in lieu of green space as designated by City Wards.

***Open Space #3 Fund***

To account for fund received from developers in lieu of green space as designated by City Wards.

***Open Space #4 Fund***

To account for fund received from developers in lieu of green space as designated by City Wards.

***Emergency Medical Services Fund***

To account for special tax levied to contribute to Emergency Medical Service Response.

***Parking Fund***

To account for City funds and parking fines collected to maintain city parking lots.

***Cable TV Fund***

To account for franchise fees received to defray cable tv expenditures.

***Federal Airport Grant Fund***

To account for Federal Aviation Grant funds received to assist with airport maintenance.

***Drug Enforcement Trust Fund***

To account for fines and forfeitures collected in the course of drug offenses per state statute which will assist in the prosecution of drug cases per ORC.

***Law Enforcement Trust Fund***

To account for monies seized from criminals by law enforcement in the course of their work restricted by State statute and the incurred expenditures to assist police in their duties.

***Computer Legal Research Fund***

To account for court fees, restricted for the use and maintenance of the computers within the Berea Municipal Court, Judge's Office.

**City of Medina**  
**Medina County, Ohio**  
*Combining Statements - Nonmajor Funds*

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**Nonmajor Special Revenue Funds (continued)**

***Municipal Court Probation***

To account for court fees restricted for the operation of the Probation program.

***DUI Enforcement Fund***

To account for court fees obtained from DUI cases and restricted by State statute, for expenditures that would enhance DUI education.

***Indigent Driver Fund***

To account for resources obtained from DUI fines and designated by State statute for state approved alcohol treatment programs and fines obtained to defer costs for installation of ignition interlock devices or alcohol monitoring devices for indigent defendants.

***Court Clerk Computer Fund***

To account for a portion of court fees restricted for the use and maintenance of computers within the Municipal Court Clerk's office.

***Court Special Projects Fund***

To account for court fees, restricted for the use of special projects within the Municipal Court.

***Shade Tree Trust Fund***

To account for monies collected to plant trees in the community.

***Cemetery Fund***

To account for fees collected and expenditures incurred to maintain the cemetery.

***Municipal Airport Fund***

To account for the operation of the municipal airport.

**Nonmajor Debt Service Funds**

Debt Service funds are established to account for financial resources to be used for the payment of debt obligations.

***Fire Bond Retirement Fund***

To account for taxes levied on fire bond debt.

***Special Assessment Bond Retirement Fund***

To account for special assessments collected to retire special assessment bond debt.

**City of Medina**  
**Medina County, Ohio**  
*Combining Statements - Nonmajor Funds*

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**Nonmajor Capital Projects Funds**

Capital Projects funds are established to account for financial resources to be used for the construction or acquisition of major capital facilities (other than those financed by proprietary funds).

***Parks/Recreation Capital Improvement Fund***

To account for monies earmarked for capital improvements for recreational purposes.

***Fire Capital Replacement Fund***

To account for a percentage of municipal income tax monies to defray major capital fire department expenditures.

***Capital Projects Fund***

To account for monies earmarked for capital improvements.

***Issue 2 Projects Fund***

To account for monies earmarked for Issue 2 project expenditures.

***Street Resurfacing Fund***

To account for tax money to defray costs of street resurfacing projects.

***Storm Sewer Capital Fund***

To account for monies earmarked for storm sewer maintenance expenditures.

***Street Reconstruction Fund***

To account for monies earmarked for street reconstruction expenditures.

***Blacktop Resurfacing Fund***

To account for monies earmarked for blacktop resurfacing expenditures.

***Curbs and Alleys Capital Fund***

To account for monies earmarked for curbs and alleys maintenance expenditures.

***Computer/Electronic Capital Fund***

To account for a percentage of municipal income tax money used to defray the cost of technology upgrades and replacement.

***Unanticipated Capital Projects Fund***

To account for a percentage of municipal income tax money used to defray the costs related to unanticipated capital expenditures.

***Special Assessments Projects Fund***

To account for monies received in payment of special assessments.

**City of Medina**  
**Medina County, Ohio**  
*Combining Statements - Nonmajor Funds*

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**Permanent Fund**

Permanent funds report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the City programs.

***Cemetery Endowment Fund***

To account for monies used for perpetual care for the cemetery mausoleum and cemetery improvements.



**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*December 31, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Cemetery Endowment Fund	Total Nonmajor Governmental Funds
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 14,958,334	\$ 650,276	\$ 2,686,577	\$ 32,084	\$ 18,327,271
Cash with Fiscal Agent	0	11,962	0	0	11,962
Receivables:					
Accounts	51,259	0	0	0	51,259
Interest	1,164	0	0	0	1,164
Taxes	1,558,355	0	62,125	0	1,620,480
Intergovernmental	624,099	0	0	0	624,099
Special Assessments	0	779,915	789	0	780,704
Prepaid Items	27,532	0	0	0	27,532
<i>Total Assets</i>	<u>\$ 17,220,743</u>	<u>\$ 1,442,153</u>	<u>\$ 2,749,491</u>	<u>\$ 32,084</u>	<u>\$ 21,444,471</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts and Contracts Payable	\$ 315,427	\$ 0	\$ 11,170	\$ 0	326,597
Accrued Salaries, Wages and Benefits	186,986	0	0	0	186,986
Matured Interest Payable	0	11,962	0	0	11,962
Interfund Payable	1,304,902	0	237,000	0	1,541,902
Deferred Revenue	1,616,989	779,915	19,040	0	2,415,944
Advances from Other Funds	433,270	0	10,000	0	443,270
<i>Total Liabilities</i>	<u>3,857,574</u>	<u>791,877</u>	<u>277,210</u>	<u>0</u>	<u>4,926,661</u>
<b>Fund Balance</b>					
Nonspendable	299,115	0	0	16,906	316,021
Restricted	11,023,821	650,276	173,951	15,178	11,863,226
Committed	2,243,159	0	588,164	0	2,831,323
Assigned	0	0	1,720,378	0	1,720,378
Unassigned	(202,926)	0	(10,212)	0	(213,138)
<i>Total Fund Balances</i>	<u>13,363,169</u>	<u>650,276</u>	<u>2,472,281</u>	<u>32,084</u>	<u>16,517,810</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 17,220,743</u>	<u>\$ 1,442,153</u>	<u>\$ 2,749,491</u>	<u>\$ 32,084</u>	<u>\$ 21,444,471</u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Statements of Revenues, Expenditures and Changes in*  
*Fund Balances - Nonmajor Governmental Funds*  
*For the Year Ended December 31, 2011*

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Funds	Nonmajor Capital Projects Funds	Cemetery Fund	Total Nonmajor Governmental Funds
<b>Revenues</b>					
Property Taxes	\$ 1,193,936	\$ 0	\$ 0	\$ 0	\$ 1,193,936
Municipal Income Taxes	1,935,574	0	241,945	0	2,177,519
Payment in Lieu of Taxes	6,142	0	1,525	0	7,667
Intergovernmental Revenue	1,711,456	0	0	0	1,711,456
Fees, Licenses and Permits	7,916	0	0	0	7,916
Fines and Forfeitures	628,442	0	0	0	628,442
Special Assessments	0	272,615	0	0	272,615
Charges for Services	406,166	0	9,090	0	415,256
Interest Income	5,689	0	0	11	5,700
Rentals	1,690	0	0	0	1,690
Gifts and Donations	7,415	0	0	0	7,415
Miscellaneous	6,027	0	3,500	0	9,527
<i>Total Revenues</i>	<u>5,910,453</u>	<u>272,615</u>	<u>256,060</u>	<u>11</u>	<u>6,439,139</u>
<b>Expenditures</b>					
Current:					
General Government	634,024	10	199,201	0	833,235
Security of Persons and Property	2,411,789	0	0	0	2,411,789
Public Health	0	0	0	1,124	1,124
Community Development	8,113	0	0	0	8,113
Transportation	1,346,045	0	0	0	1,346,045
Basic Utility	70,516	0	0	0	70,516
Lesiure Time	962,310	0	0	0	962,310
Capital Outlay	0	0	7,745	0	7,745
Debt Service:					
Principal Retirement	0	239,082	0	0	239,082
Interest and Fiscal Charges	955	48,434	0	0	49,389
<i>Total Expenditures</i>	<u>5,433,752</u>	<u>287,526</u>	<u>206,946</u>	<u>1,124</u>	<u>5,929,348</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	476,701	(14,911)	49,114	(1,113)	509,791
<b>Other Financing Sources (Uses)</b>					
Transfers In	68,517	0	0	0	68,517
<i>Total Other Financing Sources (Uses)</i>	<u>68,517</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,517</u>
<i>Net Change in Fund Balance</i>	545,218	(14,911)	49,114	(1,113)	578,308
<i>Fund Balance Beginning of Year</i>	<u>12,817,951</u>	<u>665,187</u>	<u>2,423,167</u>	<u>33,197</u>	<u>15,939,502</u>
<i>Fund Balance End of Year</i>	<u>\$ 13,363,169</u>	<u>\$ 650,276</u>	<u>\$ 2,472,281</u>	<u>\$ 32,084</u>	<u>\$ 16,517,810</u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2011*

	Street Maintenance and Repair Fund	State Highway Fund	Parks and Recreation Fund	Local License Fund	Fire Special Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 914,435	\$ 94,789	\$ 1,382,604	\$ 926,144	\$ 646,637
Receivables:					
Accounts	0	0	0	0	0
Interest	536	56	0	542	0
Taxes	74,550	0	248,502	0	173,951
Intergovernmental	439,831	35,660	0	17,342	9,251
Prepaid Items	14,650	0	5,383	0	2,304
<i>Total Assets</i>	<u>\$ 1,444,002</u>	<u>\$ 130,505</u>	<u>\$ 1,636,489</u>	<u>\$ 944,028</u>	<u>\$ 832,143</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts and Contracts Payable	\$ 28,267	\$ 0	\$ 25,339	\$ 0	\$ 5,642
Accrued Salaries, Wages and Benefits	34,167	14,145	30,021	0	32,677
Interfund Payable	0	0	0	0	0
Deferred Revenue	310,782	23,421	73,004	0	51,103
Advances from Other Funds	0	0	0	0	0
<i>Total Liabilities</i>	<u>373,216</u>	<u>37,566</u>	<u>128,364</u>	<u>0</u>	<u>89,422</u>
<b>Fund Balance</b>					
Nonspendable	14,650	0	5,383	0	2,304
Restricted	1,056,136	92,939	0	944,028	0
Committed	0	0	1,502,742	0	740,417
Unassigned	0	0	0	0	0
<i>Total Fund Balance</i>	<u>1,070,786</u>	<u>92,939</u>	<u>1,508,125</u>	<u>944,028</u>	<u>742,721</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 1,444,002</u>	<u>\$ 130,505</u>	<u>\$ 1,636,489</u>	<u>\$ 944,028</u>	<u>\$ 832,143</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2011*

	Grants Fund	County Local License Fund	DARE Grant Fund	FEMA Grant Fund	Community Development Block Grant Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 1,089,910	\$ 50,157	\$ 5,101	\$ 0	\$ 330,527
Receivables:					
Accounts	0	0	0	0	0
Interest	0	30	0	0	0
Taxes	0	0	0	0	0
Intergovernmental	20,352	4,336	0	0	0
Prepaid Items	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 1,110,262</u>	<u>\$ 54,523</u>	<u>\$ 5,101</u>	<u>\$ 0</u>	<u>\$ 330,527</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts and Contracts Payable	\$ 25	\$ 2,007	\$ 0	\$ 0	\$ 1,060
Accrued Salaries, Wages and Benefits	5,346	0	0	0	123
Interfund Payable	705,902	0	0	0	99,000
Deferred Revenue	0	0	0	0	0
Advances from Other Funds	0	0	0	1,270	432,000
<i>Total Liabilities</i>	<u>711,273</u>	<u>2,007</u>	<u>0</u>	<u>1,270</u>	<u>532,183</u>
<b>Fund Balance</b>					
Nonspendable	0	0	0	0	0
Restricted	398,989	52,516	5,101	0	0
Committed	0	0	0	0	0
Unassigned	0	0	0	(1,270)	(201,656)
<i>Total Fund Balance</i>	<u>398,989</u>	<u>52,516</u>	<u>5,101</u>	<u>(1,270)</u>	<u>(201,656)</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 1,110,262</u>	<u>\$ 54,523</u>	<u>\$ 5,101</u>	<u>\$ 0</u>	<u>\$ 330,527</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2011*

	Police and Fire Disability Fund	CHIP Grant Fund	Emergency Medical Services Fund	Federal Airport Grant Fund	Drug Enforcement Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 1,917,110	\$ 684,116	\$ 2,175,268	\$ 2,058	\$ 22,562
Receivables:					
Accounts	0	0	0	0	0
Interest	0	0	0	0	0
Taxes	229,933	0	831,419	0	0
Intergovernmental	23,287	0	74,040	0	0
Prepaid Items	0	0	600	0	0
<i>Total Assets</i>	<u>\$ 2,170,330</u>	<u>\$ 684,116</u>	<u>\$ 3,081,327</u>	<u>\$ 2,058</u>	<u>\$ 22,562</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts and Contracts Payable	\$ 0	\$ 0	\$ 211,700	\$ 0	\$ 0
Accrued Salaries, Wages and Benefits	54,454	0	0	0	0
Interfund Payable	0	500,000	0	0	0
Deferred Revenue	253,220	0	905,459	0	0
Advances from Other Funds	0	0	0	0	0
<i>Total Liabilities</i>	<u>307,674</u>	<u>500,000</u>	<u>1,117,159</u>	<u>0</u>	<u>0</u>
<b>Fund Balance</b>					
Nonspendable	0	0	600	0	0
Restricted	1,862,656	184,116	1,963,568	2,058	22,562
Committed	0	0	0	0	0
Unassigned	0	0	0	0	0
<i>Total Fund Balance</i>	<u>1,862,656</u>	<u>184,116</u>	<u>1,964,168</u>	<u>2,058</u>	<u>22,562</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 2,170,330</u>	<u>\$ 684,116</u>	<u>\$ 3,081,327</u>	<u>\$ 2,058</u>	<u>\$ 22,562</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2011*

	Law Enforcement Fund	Computer Legal Research Fund	Municipal Court Probation Fund	DUI Enforcement Fund	Indigent Driver Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 24,385	\$ 39,284	\$ 362,674	\$ 17,638	\$ 268,704
Receivables:					
Accounts	0	2,535	7,454	265	14,737
Interest	0	0	0	0	0
Taxes	0	0	0	0	0
Intergovernmental	0	0	0	0	0
Prepaid Items	0	0	2,862	0	0
<i>Total Assets</i>	<u>\$ 24,385</u>	<u>\$ 41,819</u>	<u>\$ 372,990</u>	<u>\$ 17,903</u>	<u>\$ 283,441</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts and Contracts Payable	\$ 0	\$ 21,376	\$ 1,446	\$ 0	\$ 3,665
Accrued Salaries, Wages and Benefits	0	0	9,091	0	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
Advances from Other Funds	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>21,376</u>	<u>10,537</u>	<u>0</u>	<u>3,665</u>
<b>Fund Balance</b>					
Nonspendable	0	0	2,862	0	0
Restricted	24,385	20,443	359,591	17,903	279,776
Committed	0	0	0	0	0
Unassigned	0	0	0	0	0
<i>Total Fund Balance</i>	<u>24,385</u>	<u>20,443</u>	<u>362,453</u>	<u>17,903</u>	<u>279,776</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 24,385</u>	<u>\$ 41,819</u>	<u>\$ 372,990</u>	<u>\$ 17,903</u>	<u>\$ 283,441</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*December 31, 2011*

	Court Clerk Computer Fund	Court Special Projects Fund	Cemetery Fund	Municipal Airport Fund	Totals
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 195,120	\$ 3,193,980	\$ 508,633	\$ 106,498	\$ 14,958,334
Receivables:					
Accounts	8,440	17,828	0	0	51,259
Interest	0	0	0	0	1,164
Taxes	0	0	0	0	1,558,355
Intergovernmental	0	0	0	0	624,099
Prepaid Items	504	0	0	1,229	27,532
<i>Total Assets</i>	<u>\$ 204,064</u>	<u>\$ 3,211,808</u>	<u>\$ 508,633</u>	<u>\$ 107,727</u>	<u>\$ 17,220,743</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts Payable	\$ 14,900	\$ 0	\$ 0	\$ 0	\$ 315,427
Accrued Salaries, Wages and Benefits	6,962	0	0	0	186,986
Interfund Payable	0	0	0	0	1,304,902
Deferred Revenue	0	0	0	0	1,616,989
Advances from Other Funds	0	0	0	0	433,270
<i>Total Liabilities</i>	<u>21,862</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>3,857,574</u>
<b>Fund Balance</b>					
Nonspendable	504	0	271,583	1,229	299,115
Restricted	181,698	3,211,808	237,050	106,498	11,023,821
Committed	0	0	0	0	2,243,159
Unassigned	0	0	0	0	(202,926)
<i>Total Fund Balance</i>	<u>182,202</u>	<u>3,211,808</u>	<u>508,633</u>	<u>107,727</u>	<u>13,363,169</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 204,064</u>	<u>\$ 3,211,808</u>	<u>\$ 508,633</u>	<u>\$ 107,727</u>	<u>\$ 17,220,743</u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2011*

	Street Maintenance and Repair Fund	State Highway Fund	Parks and Recreation Fund	Local License Fund	Fire Special Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal Income Taxes	290,337	0	967,787	0	677,450
Payment in Lieu of Taxes	921	0	3,071	0	2,150
Intergovernmental Revenue	974,103	76,779	0	218,994	39,401
Fees, Licenses and Permits	2,741	0	0	0	5,175
Fines and Forfeitures	100	0	0	0	0
Charges for Services	145	0	55,659	0	314,817
Interest Income	536	806	0	3,611	0
Rentals	0	0	0	0	0
Gifts and Donations	0	0	6,140	0	1,275
Miscellaneous	1,901	0	274	0	2,106
<i>Total Revenues</i>	<u>1,270,784</u>	<u>77,585</u>	<u>1,032,931</u>	<u>222,605</u>	<u>1,042,374</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	71,129	0	0	0	797,826
Community Development	0	0	0	0	0
Transportation	1,203,821	78,101	0	0	0
Basic Utility	70,516	0	0	0	0
Leisure Time	0	0	920,229	0	0
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	955
<i>Total Expenditures</i>	<u>1,345,466</u>	<u>78,101</u>	<u>920,229</u>	<u>0</u>	<u>798,781</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(74,682)	(516)	112,702	222,605	243,593
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	68,517	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>68,517</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(74,682)	(516)	181,219	222,605	243,593
<i>Fund Balance Beginning of Year</i>	<u>1,145,468</u>	<u>93,455</u>	<u>1,326,906</u>	<u>721,423</u>	<u>499,128</u>
<i>Fund Balance End of Year</i>	<u>\$ 1,070,786</u>	<u>\$ 92,939</u>	<u>\$ 1,508,125</u>	<u>\$ 944,028</u>	<u>\$ 742,721</u>

*(continued)*



**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2011*

	Grants Fund	County Local License Fund	DARE Grant Fund	FEMA Grant Fund	Community Development Block Grant Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal Income Taxes	0	0	0	0	0
Payment in Lieu of Taxes	0	0	0	0	0
Intergovernmental Revenue	110,502	55,455	0	0	36,112
Fees, Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	0
Charges for Services	0	0	0	0	0
Interest Income	0	641	0	0	0
Rentals	0	0	0	0	0
Gifts and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	1,530
<i>Total Revenues</i>	<u>110,502</u>	<u>56,096</u>	<u>0</u>	<u>0</u>	<u>37,642</u>
<b>Expenditures</b>					
Current:					
General Government	82,230	0	0	0	106,319
Security of Persons and Property	30,447	0	0	0	0
Community Development	0	0	0	0	0
Transportation	0	58,093	0	0	0
Basic Utility	0	0	0	0	0
Lesiure Time	42,081	0	0	0	0
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>154,758</u>	<u>58,093</u>	<u>0</u>	<u>0</u>	<u>106,319</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(44,256)	(1,997)	0	0	(68,677)
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(44,256)	(1,997)	0	0	(68,677)
<i>Fund Balance Beginning of Year</i>	<u>443,245</u>	<u>54,513</u>	<u>5,101</u>	<u>(1,270)</u>	<u>(132,979)</u>
<i>Fund Balance End of Year</i>	<u>\$ 398,989</u>	<u>\$ 52,516</u>	<u>\$ 5,101</u>	<u>\$ (1,270)</u>	<u>\$ (201,656)</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2011*

	Police and Fire Disability Fund	CHIP Grant Fund	Emergency Medical Services Fund	Federal Airport Grant Fund	Drug Enforcement Fund
<b>Revenues</b>					
Property Taxes	\$ 258,540	\$ 0	\$ 935,396	\$ 0	\$ 0
Municipal Income Taxes	0	0	0	0	0
Payment in Lieu of Taxes	0	0	0	0	0
Intergovernmental Revenue	60,384	0	137,668	2,058	0
Fees Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	0	0	0	0	1,425
Charges for Services	0	0	0	0	0
Interest Income	0	0	0	0	0
Rentals	0	0	0	0	0
Gifts and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>318,924</u>	<u>0</u>	<u>1,073,064</u>	<u>2,058</u>	<u>1,425</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Security of Persons and Property	490,120	0	1,022,267	0	0
Community Development	0	8,113	0	0	0
Transportation	0	0	0	0	0
Basic Utility	0	0	0	0	0
Lesiure Time	0	0	0	0	0
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>490,120</u>	<u>8,113</u>	<u>1,022,267</u>	<u>0</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(171,196)	(8,113)	50,797	2,058	1,425
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(171,196)	(8,113)	50,797	2,058	1,425
<i>Fund Balance Beginning of Year</i>	<u>2,033,852</u>	<u>192,229</u>	<u>1,913,371</u>	<u>0</u>	<u>21,137</u>
<i>Fund Balance End of Year</i>	<u>\$ 1,862,656</u>	<u>\$ 184,116</u>	<u>\$ 1,964,168</u>	<u>\$ 2,058</u>	<u>\$ 22,562</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2011*

	Law Enforcement Fund	Computer Legal Research Fund	Municipal Court Probation Fund	DUI Enforcement Fund	Indigent Driver Fund
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Municipal Income Taxes	0	0	0	0	0
Payment in Lieu of Taxes	0	0	0	0	0
Intergovernmental Revenue	0	0	0	0	0
Fees Licenses and Permits	0	0	0	0	0
Fines and Forfeitures	1,262	36,815	120,940	2,258	80,681
Charges for Services	0	0	0	0	0
Interest Income	0	0	0	0	0
Rentals	0	0	0	0	0
Gifts and Donations	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>1,262</u>	<u>36,815</u>	<u>120,940</u>	<u>2,258</u>	<u>80,681</u>
<b>Expenditures</b>					
Current:					
General Government	0	38,116	186,696	0	78,006
Security of Persons and Property	0	0	0	0	0
Community Development	0	0	0	0	0
Transportation	0	0	0	0	0
Basic Utility	0	0	0	0	0
Lesiure Time	0	0	0	0	0
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>38,116</u>	<u>186,696</u>	<u>0</u>	<u>78,006</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	1,262	(1,301)	(65,756)	2,258	2,675
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	1,262	(1,301)	(65,756)	2,258	2,675
<i>Fund Balance Beginning of Year</i>	<u>23,123</u>	<u>21,744</u>	<u>428,209</u>	<u>15,645</u>	<u>277,101</u>
<i>Fund Balance End of Year</i>	<u>\$ 24,385</u>	<u>\$ 20,443</u>	<u>\$ 362,453</u>	<u>\$ 17,903</u>	<u>\$ 279,776</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Special Revenue Funds*  
*For the Year Ended December 31, 2011*

	Court Clerk Computer Fund	Court Special Projects Fund	Cemetery Fund	Municipal Airport Fund	Totals
<b>Revenues</b>					
Property Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,193,936
Municipal Income Taxes	0	0	0	0	1,935,574
Payment in Lieu of Taxes	0	0	0	0	6,142
Intergovernmental Revenue	0	0	0	0	1,711,456
Fees Licenses and Permits	0	0	0	0	7,916
Fines and Forfeitures	122,621	262,340	0	0	628,442
Charges for Services	0	0	35,545	0	406,166
Interest Income	0	0	95	0	5,689
Rentals	0	0	0	1,690	1,690
Gifts and Donations	0	0	0	0	7,415
Miscellaneous	0	0	0	216	6,027
<i>Total Revenues</i>	<u>122,621</u>	<u>262,340</u>	<u>35,640</u>	<u>1,906</u>	<u>5,910,453</u>
<b>Expenditures</b>					
Current:					
General Government	142,657	0	0	0	634,024
Security of Persons and Property	0	0	0	0	2,411,789
Community Development	0	0	0	0	8,113
Transportation	0	0	0	6,030	1,346,045
Basic Utility	0	0	0	0	70,516
Leisure Time	0	0	0	0	962,310
Debt Service:					
Interest and Fiscal Charges	0	0	0	0	955
<i>Total Expenditures</i>	<u>142,657</u>	<u>0</u>	<u>0</u>	<u>6,030</u>	<u>5,433,752</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(20,036)	262,340	35,640	(4,124)	476,701
<b>Other Financing Sources (Uses)</b>					
Transfers In	0	0	0	0	68,517
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>68,517</u>
<i>Net Change in Fund Balance</i>	(20,036)	262,340	35,640	(4,124)	545,218
<i>Fund Balance Beginning of Year</i>	<u>202,238</u>	<u>2,949,468</u>	<u>472,993</u>	<u>111,851</u>	<u>12,817,951</u>
<i>Fund Balance End of Year</i>	<u>\$ 182,202</u>	<u>\$ 3,211,808</u>	<u>\$ 508,633</u>	<u>\$ 107,727</u>	<u>\$ 13,363,169</u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Debt Service Funds*  
*December 31, 2011*

	Fire Bond Retirement Fund	Special Assessment Bond Retirement Fund	Totals
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 22,099	\$ 628,177	\$ 650,276
Cash with Fiscal Agent	0	11,962	11,962
Special Assessments Receivable	0	779,915	779,915
<i>Total Assets</i>	<u>\$ 22,099</u>	<u>\$ 1,420,054</u>	<u>\$ 1,442,153</u>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Matured Interest Payable	0	11,962	11,962
Deferred Revenue	0	779,915	779,915
<i>Total Liabilities</i>	<u>0</u>	<u>791,877</u>	<u>791,877</u>
<b>Fund Balance</b>			
Restricted	<u>22,099</u>	<u>628,177</u>	<u>650,276</u>
<i>Total Fund Balance</i>	<u>22,099</u>	<u>628,177</u>	<u>650,276</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 22,099</u>	<u>\$ 1,420,054</u>	<u>\$ 1,442,153</u>

**City of Medina**  
**Medina County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Debt Service Funds*  
*For the Year Ended December 31, 2011*

	Fire Bond Retirement Fund	Special Assessment Bond Retirement Fund	Total
<b>Revenues</b>			
Special Assessments	\$ 0	\$ 272,615	\$ 272,615
<i>Total Revenues</i>	<u>0</u>	<u>272,615</u>	<u>272,615</u>
<b>Expenditures</b>			
Current:			
General Government	10	0	10
Debt Service:			
Principal Retirement	0	239,082	239,082
Interest and Fiscal Charges	0	48,434	48,434
<i>Total Expenditures</i>	<u>10</u>	<u>287,516</u>	<u>287,526</u>
<i>Net Change in Fund Balance</i>	(10)	(14,901)	(14,911)
<i>Fund Balance Beginning of Year</i>	<u>22,109</u>	<u>643,078</u>	<u>665,187</u>
<i>Fund Balance End of Year</i>	<u>\$ 22,099</u>	<u>\$ 628,177</u>	<u>\$ 650,276</u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2011*

	Parks/Recreation Capital Improvement Fund	Fire Capital Replacement Fund	Capital Projects Fund	Issue 2 Projects Fund	Street Resurfacing Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 355	\$ 44,982	\$ 191,402	\$ 400,951	\$ 195,464
Receivables:					
Taxes	0	24,850	0	0	0
Assessments	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 355</u>	<u>\$ 69,832</u>	<u>\$ 191,402</u>	<u>\$ 400,951</u>	<u>\$ 195,464</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts and Contracts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Interfund Payable	0	0	0	227,000	0
Deferred Revenue	0	7,301	0	0	0
Advances from Other Funds	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>7,301</u>	<u>0</u>	<u>227,000</u>	<u>0</u>
<b>Fund Balance</b>					
Restricted	0	0	0	173,951	0
Committed	0	62,531	0	0	0
Assigned	355	0	191,402	0	195,464
Unassigned	0	0	0	0	0
<i>Total Fund Balance</i>	<u>355</u>	<u>62,531</u>	<u>191,402</u>	<u>173,951</u>	<u>195,464</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 355</u>	<u>\$ 69,832</u>	<u>\$ 191,402</u>	<u>\$ 400,951</u>	<u>\$ 195,464</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2011*

	Storm Sewer Capital Fund	Street Reconstruction Fund	Blacktop Resurfacing Fund	Curbs and Alleys Capital Fund	Computer/ Electronic Capital Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 60,961	\$ 73,590	\$ 68,772	\$ 138,236	\$ 510,478
Receivables:					
Taxes	0	0	0	0	37,275
Assessments	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 60,961</u>	<u>\$ 73,590</u>	<u>\$ 68,772</u>	<u>\$ 138,236</u>	<u>\$ 547,753</u>
<b>Liabilities and Fund Balance</b>					
<b>Liabilities</b>					
Accounts and Contracts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 11,170
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	10,950
Advances from Other Funds	0	0	0	0	0
<i>Total Liabilities</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>22,120</u>
<b>Fund Balance</b>					
Restricted	0	0	0	0	0
Committed	0	0	0	0	525,633
Assigned	60,961	73,590	68,772	138,236	0
Unassigned	0	0	0	0	0
<i>Total Fund Balance</i>	<u>60,961</u>	<u>73,590</u>	<u>68,772</u>	<u>138,236</u>	<u>525,633</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 60,961</u>	<u>\$ 73,590</u>	<u>\$ 68,772</u>	<u>\$ 138,236</u>	<u>\$ 547,753</u>

*(continued)*



**City of Medina**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*December 31, 2011*

	Unanticipated Capital Projects Fund	Special Assessments Projects Fund	Totals
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 991,598	\$ 9,788	\$ 2,686,577
Receivables:			
Taxes	0	0	62,125
Assessments	0	789	789
<i>Total Assets</i>	<u>\$ 991,598</u>	<u>\$ 10,577</u>	<u>\$ 2,749,491</u>
<b>Liabilities and Fund Balance</b>			
<b>Liabilities</b>			
Accounts and Contracts Payable	\$ 0	\$ 0	\$ 11,170
Interfund Payable	0	10,000	237,000
Deferred Revenue	0	789	19,040
Advances from Other Funds	0	10,000	10,000
<i>Total Liabilities</i>	<u>0</u>	<u>20,789</u>	<u>277,210</u>
<b>Fund Balance</b>			
Restricted	0	0	173,951
Committed	0	0	588,164
Assigned	991,598	0	1,720,378
Unassigned	0	(10,212)	(10,212)
<i>Total Fund Balance</i>	<u>991,598</u>	<u>(10,212)</u>	<u>2,472,281</u>
<i>Total Liabilities and Fund Balance</i>	<u>\$ 991,598</u>	<u>\$ 10,577</u>	<u>\$ 2,749,491</u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2011*

	Parks/Recreation Capital Improvement Fund	Fire Capital Replacement Fund	Capital Projects Fund	Issue 2 Projects Fund	Street Resurfacing Fund
<b>Revenues</b>					
Municipal Income Taxes	\$ 0	\$ 96,777	\$ 0	\$ 0	\$ 0
Payment in Lieu of Taxes	0	1,064	0	0	0
Charges for Services	0	0	0	0	0
Miscellaneous	0	3,500	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>101,341</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	0
Capital Outlay	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	0	101,341	0	0	0
<i>Fund Balance Beginning of Year</i>	<u>355</u>	<u>(38,810)</u>	<u>191,402</u>	<u>173,951</u>	<u>195,464</u>
<i>Fund Balance End of Year</i>	<u>\$ 355</u>	<u>\$ 62,531</u>	<u>\$ 191,402</u>	<u>\$ 173,951</u>	<u>\$ 195,464</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Year Ended December 31, 2011*

	Storm Sewer Capital Fund	Street Reconstruction Fund	Blacktop Resurfacing Fund	Curbs & Alleys Capital Fund	Computer/ Electronic Capital Fund
<b>Revenues</b>					
Municipal Income Taxes	\$ 0	\$ 0	\$ 0	\$ 0	\$ 145,168
Other Local Taxes	0	0	0	0	461
Charges for Services	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>145,629</u>
<b>Expenditures</b>					
Current:					
General Government	0	0	0	0	199,201
Capital Outlay	0	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>199,201</u>
<i>Net Change in Fund Balance</i>	0	0	0	0	(53,572)
<i>Fund Balance Beginning of Year</i>	<u>60,961</u>	<u>73,590</u>	<u>68,772</u>	<u>138,236</u>	<u>579,205</u>
<i>Fund Balance End of Year</i>	<u>\$ 60,961</u>	<u>\$ 73,590</u>	<u>\$ 68,772</u>	<u>\$ 138,236</u>	<u>\$ 525,633</u>

*(continued)*

**City of Medina  
Medina County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Capital Projects Funds  
For the Year Ended December 31, 2011*

	Unanticipated Capital Projects Fund	Special Assessments Projects Fund	Total
<b>Revenues</b>			
Municipal Income Taxes	\$ 0	\$ 0	\$ 241,945
Other Local Taxes	0	0	1,525
Charges for Services	0	9,090	9,090
Miscellaneous	0	0	3,500
<i>Total Revenues</i>	<u>0</u>	<u>9,090</u>	<u>256,060</u>
<b>Expenditures</b>			
Current:			
General Government	0	0	199,201
Capital Outlay	0	7,745	7,745
<i>Total Expenditures</i>	<u>0</u>	<u>7,745</u>	<u>206,946</u>
<i>Net Change in Fund Balance</i>	0	1,345	49,114
<i>Fund Balance Beginning of Year</i>	<u>991,598</u>	<u>(11,557)</u>	<u>2,423,167</u>
<i>Fund Balance End of Year</i>	<u>\$ 991,598</u>	<u>\$ (10,212)</u>	<u>\$ 2,472,281</u>

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

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Property Taxes	\$ 1,310,140	\$ 1,395,407	\$ 85,267
Municipal Income Taxes	2,306,796	2,365,292	58,496
Other Local Taxes	850	1,034	184
Payment in Lieu of Taxes	5,222	5,222	0
Intergovernmental	1,528,195	1,181,164	(347,031)
Fees, Licenses and Permits	98,825	159,381	60,556
Fines and Forfeitures	964,650	1,002,274	37,624
Charges for Services	71,442	71,820	378
Investment Income	101,423	215,387	113,964
Rentals	15,000	16,188	1,188
Gifts and Donations	400	400	0
Other	10,670	47,314	36,644
<b>Total Revenues</b>	<b>6,413,613</b>	<b>6,460,883</b>	<b>47,270</b>
<b>Expenditures</b>			
Current:			
General Government			
City Council			
Salaries and Benefits	130,347	114,632	15,715
Contractual Services	21,485	6,850	14,635
Materials and Supplies	8,296	3,828	4,468
<b>Total City Council</b>	<b>160,128</b>	<b>125,310</b>	<b>34,818</b>
Mayor			
Salaries and Benefits	159,806	158,451	1,355
Contractual Services	8,850	4,292	4,558
Materials and Supplies	7,029	3,681	3,348
<b>Total Mayor</b>	<b>175,685</b>	<b>166,424</b>	<b>9,261</b>
Finance Department			
Salaries and Benefits	321,249	283,352	37,897
Contractual Services	50,768	37,430	13,338
Materials and Supplies	31,101	15,381	15,720
<b>Total Finance Department</b>	<b>403,118</b>	<b>336,163</b>	<b>66,955</b>
Law Department			
Salaries and Benefits	392,283	348,666	43,617
Contractual Services	87,251	78,692	8,559
Materials and Supplies	31,297	4,376	26,921
<b>Total Law Department</b>	<b>510,831</b>	<b>431,734</b>	<b>79,097</b>
Municipal Court Clerk			
Salaries and Benefits	1,444,126	1,251,691	192,435
Contractual Services	172,031	93,671	78,360
Materials and Supplies	66,570	45,161	21,409
<b>Total Municipal Court Clerk</b>	<b>1,682,727</b>	<b>1,390,523</b>	<b>292,204</b>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
General Administration			
Salaries and Benefits	7,000	5,786	1,214
Contractual Services	479,276	355,888	123,388
Materials and Supplies	71,115	19,774	51,341
Capital Outlay	195,064	93,495	101,569
Other	2,409	2,284	125
Total Administration	<u>754,864</u>	<u>477,227</u>	<u>277,637</u>
Cash Control			
Salaries and Benefits	25,111	20,187	4,924
Contractual Services	1,902	1,230	672
Materials and Supplies	11,283	6,083	5,200
Capital Outlay	676	0	676
Total Cash Control	<u>38,972</u>	<u>27,500</u>	<u>11,472</u>
Clerk Municipal Court			
Salaries and Benefits	866,031	659,215	206,816
Contractual Services	48,953	33,430	15,523
Materials and Supplies	107,260	87,668	19,592
Capital Outlay	4,600	0	4,600
Other	1,300	0	1,300
Total Clerk Municipal Court	<u>1,028,144</u>	<u>780,313</u>	<u>247,831</u>
Income Tax			
Contractual Services	492,683	457,064	35,619
Refunds	358,055	261,675	96,380
Total Income Tax	<u>850,738</u>	<u>718,739</u>	<u>131,999</u>
Civil Service			
Salaries and Benefits	79,544	72,163	7,381
Contractual Services	40,944	15,229	25,715
Materials and Supplies	7,070	3,137	3,933
Total Civil Service	<u>127,558</u>	<u>90,529</u>	<u>37,029</u>
Service Director			
Salaries and Benefits	166,397	156,189	10,208
Contractual Services	19,162	6,088	13,074
Materials and Supplies	18,796	10,495	8,301
Total Service Director	<u>204,355</u>	<u>172,772</u>	<u>31,583</u>
Engineering			
Salaries and Benefits	644,176	465,500	178,676
Contractual Services	50,925	21,662	29,263
Materials and Supplies	59,193	23,811	35,382
Capital Outlay	33,500	0	33,500
Total Engineering	<u>787,794</u>	<u>510,973</u>	<u>276,821</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
Public Building Maintenance			
Salaries and Benefits	259,965	74,665	185,300
Contractual Services	374,003	159,128	214,875
Materials and Supplies	122,990	66,876	56,114
Capital Outlay	10,000	0	10,000
Total Public Building Maintenance	<u>766,958</u>	<u>300,669</u>	<u>466,289</u>
Economic Development			
Salaries and Benefits	174,091	122,868	51,223
Contractual Services	48,087	19,035	29,052
Materials and Supplies	6,154	1,654	4,500
Total Economic Development	<u>228,332</u>	<u>143,557</u>	<u>84,775</u>
Total General Government	<u>7,720,204</u>	<u>5,672,433</u>	<u>2,047,771</u>
Security of Persons and Property			
Police Department			
Contractual Services	33,400	1,600	31,800
Total Police Department	<u>33,400</u>	<u>1,600</u>	<u>31,800</u>
Street Lighting			
Contractual Services	165,165	156,853	8,312
Materials and Supplies	41,300	7,938	33,362
Capital Outlay	24,480	24,480	0
Total Street Lighting	<u>230,945</u>	<u>189,271</u>	<u>41,674</u>
Total Security of Persons and Property	<u>264,345</u>	<u>190,871</u>	<u>73,474</u>
Public Health			
Cemetery			
Salaries and Benefits	122,071	110,481	11,590
Contractual Services	31,085	11,749	19,336
Materials and Supplies	87,814	76,291	11,523
Capital Outlay	59,036	28,863	30,173
Other	1,865	1,740	125
Total Cemetery	<u>301,871</u>	<u>229,124</u>	<u>72,747</u>
Total Public Health	<u>301,871</u>	<u>229,124</u>	<u>72,747</u>
Community Development			
Planning and Zoning			
Salaries and Benefits	94,949	94,949	0
Contractual Services	89,084	61,185	27,899
Materials and Supplies	4,795	2,793	2,002
Total Planning and Zoning	<u>188,828</u>	<u>158,927</u>	<u>29,901</u>
Board of Zoning Appeals			
Salaries and Benefits	4,561	483	4,078
Total Board of Zoning Appeals	<u>4,561</u>	<u>483</u>	<u>4,078</u>

*(continued)*



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
Shade Tree			
Salaries and Benefits	110,639	98,950	11,689
Contractual Services	125,403	54,961	70,442
Materials and Supplies	34,538	24,736	9,802
Capital Outlay	7,753	7,000	753
Total Shade Tree	<u>278,333</u>	<u>185,647</u>	<u>92,686</u>
Building Inspection			
Salaries and Benefits	389,252	337,047	52,205
Contractual Services	74,771	41,670	33,101
Materials and Supplies	27,663	9,483	18,180
Capital Outlay	18,844	641	18,203
Other	1,705	0	1,705
Total Building	<u>512,235</u>	<u>388,841</u>	<u>123,394</u>
Total Community Development	<u>983,957</u>	<u>733,898</u>	<u>250,059</u>
<i>Total Expenditures</i>	<u>9,270,377</u>	<u>6,826,326</u>	<u>2,444,051</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(2,856,764)</u>	<u>(365,443)</u>	<u>2,491,321</u>
<b>Other Financing Sources (Uses)</b>			
Proceeds from Sale of Capital Assets	22,572	22,572	0
Advances In	2,585,000	3,241,165	656,165
Advances Out	(2,087,582)	(2,014,303)	73,279
Transfers Out	(162,353)	(113,517)	48,836
<i>Total Other Financing Sources (Uses)</i>	<u>357,637</u>	<u>1,135,917</u>	<u>778,280</u>
<i>Net Change in Fund Balance</i>	<u>(2,499,127)</u>	<u>770,474</u>	<u>3,269,601</u>
<i>Fund Balance (Deficit) Beginning of Year</i> <i>(Restated, See Note 2)</i>	6,249,617	6,249,617	0
Prior Year Encumbrances Appropriated	<u>366,160</u>	<u>366,160</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 4,116,650</u>	<u>\$ 7,386,251</u>	<u>\$ 3,269,601</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*General Purpose Capital Projects Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 718,362	\$ 719,957	\$ 1,595
Payment in Lieu of Taxes	1,548	1,548	0
Intergovernmental	12,383	108,933	96,550
Investment Income	108,577	108,577	0
Other	10	6	(4)
<i>Total Revenues</i>	<u>840,880</u>	<u>939,021</u>	<u>98,141</u>
<b>Expenditures</b>			
Capital Outlay			
Contractual Services	126,568	75,063	51,505
Capital Outlay	1,027,656	1,134,712	(107,056)
<i>Total Capital Outlay</i>	<u>1,154,224</u>	<u>1,209,775</u>	<u>(55,551)</u>
Debt Service			
Interest and Fiscal Charges	204,726	139,805	64,921
<i>Total Expenditures</i>	<u>1,358,950</u>	<u>1,349,580</u>	<u>9,370</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(518,070)</u>	<u>(410,559)</u>	<u>107,511</u>
<b>Other Financing Sources (Uses)</b>			
Advances Out	(1,545,000)	(1,545,000)	0
<i>Net Change in Fund Balance</i>	(2,063,070)	(1,955,559)	107,511
<i>Fund Balance (Deficit) Beginning of Year</i>	4,369,300	4,369,300	0
Prior Year Encumbrances Appropriated	69,531	69,531	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,375,761</u>	<u>\$ 2,483,272</u>	<u>\$ 107,511</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police Special Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 4,305,638	\$ 4,319,744	\$ 14,106
Payment in Lieu of Taxes	13,822	13,822	0
Intergovernmental	97,658	100,788	3,130
Charges for Services	367,500	394,880	27,380
Gifts and Donations	3,000	300	(2,700)
<i>Total Revenues</i>	<u>4,787,618</u>	<u>4,829,534</u>	<u>41,916</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Police Special			
Salaries and Benefits	3,404,428	3,196,496	207,932
Contractual Services	137,359	73,394	63,965
Materials and Supplies	261,236	179,990	81,246
Capital Outlay	30,100	0	30,100
Other	4,250	2,126	2,124
Total Police Special	<u>3,837,373</u>	<u>3,452,006</u>	<u>385,367</u>
Police Communications			
Salaries and Benefits	874,083	820,068	54,015
Contractual Services	53,432	31,655	21,777
Materials and Supplies	71,500	14,970	56,530
Capital Outlay	37,430	0	37,430
Total Police Communications	<u>1,036,445</u>	<u>866,693</u>	<u>169,752</u>
Police Special Unit			
Salaries and Benefits	7,373	1,470	5,903
Contractual Services	4,211	60	4,151
Total Police Special Unit	<u>11,584</u>	<u>1,530</u>	<u>10,054</u>
School Resource Program			
Salaries and Benefits	1,495	1,495	0
Total School Resource Program	<u>1,495</u>	<u>1,495</u>	<u>0</u>
<i>Total Expenditures</i>	<u>4,886,897</u>	<u>4,321,724</u>	<u>565,173</u>
<i>Net Change in Fund Balance</i>	(99,279)	507,810	607,089
<i>Fund Balance (Deficit) Beginning of Year</i>	2,476,763	2,476,763	0
Prior Year Encumbrances Appropriated	<u>54,473</u>	<u>54,473</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 2,431,957</u>	<u>\$ 3,039,046</u>	<u>\$ 607,089</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Stormwater/Street Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 2,392,021	\$ 2,399,858	\$ 7,837
Payment in Lieu of Taxes	7,679	7,679	0
Intergovernmental	234,168	456,731	222,563
Other	2,310	5,507	3,197
<i>Total Revenues</i>	<u>2,636,178</u>	<u>2,869,775</u>	<u>233,597</u>
<b>Expenditures</b>			
Current:			
Transportation			
Street Maintenance and Repair			
Salaries and Benefits	57,658	10,336	47,322
Contractual Services	598,004	364,903	233,101
Materials and Supplies	5,413	2,962	2,451
Capital Outlay	6,717,908	5,593,556	1,124,352
<i>Total Transportation</i>	<u>7,378,983</u>	<u>5,971,757</u>	<u>1,407,226</u>
Debt Service			
Principal Retirement	8,232	8,232	0
Interest and Fiscal Charges	497,624	497,624	0
<i>Total Debt Service</i>	<u>505,856</u>	<u>505,856</u>	<u>0</u>
<i>Total Expenditures</i>	<u>7,884,839</u>	<u>6,477,613</u>	<u>1,407,226</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(5,248,661)</u>	<u>(3,607,838)</u>	<u>1,640,823</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	549,784	460,695	(89,089)
Advances Out	(549,784)	(476,000)	73,784
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>(15,305)</u>	<u>(15,305)</u>
<i>Net Change in Fund Balance</i>	<u>(5,248,661)</u>	<u>(3,623,143)</u>	<u>1,625,518</u>
<i>Fund Balance (Deficit) Beginning of Year</i>	12,792,694	12,792,694	0
Prior Year Encumbrances Appropriated	1,069,493	1,069,493	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 8,613,526</u>	<u>\$ 10,239,044</u>	<u>\$ 1,625,518</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Railroad Renovation Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Charges for Services	\$ 82,500	\$ 77,477	\$ (5,023)
<i>Total Revenues</i>	<u>82,500</u>	<u>77,477</u>	<u>(5,023)</u>
<b>Expenditures</b>			
Current:			
Transportation			
Salaries and Benefits	19,451	19,451	0
Contractual Services	80,146	48,306	31,840
Materials and Supplies	400	98	302
Capital Outlay	122,419	105,075	17,344
<i>Total Expenditures</i>	<u>222,416</u>	<u>172,930</u>	<u>49,486</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(139,916)</u>	<u>(95,453)</u>	<u>44,463</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	17,500	45,000	27,500
<i>Net Change in Fund Balance</i>	(122,416)	(50,453)	71,963
<i>Fund Balance (Deficit) Beginning of Year</i>	375,319	375,319	0
Prior Year Encumbrances Appropriated	12,517	12,517	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 265,420</u>	<u>\$ 337,383</u>	<u>\$ 71,963</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance and Repair Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 287,043	\$ 287,983	\$ 940
Payment in Lieu of Taxes	921	921	0
Intergovernmental	979,957	980,873	916
Fees, Licenses and Permits	3,530	2,741	(789)
Fines and Forfeitures	15,000	100	(14,900)
Charges for Services	500	145	(355)
Investment Income	9,000	9,390	390
Other	7,500	6,705	(795)
<i>Total Revenues</i>	<u>1,303,451</u>	<u>1,288,858</u>	<u>(14,593)</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Traffic Control			
Salaries and Benefits	39,756	28,844	10,912
Contractual Services	48,224	17,064	31,160
Materials and Supplies	49,951	22,193	27,758
Total Traffic Control	<u>137,931</u>	<u>68,101</u>	<u>69,830</u>
Weigh Station			
Contractual Services	9,622	3,912	5,710
Materials and Supplies	1,310	700	610
Total Weigh Station	<u>10,932</u>	<u>4,612</u>	<u>6,320</u>
Total Security of Persons and Property	<u>148,863</u>	<u>72,713</u>	<u>76,150</u>
Transportation			
Street Maintenance and Repair			
Salaries and Benefits	520,883	512,837	8,046
Contractual Services	52,510	12,147	40,363
Materials and Supplies	120,304	116,948	3,356
Capital Outlay	22,099	11,984	10,115
Total Street Maintenance and Repair	<u>715,796</u>	<u>653,916</u>	<u>61,880</u>
Street Cleaning			
Salaries and Benefits	116,523	83,569	32,954
Materials and Supplies	371,127	338,215	32,912
Total Street Cleaning	<u>487,650</u>	<u>421,784</u>	<u>65,866</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Maintenance and Repair Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
Storm Sewer Maintenance			
Salaries and Benefits	158,452	110,701	47,751
Contractual Services	12,208	4,127	8,081
Materials and Supplies	78,162	64,868	13,294
Total Storm Sewer Maintenance	<u>248,822</u>	<u>179,696</u>	<u>69,126</u>
 Total Transportation	 <u>1,452,268</u>	 <u>1,255,396</u>	 <u>196,872</u>
Basic Utility			
Leaf Program			
Salaries and Benefits	75,171	58,886	16,285
Contractual Services	2,800	713	2,087
Materials and Supplies	12,916	9,660	3,256
Capital Outlay	130,000	0	130,000
Total Leaf Program	<u>220,887</u>	<u>69,259</u>	<u>151,628</u>
Total Basic Utility	<u>220,887</u>	<u>69,259</u>	<u>151,628</u>
 <i>Total Expenditures</i>	 <u>1,822,018</u>	 <u>1,397,368</u>	 <u>424,650</u>
 <i>Net Change in Fund Balance</i>	 (518,567)	 (108,510)	 410,057
 <i>Fund Balance (Deficit) Beginning of Year</i>	 923,109	 923,109	 0
 Prior Year Encumbrances Appropriated	 <u>51,188</u>	 <u>51,188</u>	 <u>0</u>
 <i>Fund Balance (Deficit) End of Year</i>	 <u>\$ 455,730</u>	 <u>\$ 865,787</u>	 <u>\$ 410,057</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*State Highway Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Intergovernmental	\$ 92,000	\$ 78,661	\$ (13,339)
Investment Income	340	776	436
<i>Total Revenues</i>	<u>92,340</u>	<u>79,437</u>	<u>(12,903)</u>
<b>Expenditures</b>			
Current:			
Transportation			
Salaries and Benefits	67,832	23,639	44,193
Materials and Supplies	71,386	54,400	16,986
Capital Outlay	49,300	24,650	24,650
<i>Total Expenditures</i>	<u>188,518</u>	<u>102,689</u>	<u>85,829</u>
<i>Net Change in Fund Balance</i>	(96,178)	(23,252)	72,926
<i>Fund Balance (Deficit) Beginning of Year</i>	82,703	60,140	(22,563)
Prior Year Encumbrances Appropriated	<u>24,650</u>	<u>33,250</u>	<u>8,600</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 11,175</u>	<u>\$ 70,138</u>	<u>\$ 58,963</u>



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Parks and Recreation Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 956,809	\$ 959,944	\$ 3,135
Payment in Lieu of Taxes	3,071	3,071	0
Charges for Services	83,524	55,659	(27,865)
Gifts and Donations	7,500	6,140	(1,360)
Other	500	274	(226)
<i>Total Revenues</i>	<u>1,051,404</u>	<u>1,025,088</u>	<u>(26,316)</u>
<b>Expenditures</b>			
Current:			
Leisure Time Activities			
Park Maintenance			
Salaries and Benefits	540,395	463,731	76,664
Contractual Services	228,235	107,979	120,256
Materials and Supplies	208,628	92,068	116,560
Capital Outlay	198,137	54,480	143,657
Other	1,210	190	1,020
Total Park Maintenance	<u>1,176,605</u>	<u>718,448</u>	<u>458,157</u>
Municipal Pool			
Salaries and Benefits	230,102	42,240	187,862
Contractual Services	35,388	6,909	28,479
Materials and Supplies	74,139	16,244	57,895
Capital Outlay	4,500	0	4,500
Other	50	50	0
Total Municipal Pool	<u>344,179</u>	<u>65,443</u>	<u>278,736</u>
Uptown Park Maintenance			
Salaries and Benefits	43,084	12,279	30,805
Contractual Services	28,605	12,683	15,922
Materials and Supplies	48,402	17,832	30,570
Total Uptown Park Maintenance	<u>120,091</u>	<u>42,794</u>	<u>77,297</u>
Sports Field Maintenance			
Salaries and Benefits	47,919	45,316	2,603
Contractual Services	42,182	29,550	12,632
Materials and Supplies	91,517	87,376	4,141
Capital Outlay	22,709	1,900	20,809
Other	185	0	185
Total Sports Field Maintenance	<u>204,512</u>	<u>164,142</u>	<u>40,370</u>
Railroad Renovation			
Salaries and Benefits	39,707	15,349	24,358
Contractual Services	6,752	177	6,575
Materials and Supplies	2,000	459	1,541
Capital Outlay	20,058	0	20,058
Total Railroad Renovation	<u>68,517</u>	<u>15,985</u>	<u>52,532</u>
<i>Total Leisure Time Activities</i>	<u>1,913,904</u>	<u>1,006,812</u>	<u>907,092</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Parks and Recreation Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<i>Total Expenditures</i>	1,913,904	1,006,812	907,092
<i>Excess of Revenues Over (Under) Expenditures</i>	(862,500)	18,276	880,776
<b>Other Financing Sources (Uses)</b>			
Transfers In	0	68,517	68,517
<i>Net Change in Fund Balance</i>	(862,500)	86,793	949,293
<i>Fund Balance (Deficit) Beginning of Year</i>	1,100,739	1,100,739	0
Prior Year Encumbrances Appropriated	82,744	82,744	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 320,983</u>	<u>\$ 1,270,276</u>	<u>\$ 949,293</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Local License Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Intergovernmental	\$ 217,000	\$ 222,920	\$ 5,920
Investment Income	7,000	8,071	1,071
<i>Total Revenues</i>	<u>224,000</u>	<u>230,991</u>	<u>6,991</u>
<b>Expenditures</b>			
Current:			
Transportation			
Salaries and Benefits	72,182	0	72,182
Contractual Services	2,958	0	2,958
Capital Outlay	653,225	0	653,225
<i>Total Expenditures</i>	<u>728,365</u>	<u>0</u>	<u>728,365</u>
<i>Net Change in Fund Balance</i>	(504,365)	230,991	735,356
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>695,153</u>	<u>695,153</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 190,788</u>	<u>\$ 926,144</u>	<u>\$ 735,356</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Special Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 669,766	\$ 671,960	\$ 2,194
Other Local Taxes	2,150	2,150	0
Intergovernmental	0	30,150	30,150
Fees, Licenses and Permits	5,000	5,175	175
Charges for Services	180,297	314,817	134,520
Gifts and Donations	5,000	1,275	(3,725)
Other	1,500	2,106	606
<i>Total Revenues</i>	<u>863,713</u>	<u>1,027,633</u>	<u>163,920</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Salaries and Benefits	750,681	580,528	170,153
Contractual Services	231,190	117,070	114,120
Materials and Supplies	152,254	106,364	45,890
Capital Outlay	25,727	23,561	2,166
<i>Total Security of Persons and Property</i>	<u>1,159,852</u>	<u>827,523</u>	<u>332,329</u>
Debt Service			
Interest and Fiscal Charges	955	955	0
<i>Total Expenditures</i>	<u>1,160,807</u>	<u>828,478</u>	<u>332,329</u>
<i>Net Change in Fund Balance</i>	(297,094)	199,155	496,249
<i>Fund Balance (Deficit) Beginning of Year</i>	387,501	387,501	0
Prior Year Encumbrances Appropriated	25,210	25,210	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 115,617</u>	<u>\$ 611,866</u>	<u>\$ 496,249</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Grants Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Intergovernmental	\$ 0	\$ 553,370	\$ 553,370
<i>Total Revenues</i>	<u>0</u>	<u>553,370</u>	<u>553,370</u>
<b>Expenditures</b>			
Current:			
General Government			
Municipal Court			
Salaries and Benefits	122,485	80,904	41,581
Contractual Services	4,088	0	4,088
<i>Total General Government</i>	<u>126,573</u>	<u>80,904</u>	<u>45,669</u>
Security of Persons and Property			
Gang Resistance			
Contractual Services	3,406	1,703	1,703
Materials and Supplies	15,166	7,433	7,733
Total Gang Resistance	<u>18,572</u>	<u>9,136</u>	<u>9,436</u>
Fire Department			
Capital Outlay	133,494	30,150	103,344
<i>Total Security of Persons and Property</i>	<u>152,066</u>	<u>39,286</u>	<u>112,780</u>
Leisure Time Activities			
Park Improvements			
Contractual Services	163,936	21,220	142,716
Materials and Supplies	120	60	60
Capital Outlay	525,082	525,082	0
<i>Total Leisure Time Activities</i>	<u>689,138</u>	<u>546,362</u>	<u>142,776</u>
Community Development			
Neighborhood Stabilization			
Contractual Services	168,382	30,827	137,555
<i>Total Community Development</i>	<u>168,382</u>	<u>30,827</u>	<u>137,555</u>
Transportation			
Street Improvement			
Contractual Services	16,100	550	15,550
<i>Total Transportation</i>	<u>16,100</u>	<u>550</u>	<u>15,550</u>
<i>Total Expenditures</i>	<u>1,152,259</u>	<u>697,929</u>	<u>454,330</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(1,152,259)</u>	<u>(144,559)</u>	<u>1,007,700</u> <i>(continued)</i>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Grants Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Other Financing Sources (Uses)</b>			
Advances In	0	717,608	717,608
Advances Out	(785,922)	(785,922)	0
<i>Total Other Financing Sources (Uses)</i>	(785,922)	(68,314)	717,608
<i>Net Change in Fund Balance</i>	(1,938,181)	(212,873)	1,725,308
<i>Fund Balance (Deficit) Beginning of Year</i>	748,136	748,136	0
Prior Year Encumbrances Appropriated	30,686	30,686	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ (1,159,359)</u>	<u>\$ 565,949</u>	<u>\$ 1,725,308</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*County Local License Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Intergovernmental	\$ 51,000	\$ 55,849	\$ 4,849
Investment Income	1,000	663	(337)
<i>Total Revenues</i>	<u>52,000</u>	<u>56,512</u>	<u>4,512</u>
<b>Expenditures</b>			
Current:			
Transportation			
Street Maintenance and Repair			
Capital Outlay	<u>92,692</u>	<u>62,887</u>	<u>29,805</u>
<i>Total Expenditures</i>	<u>92,692</u>	<u>62,887</u>	<u>29,805</u>
<i>Net Change in Fund Balance</i>	(40,692)	(6,375)	34,317
<i>Fund Balance (Deficit) Beginning of Year</i>	42,437	42,437	0
Prior Year Encumbrances Appropriated	<u>7,293</u>	<u>7,293</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 9,038</u>	<u>\$ 43,355</u>	<u>\$ 34,317</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DARE Grant Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	5,101	5,101	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 5,101</u>	<u>\$ 5,101</u>	<u>\$ 0</u>



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Community Development Block Grant Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Intergovernmental	\$ 85,000	\$ 146,410	\$ 61,410
Other	0	1,530	1,530
<i>Total Revenues</i>	<u>85,000</u>	<u>147,940</u>	<u>62,940</u>
<b>Expenditures</b>			
Current:			
General Government			
Salaries and Benefits	7,129	4,057	3,072
Contractual Services	906,973	115,911	791,062
Materials and Supplies	1,500	1,208	292
<i>Total Expenditures</i>	<u>915,602</u>	<u>121,176</u>	<u>794,426</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(830,602)</u>	<u>26,764</u>	<u>857,366</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	85,000	99,000	14,000
Advances Out	(133,422)	0	133,422
<i>Total Other Financing Sources (Uses)</i>	<u>(48,422)</u>	<u>99,000</u>	<u>147,422</u>
<i>Net Change in Fund Balance</i>	(879,024)	125,764	1,004,788
<i>Fund Balance (Deficit) Beginning of Year</i>	141,764	141,764	0
Prior Year Encumbrances Appropriated	47,235	47,235	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ (690,025)</u>	<u>\$ 314,763</u>	<u>\$ 1,004,788</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Police and Fire Disability Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Property Taxes	\$ 269,607	\$ 258,540	\$ (11,067)
Intergovernmental	72,147	60,384	(11,763)
<i>Total Revenues</i>	<u>341,754</u>	<u>318,924</u>	<u>(22,830)</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Salaries and Benefits	513,343	468,191	45,152
Contractual Services	18,662	3,364	15,298
<i>Total Expenditures</i>	<u>532,005</u>	<u>471,555</u>	<u>60,450</u>
<i>Net Change in Fund Balance</i>	(190,251)	(152,631)	37,620
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,069,741</u>	<u>2,069,741</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,879,490</u>	<u>\$ 1,917,110</u>	<u>\$ 37,620</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*CHIP Grant Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Intergovernmental	\$ 325,000	\$ 39,886	\$ (285,114)
<i>Total Revenues</i>	<u>325,000</u>	<u>39,886</u>	<u>(285,114)</u>
<b>Expenditures</b>			
Current:			
Community Development			
Contractual Services	589,292	34,145	555,147
<i>Total Expenditures</i>	<u>589,292</u>	<u>34,145</u>	<u>555,147</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(264,292)</u>	<u>5,741</u>	<u>270,033</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	325,000	500,000	175,000
<i>Total Other Financing Sources (Uses)</i>	<u>325,000</u>	<u>500,000</u>	<u>175,000</u>
<i>Net Change in Fund Balance</i>	60,708	505,741	445,033
<i>Fund Balance (Deficit) Beginning of Year</i>	141,321	141,321	0
Prior Year Encumbrances Appropriated	11,022	11,022	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 213,051</u>	<u>\$ 658,084</u>	<u>\$ 445,033</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Open Space #1 Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Current:			
Community Development			
Contractual Services	3,000	3,000	0
<i>Total Expenditures</i>	3,000	3,000	0
<i>Net Change in Fund Balance</i>	(3,000)	(3,000)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	81,771	81,771	0
Prior Year Encumbrances Appropriated	3,000	3,000	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 81,771	\$ 81,771	\$ 0

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Open Space #2 Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	1,595	1,595	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 1,595	\$ 1,595	\$ 0

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Open Space #3 Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Current:			
Community Development			
Capital Outlay	988	988	0
<i>Total Expenditures</i>	988	988	0
<i>Net Change in Fund Balance</i>	(988)	(988)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	3,086	3,086	0
Prior Year Encumbrances Appropriated	988	988	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 3,086</u>	<u>\$ 3,086</u>	<u>\$ 0</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Open Space #4 Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	7,979	7,979	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 7,979	\$ 7,979	\$ 0

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Emergency Medical Services Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Property Taxes	\$ 897,922	\$ 935,396	\$ 37,474
Intergovernmental	254,657	137,668	(116,989)
<i>Total Revenues</i>	<u>1,152,579</u>	<u>1,073,064</u>	<u>(79,515)</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Contractual Services	1,647,171	1,401,552	245,619
<i>Total Expenditures</i>	<u>1,647,171</u>	<u>1,401,552</u>	<u>245,619</u>
<i>Net Change in Fund Balance</i>	(494,592)	(328,488)	166,104
<i>Fund Balance (Deficit) Beginning of Year</i>	1,769,395	1,769,395	0
Prior Year Encumbrances Appropriated	227,604	227,604	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,502,407</u>	<u>\$ 1,668,511</u>	<u>\$ 166,104</u>



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
**Parking Fund**  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fees, Licenses and Permits	\$ 68,260	\$ 60,000	\$ (8,260)
<i>Total Revenues</i>	<u>68,260</u>	<u>60,000</u>	<u>(8,260)</u>
<b>Expenditures</b>			
Current:			
Transportation			
Parking Meters			
Salaries and Benefits	6,361	5,914	447
Total Parking Meters	<u>6,361</u>	<u>5,914</u>	<u>447</u>
Parking Lots			
Salaries and Benefits	23,983	23,652	331
Contractual Services	30,372	30,372	0
Total Parking Lots	<u>54,355</u>	<u>54,024</u>	<u>331</u>
Parking Deck			
Contractual Services	1,462	0	1,462
Total Parking Deck	<u>1,462</u>	<u>0</u>	<u>1,462</u>
<i>Total Transportation</i>	<u>62,178</u>	<u>59,938</u>	<u>2,240</u>
<i>Total Expenditures</i>	<u>62,178</u>	<u>59,938</u>	<u>2,240</u>
<i>Net Change in Fund Balance</i>	6,082	62	(6,020)
<i>Fund Balance (Deficit) Beginning of Year</i>	15,243	15,243	0
Prior Year Encumbrances Appropriated	1,462	1,462	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 22,787</u>	<u>\$ 16,767</u>	<u>\$ (6,020)</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cable TV Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fees, Licenses and Permits	\$ 239,223	\$ 305,815	\$ 66,592
Charges for Services	32,500	38,771	6,271
<i>Total Revenues</i>	<u>271,723</u>	<u>344,586</u>	<u>72,863</u>
<b>Expenditures</b>			
Current:			
General Government			
Salaries and Benefits	283,484	220,999	62,485
Contractual Services	14,144	6,573	7,571
Materials and Supplies	78,714	45,583	33,131
Capital Outlay	35,000	26,950	8,050
<i>Total Expenditures</i>	<u>411,342</u>	<u>300,105</u>	<u>111,237</u>
<i>Net Change in Fund Balance</i>	(139,619)	44,481	184,100
<i>Fund Balance (Deficit) Beginning of Year</i>	307,155	307,155	0
Prior Year Encumbrances Appropriated	<u>16,184</u>	<u>16,184</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 183,720</u>	<u>\$ 367,820</u>	<u>\$ 184,100</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Federal Airport Grant Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Intergovernmental	\$ 150,000	\$ 2,058	\$ (147,942)
<i>Total Revenues</i>	<u>150,000</u>	<u>2,058</u>	<u>(147,942)</u>
<b>Expenditures</b>			
Current:			
Transportation			
Capital Outlay	150,000	0	150,000
<i>Total Expenditures</i>	<u>150,000</u>	<u>0</u>	<u>150,000</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>0</u>	<u>2,058</u>	<u>2,058</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	150,000	0	(150,000)
<i>Net Change in Fund Balance</i>	<u>150,000</u>	<u>2,058</u>	<u>(147,942)</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 150,000</u>	<u>\$ 2,058</u>	<u>\$ (147,942)</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Drug Enforcement Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 3,500	\$ 1,425	\$ (2,075)
<i>Total Revenues</i>	<u>3,500</u>	<u>1,425</u>	<u>(2,075)</u>
<b>Expenditures</b>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	3,500	1,425	(2,075)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>21,136</u>	<u>21,136</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 24,636</u>	<u>\$ 22,561</u>	<u>\$ (2,075)</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Law Enforcement Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 5,000	\$ 1,262	\$ (3,738)
<i>Total Revenues</i>	<u>5,000</u>	<u>1,262</u>	<u>(3,738)</u>
<b>Expenditures</b>			
Current:			
Security of Persons and Property			
Other	936	936	0
<i>Total Expenditures</i>	<u>936</u>	<u>936</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	4,064	326	(3,738)
<i>Fund Balance (Deficit) Beginning of Year</i>	22,187	22,187	0
Prior Year Encumbrances Appropriated	936	936	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 27,187</u>	<u>\$ 23,449</u>	<u>\$ (3,738)</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Computer Legal Research Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 45,450	\$ 37,016	\$ (8,434)
<i>Total Revenues</i>	<u>45,450</u>	<u>37,016</u>	<u>(8,434)</u>
<b>Expenditures</b>			
Current:			
General Government			
Materials and Supplies	97,452	38,838	58,614
Capital Outlay	12,210	0	12,210
<i>Total Expenditures</i>	<u>109,662</u>	<u>38,838</u>	<u>70,824</u>
<i>Net Change in Fund Balance</i>	(64,212)	(1,822)	62,390
<i>Fund Balance (Deficit) Beginning of Year</i>	39,405	39,405	0
Prior Year Encumbrances Appropriated	1,700	1,700	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ (23,107)</u>	<u>\$ 39,283</u>	<u>\$ 62,390</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Court Probation Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 165,000	\$ 118,370	\$ (46,630)
<i>Total Revenues</i>	<u>165,000</u>	<u>118,370</u>	<u>(46,630)</u>
<b>Expenditures</b>			
Current:			
General Government			
Salaries and Benefits	228,343	150,706	77,637
Contractual Services	93,429	31,502	61,927
Materials and Supplies	12,151	6,258	5,893
Capital Outlay	4,000	0	4,000
<i>Total Expenditures</i>	<u>337,923</u>	<u>188,466</u>	<u>149,457</u>
<i>Net Change in Fund Balance</i>	(172,923)	(70,096)	102,827
<i>Fund Balance (Deficit) Beginning of Year</i>	428,093	428,093	0
Prior Year Encumbrances Appropriated	<u>1,959</u>	<u>1,959</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 257,129</u>	<u>\$ 359,956</u>	<u>\$ 102,827</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*DUI Enforcement Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 3,000	\$ 2,376	\$ (624)
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	3,000	2,376	(624)
<i>Fund Balance (Deficit) Beginning of Year</i>	15,262	15,262	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 18,262</u>	<u>\$ 17,638</u>	<u>\$ (624)</u>



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Indigent Driver Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 66,350	\$ 69,335	\$ 2,985
<i>Total Revenues</i>	<u>66,350</u>	<u>69,335</u>	<u>2,985</u>
<b>Expenditures</b>			
Current:			
General Government			
Contractual Services	224,901	77,508	147,393
<i>Total Expenditures</i>	<u>224,901</u>	<u>77,508</u>	<u>147,393</u>
<i>Net Change in Fund Balance</i>	(158,551)	(8,173)	150,378
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>276,877</u>	<u>276,877</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 118,326</u>	<u>\$ 268,704</u>	<u>\$ 150,378</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Clerk Computer Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 155,000	\$ 123,270	\$ (31,730)
<i>Total Revenues</i>	<u>155,000</u>	<u>123,270</u>	<u>(31,730)</u>
<b>Expenditures</b>			
Current:			
General Government			
Salaries and Benefits	122,519	103,029	19,490
Contractual Services	26,442	16,427	10,015
Materials and Supplies	14,685	7,699	6,986
Capital Outlay	75,403	36,419	38,984
<i>Total Expenditures</i>	<u>239,049</u>	<u>163,574</u>	<u>75,475</u>
<i>Net Change in Fund Balance</i>	(84,049)	(40,304)	43,745
<i>Fund Balance (Deficit) Beginning of Year</i>	162,592	162,592	0
Prior Year Encumbrances Appropriated	<u>36,419</u>	<u>36,419</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 114,962</u>	<u>\$ 158,707</u>	<u>\$ 43,745</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Court Special Projects Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Fines and Forfeitures	\$ 335,000	\$ 264,527	\$ (70,473)
<i>Total Revenues</i>	<u>335,000</u>	<u>264,527</u>	<u>(70,473)</u>
<b>Expenditures</b>			
Current:			
General Government			
Contractual Services	10,000	0	10,000
Materials and Supplies	10,500	0	10,500
Capital Outlay	<u>10,500</u>	<u>0</u>	<u>10,500</u>
<i>Total Expenditures</i>	<u>31,000</u>	<u>0</u>	<u>31,000</u>
<i>Net Change in Fund Balance</i>	304,000	264,527	(39,473)
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>2,929,453</u>	<u>2,929,453</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 3,233,453</u>	<u>\$ 3,193,980</u>	<u>\$ (39,473)</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Shade Tree Trust Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Charges for Services	\$ 250	\$ 200	\$ (50)
<i>Total Revenues</i>	<u>250</u>	<u>200</u>	<u>(50)</u>
<b>Expenditures</b>			
Current:			
Community Development			
Other	9,726	9,726	0
<i>Total Expenditures</i>	<u>9,726</u>	<u>9,726</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(9,476)	(9,526)	(50)
<i>Fund Balance (Deficit) Beginning of Year</i>	756	556	(200)
Prior Year Encumbrances Appropriated	9,726	9,726	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 1,006</u>	<u>\$ 756</u>	<u>\$ (250)</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Charges for Services	\$ 40,000	\$ 35,545	\$ (4,455)
Investment Income	1,500	95	(1,405)
<i>Total Revenues</i>	<u>41,500</u>	<u>35,640</u>	<u>(5,860)</u>
<b>Expenditures</b>			
Current:			
Public Health			
Contractual Services	280,072	279,072	1,000
<i>Total Expenditures</i>	<u>280,072</u>	<u>279,072</u>	<u>1,000</u>
<i>Net Change in Fund Balance</i>	(238,572)	(243,432)	(4,860)
<i>Fund Balance (Deficit) Beginning of Year</i>	193,921	193,921	0
Prior Year Encumbrances Appropriated	279,072	279,072	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 234,421</u>	<u>\$ 229,561</u>	<u>\$ (4,860)</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Municipal Airport Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Rentals	\$ 3,500	\$ 1,690	\$ (1,810)
Other	0	216	216
<i>Total Revenues</i>	<u>3,500</u>	<u>1,906</u>	<u>(1,594)</u>
<b>Expenditures</b>			
Current:			
Transportation			
Contractual Services	7,239	6,138	1,101
Capital Outlay	27,401	0	27,401
<i>Total Expenditures</i>	<u>34,640</u>	<u>6,138</u>	<u>28,502</u>
<i>Net Change in Fund Balance</i>	(31,140)	(4,232)	26,908
<i>Fund Balance (Deficit) Beginning of Year</i>	108,310	108,310	0
Prior Year Encumbrances Appropriated	<u>1,208</u>	<u>1,208</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 78,378</u>	<u>\$ 105,286</u>	<u>\$ 26,908</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Bond Retirement Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Current:			
General Government			
Contractual Services	0	10	(10)
<i>Total Expenditures</i>	0	10	(10)
<i>Net Change in Fund Balance</i>	0	(10)	(10)
<i>Fund Balance (Deficit) Beginning of Year</i>	22,114	22,114	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 22,114	\$ 22,104	\$ (10)

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Assessment Bond Retirement Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Special Assessments	\$ 290,000	\$ 272,615	\$ (17,385)
<i>Total Revenues</i>	<u>290,000</u>	<u>272,615</u>	<u>(17,385)</u>
<b>Expenditures</b>			
Debt Service			
Principal Retirement	478,341	239,082	239,259
Interest and Fiscal Charges	73,651	48,434	25,217
Total Debt Service	<u>551,992</u>	<u>287,516</u>	<u>264,476</u>
<i>Total Expenditures</i>	<u>551,992</u>	<u>287,516</u>	<u>264,476</u>
<i>Net Change in Fund Balance</i>	(261,992)	(14,901)	247,091
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>643,078</u>	<u>643,078</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 381,086</u>	<u>\$ 628,177</u>	<u>\$ 247,091</u>



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Park/Recreation Capital Improvement Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	353	353	0
Prior Year Encumbrances Appropriated	0	0	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 353</u>	<u>\$ 353</u>	<u>\$ 0</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Fire Capital Replacement Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 94,924	\$ 95,994	\$ 1,070
Payment in Lieu of Taxes	1,064	1,064	0
Other	1,652	3,500	1,848
<i>Total Revenues</i>	<u>97,640</u>	<u>100,558</u>	<u>2,918</u>
<b>Expenditures</b>			
Capital Outlay	295,206	0	295,206
<i>Total Expenditures</i>	<u>295,206</u>	<u>0</u>	<u>295,206</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(197,566)</u>	<u>100,558</u>	<u>298,124</u>
<b>Other Financing Sources (Uses)</b>			
Advances Out	(191,993)	(191,993)	0
<i>Net Change in Fund Balance</i>	(389,559)	(91,435)	298,124
<i>Fund Balance (Deficit) Beginning of Year</i>	127,417	127,417	0
Prior Year Encumbrances Appropriated	9,000	9,000	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ (253,142)</u>	<u>\$ 44,982</u>	<u>\$ 298,124</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Capital Projects Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	191,400	191,400	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 191,400</u>	<u>\$ 191,400</u>	<u>\$ 0</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Issue 2 Projects Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Capital Outlay			
Salaries and Benefits	8,292	273	8,019
Contractual Services	227,000	227,000	0
<i>Total Expenditures</i>	<u>235,292</u>	<u>227,273</u>	<u>8,019</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(235,292)</u>	<u>(227,273)</u>	<u>8,019</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	0	227,000	227,000
Advances Out	(239,250)	(239,250)	0
<i>Net Change in Fund Balance</i>	(474,542)	(239,523)	235,019
<i>Fund Balance (Deficit) Beginning of Year</i>	<u>413,472</u>	<u>413,472</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ (61,070)</u>	<u>\$ 173,949</u>	<u>\$ 235,019</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Resurfacing Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	195,465	195,465	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 195,465	\$ 195,465	\$ 0

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Storm Sewer Capital Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>			
Capital Outlay			
Contractual Services	34,450	34,450	0
<i>Total Expenditures</i>	34,450	34,450	0
<i>Net Change in Fund Balance</i>	(34,450)	(34,450)	0
<i>Fund Balance (Deficit) Beginning of Year</i>	26,511	26,511	0
Prior Year Encumbrances Appropriated	34,450	34,450	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 26,511	\$ 26,511	\$ 0

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Street Reconstruction Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	73,591	73,591	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 73,591	\$ 73,591	\$ 0

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Blacktop Resurfacing Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	68,772	68,772	0
<i>Fund Balance (Deficit) End of Year</i>	\$ 68,772	\$ 68,772	\$ 0



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Curbs and Alleys Capital Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	138,236	138,236	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 138,236</u>	<u>\$ 138,236</u>	<u>\$ 0</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Computer/Electronic Capital Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Municipal Income Taxes	\$ 143,900	\$ 143,990	\$ 90
Other Local Taxes	461	461	0
Other	2,100	0	(2,100)
<i>Total Revenues</i>	<u>146,461</u>	<u>144,451</u>	<u>(2,010)</u>
<b>Expenditures</b>			
Capital Outlay			
Materials and Supplies	48,531	44,084	4,447
Capital Outlay	368,101	173,217	194,884
<i>Total Expenditures</i>	<u>416,632</u>	<u>217,301</u>	<u>199,331</u>
<i>Net Change in Fund Balance</i>	(270,171)	(72,850)	197,321
<i>Fund Balance (Deficit) Beginning of Year</i>	521,215	521,215	0
Prior Year Encumbrances Appropriated	36,297	36,297	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 287,341</u>	<u>\$ 484,662</u>	<u>\$ 197,321</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Unanticipated Capital Projects Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) Beginning of Year</i>	991,598	991,598	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ 991,598</u>	<u>\$ 991,598</u>	<u>\$ 0</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Special Assessments Projects Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Charges for Services	\$ 5,000	\$ 9,090	\$ 4,090
<i>Total Revenues</i>	<u>5,000</u>	<u>9,090</u>	<u>4,090</u>
<b>Expenditures</b>			
Capital Outlay			
Contractual Services	21,981	7,745	14,236
<i>Total Expenditures</i>	<u>21,981</u>	<u>7,745</u>	<u>14,236</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(16,981)</u>	<u>1,345</u>	<u>18,326</u>
<b>Other Financing Sources (Uses)</b>			
Advances In	12,500	10,000	(2,500)
Advances Out	(3,000)	(3,000)	0
<i>Total Other Financing Sources (Uses)</i>	<u>9,500</u>	<u>7,000</u>	<u>(2,500)</u>
<i>Net Change in Fund Balance</i>	(7,481)	8,345	15,826
<i>Fund Balance (Deficit) Beginning of Year</i>	614	614	0
Prior Year Encumbrances Appropriated	831	831	0
<i>Fund Balance (Deficit) End of Year</i>	<u>\$ (6,036)</u>	<u>\$ 9,790</u>	<u>\$ 15,826</u>

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures and Changes*  
*in Fund Balance - Budget (Non-GAAP Basis) and Actual*  
*Cemetery Endowment Fund*  
*For the Year Ended December 31, 2011*

	Final Budget	Actual	Variance with Budget
<b>Revenues</b>			
Charges for Services	\$ 4,500	\$ 0	\$ (4,500)
Investment Income	425	11	(414)
<i>Total Revenues</i>	<u>4,925</u>	<u>11</u>	<u>(4,914)</u>
<b>Expenditures</b>			
Current:			
Public Health			
Contractual Services	19,512	16,906	2,606
Materials and Supplies	1,150	1,124	26
<i>Total Expenditures</i>	<u>20,662</u>	<u>18,030</u>	<u>2,632</u>
<i>Net Change in Fund Balance</i>	(15,737)	(18,019)	(2,282)
<i>Fund Balance (Deficit) Beginning of Year</i>	13,659	13,659	0
Prior Year Encumbrances Appropriated	<u>19,539</u>	<u>19,539</u>	<u>0</u>
<i>Fund Balance (Deficit) End of Year</i>	<u><u>\$ 17,461</u></u>	<u><u>\$ 15,179</u></u>	<u><u>\$ (2,282)</u></u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Statements – Agency Funds*

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***Fiduciary Funds***

To account for assets held by the City as an agency for individuals, private organizations, other governmental units, and other funds. Agency funds are purely custodial (assets equal liabilities) and thus do not involve measurement of results of operations.

***Agency Funds***

***Section 125 Fund***

To account for Section 125 Employee deductions and Section 125 insurance.

***Payroll Fund***

To account for payroll expense.

***Law Library Fund***

To account for a percentage of the ORC fines received through Ohio State Highway Patrol.

***Agency Revolving Fund***

To account for goods or services provided by a department or agency to other departments or agencies on a cost reimbursement basis.

***Ohio Board of Building Standards Fund***

To account for state building fees collected from builders and disbursed to the State Board of Building Standards.

***Friends of the Cemetery Fund***

To account for donations received for the maintenance and improvement of the cemetery.

***Municipal Court Fund***

To account for the collection and distribution of revenue associated with the operations of the Medina Municipal Court.

The following funds collect deposits then return them when the obligation has been met.

***Bid and Performance Bonds Fund***

***Water Meter Deposits Fund***

***Developer Deposits Fund***

***Utility Deposits Fund***

***Planning and Zoning Deposits Fund***

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2011*

	Section 125 Fund	Payroll Fund	Law Library Fund	Agency Revolving Fund	Bid and Performance Bonds Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 8,867	\$ 112,318	\$ 1,629	\$ 18,176	\$ 18,481
Cash in Segregated Accounts	0	0	0	0	0
<i>Total Assets</i>	<u>\$ 8,867</u>	<u>\$ 112,318</u>	<u>\$ 1,629</u>	<u>\$ 18,176</u>	<u>\$ 18,481</u>
<b>Liabilities</b>					
Undistributed Monies	\$ 8,867	\$ 112,318	\$ 1,629	\$ 18,176	\$ 18,481
<i>Total Liabilities</i>	<u>\$ 8,867</u>	<u>\$ 112,318</u>	<u>\$ 1,629</u>	<u>\$ 18,176</u>	<u>\$ 18,481</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2011*

	Ohio Board of Building Standards Fund	Water Meter Deposits Fund	Developer Deposits Fund	Friends of the Cemetery Fund	Utility Deposits Fund
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 1,671	\$ 2,981	\$ 141,643	\$ 4,125	\$ 134,796
Cash in Segregated Accounts	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Assets</i>	<u>\$ 1,671</u>	<u>\$ 2,981</u>	<u>\$ 141,643</u>	<u>\$ 4,125</u>	<u>\$ 134,796</u>
<b>Liabilities</b>					
Undistributed Monies	\$ 1,671	\$ 2,981	\$ 141,643	\$ 4,125	\$ 134,796
<i>Total Liabilities</i>	<u>\$ 1,671</u>	<u>\$ 2,981</u>	<u>\$ 141,643</u>	<u>\$ 4,125</u>	<u>\$ 134,796</u>

*(continued)*



**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Assets and Liabilities*  
*Agency Funds*  
*December 31, 2011*

	Planning and Zoning Deposits Fund	Municipal Court Fund	Totals
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 313	\$ 0	\$ 445,000
Cash in Segregated Accounts	0	328,304	328,304
<i>Total Assets</i>	<u>\$ 313</u>	<u>\$ 328,304</u>	<u>\$ 773,304</u>
<b>Liabilities</b>			
Undistributed Monies	\$ 313	\$ 328,304	\$ 773,304
<i>Total Liabilities</i>	<u>\$ 313</u>	<u>\$ 328,304</u>	<u>\$ 773,304</u>

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
For the Year Ended December 31, 2011

	Restated Beginning Balance 12/31/2010	Additions	Reductions	Ending Balance 12/31/2011
<b>Section 125 Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 8,081	\$ 26,415	\$ 25,629	\$ 8,867
<i>Total Assets</i>	<u>\$ 8,081</u>	<u>\$ 26,415</u>	<u>\$ 25,629</u>	<u>\$ 8,867</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 8,081	\$ 26,415	\$ 25,629	\$ 8,867
<i>Total Liabilities</i>	<u>\$ 8,081</u>	<u>\$ 26,415</u>	<u>\$ 25,629</u>	<u>\$ 8,867</u>
<b>Payroll Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 87,597	\$ 11,513,367	\$ 11,488,646	\$ 112,318
<i>Total Assets</i>	<u>\$ 87,597</u>	<u>\$ 11,513,367</u>	<u>\$ 11,488,646</u>	<u>\$ 112,318</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 87,597	\$ 11,513,367	\$ 11,488,646	\$ 112,318
<i>Total Liabilities</i>	<u>\$ 87,597</u>	<u>\$ 11,513,367</u>	<u>\$ 11,488,646</u>	<u>\$ 112,318</u>
<b>Law Library Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 1,629	\$ 40,859	\$ 40,859	\$ 1,629
<i>Total Assets</i>	<u>\$ 1,629</u>	<u>\$ 40,859</u>	<u>\$ 40,859</u>	<u>\$ 1,629</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 1,629	\$ 40,859	\$ 40,859	\$ 1,629
<i>Total Liabilities</i>	<u>\$ 1,629</u>	<u>\$ 40,859</u>	<u>\$ 40,859</u>	<u>\$ 1,629</u>
<b>Agency Revolving Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 28,045	\$ 147,584	\$ 157,453	\$ 18,176
<i>Total Assets</i>	<u>\$ 28,045</u>	<u>\$ 147,584</u>	<u>\$ 157,453</u>	<u>\$ 18,176</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 28,045	\$ 147,584	\$ 157,453	\$ 18,176
<i>Total Liabilities</i>	<u>\$ 28,045</u>	<u>\$ 147,584</u>	<u>\$ 157,453</u>	<u>\$ 18,176</u>
<b>Bid and Performance Bonds Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 10,244	\$ 101,477	\$ 93,240	\$ 18,481
<i>Total Assets</i>	<u>\$ 10,244</u>	<u>\$ 101,477</u>	<u>\$ 93,240</u>	<u>\$ 18,481</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 10,244	\$ 101,477	\$ 93,240	\$ 18,481
<i>Total Liabilities</i>	<u>\$ 10,244</u>	<u>\$ 101,477</u>	<u>\$ 93,240</u>	<u>\$ 18,481</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
For the Year Ended December 31, 2011

	Restated Beginning Balance 12/31/2010	Additions	Reductions	Ending Balance 12/31/2011
<b>Ohio Board and Building Standards Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 313	\$ 3,282	\$ 1,924	\$ 1,671
<i>Total Assets</i>	<u>\$ 313</u>	<u>\$ 3,282</u>	<u>\$ 1,924</u>	<u>\$ 1,671</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 313	\$ 3,282	\$ 1,924	\$ 1,671
<i>Total Liabilities</i>	<u>\$ 313</u>	<u>\$ 3,282</u>	<u>\$ 1,924</u>	<u>\$ 1,671</u>
<b>Water Meter Deposits Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 2,921	\$ 60	\$ 0	\$ 2,981
<i>Total Assets</i>	<u>\$ 2,921</u>	<u>\$ 60</u>	<u>\$ 0</u>	<u>\$ 2,981</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 2,921	\$ 60	\$ 0	\$ 2,981
<i>Total Liabilities</i>	<u>\$ 2,921</u>	<u>\$ 60</u>	<u>\$ 0</u>	<u>\$ 2,981</u>
<b>Developer Deposits Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 149,418	\$ 4,375	\$ 12,150	\$ 141,643
<i>Total Assets</i>	<u>\$ 149,418</u>	<u>\$ 4,375</u>	<u>\$ 12,150</u>	<u>\$ 141,643</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 149,418	\$ 4,375	\$ 12,150	\$ 141,643
<i>Total Liabilities</i>	<u>\$ 149,418</u>	<u>\$ 4,375</u>	<u>\$ 12,150</u>	<u>\$ 141,643</u>
<b>Friends of the Cemetery Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 4,125	\$ 0	\$ 0	\$ 4,125
<i>Total Assets</i>	<u>\$ 4,125</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,125</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 4,125	\$ 0	\$ 0	\$ 4,125
<i>Total Liabilities</i>	<u>\$ 4,125</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 4,125</u>
<b>Utility Deposits Fund</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 134,760	\$ 3,762	\$ 3,726	\$ 134,796
<i>Total Assets</i>	<u>\$ 134,760</u>	<u>\$ 3,762</u>	<u>\$ 3,726</u>	<u>\$ 134,796</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 134,760	\$ 3,762	\$ 3,726	\$ 134,796
<i>Total Liabilities</i>	<u>\$ 134,760</u>	<u>\$ 3,762</u>	<u>\$ 3,726</u>	<u>\$ 134,796</u>

*(continued)*

**City of Medina**  
**Medina County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Year Ended December 31, 2011*

	Restated Beginning Balance 12/31/2010	Additions	Reductions	Ending Balance 12/31/2011
<b><i>Planning and Zoning Deposits Fund</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 0	\$ 313	\$ 0	\$ 313
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 313</u>	<u>\$ 0</u>	<u>\$ 313</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 0	\$ 313	\$ 0	\$ 313
<i>Total Liabilities</i>	<u>\$ 0</u>	<u>\$ 313</u>	<u>\$ 0</u>	<u>\$ 313</u>
<b><i>Municipal Court Fund</i></b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 339,427	\$ 328,304	\$ 339,427	\$ 328,304
<i>Total Assets</i>	<u>\$ 339,427</u>	<u>\$ 328,304</u>	<u>\$ 339,427</u>	<u>\$ 328,304</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 339,427	\$ 328,304	\$ 339,427	\$ 328,304
<i>Total Liabilities</i>	<u>\$ 339,427</u>	<u>\$ 328,304</u>	<u>\$ 339,427</u>	<u>\$ 328,304</u>

# **STATISTICAL SECTION**



## Statistical Section

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

<b><u>Contents</u></b>	<b><u>Page(s)</u></b>
<b>Financial Trends</b>	
These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	S-2 - S-11
<b>Revenue Capacity</b>	
These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax, and the municipal income tax.	S-12 - S-15
<b>Debt Capacity</b>	
These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	S-16 - S-21
<b>Economic and Demographic Information</b>	
These schedules offer economic and demographic indicators to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	S-22 - S-25
<b>Operating Information</b>	
These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the service the City provides and the activities it performs.	S-26 - S-30

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

**NOTE:** With the implementation of GASB No. 54 for 2011, there have been minor reclassifications of funds (example special revenue funds consolidated with the general fund for GAAP purposes). Prior year amounts have not been adjusted to reflect this change.

**City of Medina**  
**Medina County, Ohio**  
*Net Assets By Component*  
*Last Nine Years*  
*(Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>Governmental Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$ 43,188,085	\$ 45,000,217	\$ 43,724,071	\$ 38,997,425
Restricted:				
Capital Outlay	1,635,034	888,397	2,747,457	3,032,386
Debt Service	1,430,191	1,751,621	2,571,154	6,302,093
Safety Services	3,966,084	4,125,463	7,730,123	7,613,380
Recreation	0	0	1,336,863	1,490,456
Street Repair and Improvement	8,475,441	5,398,047	4,835,551	4,485,894
Perpetual Care:				
Expendable	15,178	16,291	0	0
Nonexpendable	288,489	288,489	0	0
Other Purposes	5,424,695	5,279,599	868,092	758,664
Unrestricted	19,924,242	19,402,594	15,634,313	13,482,499
<b>Total Governmental Activities Net Assets</b>	<b>\$ 84,347,439</b>	<b>\$ 82,150,718</b>	<b>\$ 79,447,624</b>	<b>\$ 76,162,797</b>
<b>Business Type - Activities</b>				
Invested in Capital Assets, Net of Related Debt	\$ 15,917,114	\$ 15,507,033	\$ 15,131,307	\$ 13,697,382
Restricted:				
Capital Outlay	0	0	0	0
Unrestricted	13,166,985	13,471,412	13,925,001	14,537,170
<b>Total Business-Type Activities Net Assets</b>	<b>\$ 29,084,099</b>	<b>\$ 28,978,445</b>	<b>\$ 29,056,308</b>	<b>\$ 28,234,552</b>
<b>Primary Government</b>				
Invested in Capital Assets, Net of Related Debt	\$ 59,105,199	\$ 60,507,250	\$ 58,855,378	\$ 52,694,807
Restricted	21,235,112	17,747,907	20,089,240	23,682,873
Unrestricted	33,091,227	32,874,006	29,559,314	28,019,669
<b>Total Primary Government Net Assets</b>	<b>\$ 113,431,538</b>	<b>\$ 111,129,163</b>	<b>\$ 108,503,932</b>	<b>\$ 104,397,349</b>

\* Not Restricted for safety services, recreation and street/stormwater maintenance and repair have been separately displayed starting in 2009. These were previously included in restricted for other purposes



2007	2006	2005	2004	2003
\$ 37,949,043	\$ 13,123,299	\$ 10,833,627	\$ 8,649,148	\$ 8,064,099
3,312,742	3,601,193	3,778,807	4,038,359	4,313,914
5,761,287	4,771,363	3,831,872	3,554,914	3,158,137
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
12,413,804	9,326,866	8,282,501	6,725,941	4,857,645
11,459,167	9,747,909	6,866,556	5,387,886	5,110,927
<u>\$ 70,896,043</u>	<u>\$ 40,570,630</u>	<u>\$ 33,593,363</u>	<u>\$ 28,356,248</u>	<u>\$ 25,504,722</u>
\$ 11,412,508	\$ 7,613,210	\$ 8,153,764	\$ 8,664,976	\$ 8,167,692
0	0	0	0	1,305,000
16,277,402	15,589,837	15,870,832	7,209,517	6,706,035
<u>\$ 27,689,910</u>	<u>\$ 23,203,047</u>	<u>\$ 24,024,596</u>	<u>\$ 15,874,493</u>	<u>\$ 16,178,727</u>
\$ 49,361,551	\$ 20,736,509	\$ 18,987,391	\$ 17,314,124	\$ 16,231,791
21,487,833	17,699,422	15,893,180	14,319,214	13,634,696
27,736,569	25,337,746	22,737,388	12,597,403	11,816,962
<u>\$ 98,585,953</u>	<u>\$ 63,773,677</u>	<u>\$ 57,617,959</u>	<u>\$ 44,230,741</u>	<u>\$ 41,683,449</u>

**City of Medina**  
**Medina County, Ohio**  
*Changes in Net Assets*  
*Last Nine Years*  
*(Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>Program Revenues</b>				
Governmental Activities:				
Charges for Services:				
General Government	\$ 2,004,408	\$ 1,703,782	\$ 1,482,133	\$ 1,639,054
Security of Persons and Property	1,280,703	1,219,205	1,798,121	2,020,581
Public Health and Welfare	72,736	76,117	37,851	11,696
Transportation	150,021	159,822	127,959	116,810
Basic Utility	0	0	538	2,094
Leisure Time Activities	55,659	77,752	47,498	72,809
Interest and Fiscal Charges	0	0	0	0
Charges for Services	<u>3,563,527</u>	<u>3,236,678</u>	<u>3,494,100</u>	<u>3,863,044</u>
Operating Grants and Contributions:				
General Government	72,824	183,989	161,536	133,047
Security of Persons and Property	163,799	792,997	212,869	223,328
Public Health and Welfare	106	972	569	0
Community Development	0	392,864	287,903	395,948
Transportation	1,438,160	1,424,444	1,161,588	2,049,470
Basic Utility	0	0	53,628	72,813
Leisure Time Activities	6,140	8,650	0	0
Interest and Fiscal Charges	223,100	0	0	0
Operating Grants and Contributions	<u>1,904,129</u>	<u>2,803,916</u>	<u>1,878,093</u>	<u>2,874,606</u>
Capital Grants and Contributions:				
General Government	36,112	130,474	0	0
Transportation	1,770,061	185,991	2,234,402	46,226
Capital Grants and Contributions	<u>1,806,173</u>	<u>316,465</u>	<u>2,234,402</u>	<u>46,226</u>
<i>Total Governmental Activities Program Revenues</i>	<u>7,273,829</u>	<u>6,357,059</u>	<u>7,606,595</u>	<u>6,783,876</u>
Business-Type Activities:				
Charges for Services:				
Water	4,020,103	4,090,972	4,075,207	4,167,809
Sanitation	2,947,080	2,996,332	2,978,750	3,012,894
Recreation Center	1,930,078	2,028,806	1,896,151	1,937,712
Airport	0	0	0	0
Storm Sewer	0	0	0	0
Charges for Services	<u>8,897,261</u>	<u>9,116,110</u>	<u>8,950,108</u>	<u>9,118,415</u>
Operating Grants and Contributions				
Airport	0	0	18,950	0
Operating Grants and Contributions	<u>0</u>	<u>0</u>	<u>18,950</u>	<u>0</u>
<i>Total Business-Type Activities Program Revenues</i>	<u>8,897,261</u>	<u>9,116,110</u>	<u>8,969,058</u>	<u>9,118,415</u>
<i>Total Primary Government Program Revenues</i>	<u>\$ 16,171,090</u>	<u>\$ 15,473,169</u>	<u>\$ 16,575,653</u>	<u>\$ 15,902,291</u>
<b>Expenses</b>				
Governmental Activities:				
General Government	\$ 7,567,023	\$ 7,687,096	\$ 7,297,693	\$ 7,131,337
Security of Persons and Property	6,944,210	7,573,059	7,493,234	7,515,511
Public Health and Welfare	214,477	197,159	204,925	173,118
Community Development	663,584	987,010	844,939	993,783
Transportation	3,723,619	3,581,886	4,649,475	1,519,590
Basic Utility	62,981	61,132	76,538	100,886
Leisure Time Activities	937,537	859,950	1,045,423	1,004,870
Interest and Fiscal Charges	783,905	85,664	97,841	110,437
<i>Total Governmental Activities Expenses</i>	<u>20,897,336</u>	<u>21,032,956</u>	<u>21,710,068</u>	<u>18,549,532</u>

	2007	2006	2005	2004	2003
\$	1,361,865	\$ 1,571,996	\$ 1,496,405	\$ 1,124,742	\$ 989,546
	1,554,606	1,528,459	1,565,815	1,505,457	1,527,561
	5,030	5,416	2,702	3,322	0
	141,554	5,020	2,263	10,747	2,386
	627	176	132	66	28
	67,067	65,001	68,092	60,652	50,100
	0	0	0	512	520
	<u>3,130,749</u>	<u>3,176,068</u>	<u>3,135,409</u>	<u>2,705,498</u>	<u>2,570,141</u>
	130,036	236,817	115,081	63,700	417,647
	135,970	160,276	249,007	214,141	236,889
	0	0	0	0	1,271
	96,368	336,232	637,084	0	828,202
	1,510,546	1,388,682	1,557,198	1,337,083	829,035
	55,178	64,042	48,534	40,738	7,860
	0	0	14,810	0	0
	0	0	0	240,989	50,293
	<u>1,928,098</u>	<u>2,186,049</u>	<u>2,621,714</u>	<u>1,896,651</u>	<u>2,371,197</u>
	0	0	0	0	0
	156,727	67,744	15,424	183,633	0
	<u>156,727</u>	<u>67,744</u>	<u>15,424</u>	<u>183,633</u>	<u>0</u>
	<u>5,215,574</u>	<u>5,429,861</u>	<u>5,772,547</u>	<u>4,785,782</u>	<u>4,941,338</u>
	4,112,321	3,833,633	3,949,132	4,004,730	4,031,937
	3,217,932	3,100,613	2,882,751	2,701,633	2,661,076
	1,898,710	1,833,055	1,746,043	1,612,507	1,224,577
	0	0	16,375	0	0
	0	6,676	0	173	418,001
	<u>9,228,963</u>	<u>8,773,977</u>	<u>8,594,301</u>	<u>8,319,043</u>	<u>8,335,591</u>
	0	0	0	0	61,393
	0	0	0	0	61,393
	<u>9,228,963</u>	<u>8,773,977</u>	<u>8,594,301</u>	<u>8,319,043</u>	<u>8,396,984</u>
\$	<u>14,444,537</u>	<u>\$ 14,203,838</u>	<u>\$ 14,366,848</u>	<u>\$ 13,104,825</u>	<u>\$ 13,338,322</u>
\$	5,995,288	\$ 5,707,409	\$ 6,447,117	\$ 5,968,618	\$ 4,594,638
	6,883,360	6,507,538	6,382,098	5,945,476	5,829,459
	148,402	135,463	121,847	104,149	75,290
	888,567	927,116	1,452,486	1,201,624	736,993
	3,161,731	1,933,168	2,033,268	1,394,659	1,154,547
	62,520	60,014	59,244	35,587	7,577
	697,722	1,022,909	583,807	695,904	467,404
	129,566	148,565	172,542	199,750	227,829
	<u>17,967,156</u>	<u>16,442,182</u>	<u>17,252,409</u>	<u>15,545,767</u>	<u>13,093,737</u>

(continued)

**City of Medina**  
**Medina County, Ohio**  
*Changes in Net Assets*  
*Last Nine Years*  
*(Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>Business-Type Activities</b>				
Water	4,002,719	3,797,561	3,377,831	4,001,736
Sanitation	3,258,046	2,998,195	2,898,630	3,099,603
Recreation Center	2,381,252	2,433,821	2,612,772	2,530,050
Airport	N/A	N/A	5,785	15,372
Storm Sewer	0	0	0	0
<i>Total Business-Type Activities Expenses</i>	<u>9,642,017</u>	<u>9,229,577</u>	<u>8,895,018</u>	<u>9,646,761</u>
<i>Total Primary Government Program Expenses</i>	<u>30,539,353</u>	<u>30,262,533</u>	<u>30,605,086</u>	<u>28,196,293</u>
<b>Net (Expense)/Revenue</b>				
Governmental Activities	(13,623,507)	(14,675,897)	(14,103,473)	(11,765,656)
Business-Type Activities	(744,756)	(113,467)	74,040	(528,346)
<i>Total Primary Government Net Expense</i>	<u>(14,368,263)</u>	<u>(14,789,364)</u>	<u>(14,029,433)</u>	<u>(12,294,002)</u>
<b>General Revenues and Other Changes in Net Assets</b>				
Governmental Activities				
Taxes:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 1,395,407	\$ 1,380,490	\$ 1,316,586	\$ 1,369,911
Other Purposes	1,166,126	1,353,582	1,454,802	1,812,492
Debt Service	0	27,259	28,493	29,484
Municipal Income Taxes Levied for:				
General Purposes	2,330,911	2,311,602	2,291,235	2,463,350
Other Purposes	8,636,549	8,198,469	8,192,865	8,901,542
Capital Outlay	959,615	911,130	909,966	995,224
Payment in Lieu of Taxes	35,938	12,411	0	0
Grants and Entitlements not Restricted to				
Specific Programs	1,183,788	1,966,495	2,494,320	1,408,929
Investment Earnings	94,902	419,153	342,474	660,204
Miscellaneous	16,992	117,764	357,559	238,831
Transfers	0	(352,537)	0	0
<i>Total Governmental Activities</i>	<u>15,820,228</u>	<u>16,345,818</u>	<u>17,388,300</u>	<u>17,879,967</u>
Business-Type Activities				
Municipal Income Taxes levied for:				
Other Purpose - Recreation Center	767,693	728,632	728,392	796,032
Grants and Entitlements not Restricted to				
Specific Programs	19,526	0	0	0
Investment Income	58,847	9,922	13,388	264,056
Miscellaneous	4,344	5,731	5,936	12,900
Transfers	0	352,537	0	0
<i>Total Business-Type Activities</i>	<u>850,410</u>	<u>1,096,822</u>	<u>747,716</u>	<u>1,072,988</u>
<i>Total Primary Government General Revenues and Other Changes in Net Assets</i>	<u>16,670,638</u>	<u>17,442,640</u>	<u>18,136,016</u>	<u>18,952,955</u>
<b>Change in Net Assets</b>				
Governmental Activities	2,196,721	1,669,921	3,284,827	6,114,311
Business-Type Activities	105,654	983,355	821,756	544,642
<i>Total Primary Government Change in Net Assets</i>	<u>\$ 2,302,375</u>	<u>\$ 2,653,276</u>	<u>\$ 4,106,583</u>	<u>\$ 6,658,953</u>

2007	2006	2005	2004	2003
4,969,289	4,833,245	5,162,825	4,708,586	4,465,471
2,970,121	2,942,849	2,974,708	2,298,431	2,989,511
2,375,293	2,667,810	2,020,704	2,578,689	1,525,773
66,576	65,153	110,105	72,879	166,359
34,513	27,837	34,973	39,004	38,829
<u>10,415,792</u>	<u>10,536,894</u>	<u>10,303,315</u>	<u>9,697,589</u>	<u>9,185,943</u>
<u>28,382,948</u>	<u>26,979,076</u>	<u>27,555,724</u>	<u>25,243,356</u>	<u>22,279,680</u>
(12,751,582)	(11,012,321)	(11,479,862)	(10,759,985)	(8,152,399)
<u>(1,186,829)</u>	<u>(1,762,917)</u>	<u>(1,709,014)</u>	<u>(1,378,546)</u>	<u>(788,959)</u>
<u>(13,938,411)</u>	<u>(12,775,238)</u>	<u>(13,188,876)</u>	<u>(12,138,531)</u>	<u>(8,941,358)</u>
\$ 856,272	\$ 1,204,986	\$ 1,256,098	\$ 1,327,509	\$ 1,463,693
1,797,795	1,821,827	1,625,451	1,515,141	1,646,710
28,318	113,436	171,206	166,317	163,660
2,380,844	2,234,293	1,701,787	2,750,967	1,888,364
9,090,010	8,551,989	8,404,709	5,117,407	1,736,200
955,979	1,166,182	868,452	1,146,468	328,895
0	0	0	0	0
1,917,496	1,780,267	1,684,318	1,499,204	2,063,007
1,499,030	935,437	845,354	463,101	128,624
49,067	181,171	139,393	98,913	240,654
0	0	20,209	(145,005)	0
<u>18,574,811</u>	<u>17,989,588</u>	<u>16,716,977</u>	<u>13,940,022</u>	<u>9,659,807</u>
783,667	777,454	1,198,643	762,042	435,012
0	0	0	0	6,904
255,983	139,939	102,951	66,177	9,342
8,669	23,975	78,917	43,819	24,551
0	0	(20,209)	145,005	0
<u>1,048,319</u>	<u>941,368</u>	<u>1,360,302</u>	<u>1,017,043</u>	<u>475,809</u>
<u>19,623,130</u>	<u>18,930,956</u>	<u>18,077,279</u>	<u>14,957,065</u>	<u>10,135,616</u>
5,823,229	6,977,267	5,237,115	3,180,037	1,507,408
<u>(138,510)</u>	<u>(821,549)</u>	<u>(348,712)</u>	<u>(361,503)</u>	<u>(313,150)</u>
<u>\$ 5,684,719</u>	<u>\$ 6,155,718</u>	<u>\$ 4,888,403</u>	<u>\$ 2,818,534</u>	<u>\$ 1,194,258</u>

**City of Medina**  
**Medina County, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>General Fund</b>				
Reserved	\$ 0	\$ 0	\$ 428,072	\$ 114,454
Unreserved	0	0	9,420,561	8,879,100
Nonspendable	75,623	80,189	0	0
Assigned	903,440	899,840	0	0
Unassigned	10,059,495	10,438,218	0	0
<b>Total General Fund</b>	<b>11,038,558</b>	<b>11,418,247</b>	<b>9,848,633</b>	<b>8,993,554</b>
<b>All Other Governmental Funds</b>				
Reserved	0	0	5,317,418	4,473,405
Unreserved, Undesignated, Reported in:				
Special Revenue funds	0	0	14,830,254	15,238,580
Debt Service funds	0	0	1,377,818	1,389,504
Capital Projects funds	0	0	368,300	3,665,395
Nonspendable	365,494	320,366	0	0
Restricted	30,055,801	29,529,725	0	0
Committed	6,518,820	5,486,673	0	0
Assigned	1,720,378	1,720,378	0	0
Unassigned	(719,762)	(184,616)	0	0
<b>Total All Other Governmental Funds</b>	<b>37,940,731</b>	<b>36,872,526</b>	<b>21,893,790</b>	<b>24,766,884</b>
<b>Total Governmental Funds</b>	<b>\$ 48,979,289</b>	<b>\$ 48,290,773</b>	<b>\$ 31,742,423</b>	<b>\$ 33,760,438</b>

2007	2006	2005	2004	2003	2002
\$ 197,480	\$ 262,773	\$ 427,463	\$ 253,352	\$ 361,483	\$ 653,690
7,114,082	5,180,449	3,202,340	2,108,984	2,096,544	863,591
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>7,311,562</u>	<u>5,443,222</u>	<u>3,629,803</u>	<u>2,362,336</u>	<u>2,458,027</u>	<u>1,517,281</u>
3,109,910	2,812,499	2,602,573	2,595,391	2,242,826	949,163
12,306,050	10,467,476	8,886,117	7,283,240	4,573,272	5,113,274
1,405,671	1,420,924	1,317,055	1,309,971	1,328,073	2,492,907
3,917,381	4,316,954	3,222,210	2,942,391	2,316,744	4,724,743
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
<u>20,739,012</u>	<u>19,017,853</u>	<u>16,027,955</u>	<u>14,130,993</u>	<u>10,460,915</u>	<u>13,280,087</u>
<u>\$ 28,050,574</u>	<u>\$ 24,461,075</u>	<u>\$ 19,657,758</u>	<u>\$ 16,493,329</u>	<u>\$ 12,918,942</u>	<u>\$ 14,797,368</u>

**City of Medina**  
**Medina County, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Years*  
*(Modified Accrual Basis of Accounting)*

	2011	Restated 2010	2009	2008
<b>Revenues</b>				
Property and Other Taxes	\$ 2,590,402	\$ 2,797,615	\$ 2,793,481	\$ 3,197,831
Municipal Income Taxes	12,050,459	11,557,603	11,527,831	13,291,604
Payment in Lieu of Taxes	35,938	12,411	0	0
Intergovernmental Revenue	4,210,726	5,985,469	5,606,136	4,380,839
Fees, Licenses and Permits	533,077	471,110	459,038	863,863
Fines and Forfeitures	1,628,032	1,701,778	1,915,300	2,004,503
Special Assessments	272,615	300,741	277,788	279,685
Charges for Services	1,247,987	987,314	1,105,178	980,127
Interest Income	209,179	424,657	352,613	829,753
Rentals	31,217	28,194	14,584	14,551
Developer Deposits	0	0	0	13,200
Gifts and Donations	8,115	10,325	15,320	7,742
Miscellaneous	75,854	177,700	342,239	217,889
<i>Total Revenues</i>	<u>22,893,601</u>	<u>24,454,917</u>	<u>24,409,508</u>	<u>26,081,587</u>
<b>Expenditures</b>				
Current:				
General Government	7,018,436	6,975,053	6,449,867	6,414,941
Security of Persons and Property	6,844,586	7,301,385	7,906,877	7,325,187
Public Health	213,528	194,841	193,600	166,441
Community Development	682,376	991,046	839,121	991,664
Transportation	3,936,520	4,253,419	3,543,451	3,428,909
Basic Utility	70,516	70,207	76,538	84,288
Leisure Time	962,310	940,836	1,115,953	1,005,208
Capital Outlay	1,565,253	19,400	6,006,076	617,743
Debt Service:				
Principal Retirement	247,314	967,832	232,573	226,905
Interest and Fiscal Charges	686,818	230,664	97,841	110,437
<i>Total Expenditures</i>	<u>22,227,657</u>	<u>21,944,683</u>	<u>26,461,897</u>	<u>20,371,723</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>665,944</u>	<u>2,510,234</u>	<u>(2,052,389)</u>	<u>5,709,864</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	22,572	24,170	34,374	0
General Obligation Bonds Issued	0	13,845,000	0	0
Notes Issued	0	0	0	0
Other Financing Sources	0	39,205	0	0
Other Financing Uses	0	0	0	0
Transfers In	113,517	0	17,500	30,000
Transfers Out	(113,517)	0	(17,500)	(30,000)
<i>Total Other Financing Sources (Uses)</i>	<u>22,572</u>	<u>13,908,375</u>	<u>34,374</u>	<u>0</u>
<i>Net Change in Fund Balances</i>	<u>\$ 688,516</u>	<u>\$ 16,418,609</u>	<u>\$ (2,018,015)</u>	<u>\$ 5,709,864</u>
Debt Service as a Percentage of Noncapital Expenditures	0.04	0.05	0.01	0.01



2007	2006	2005	2004	2003	2002
\$ 3,026,675	\$ 3,133,928	\$ 3,085,145	\$ 3,017,664	\$ 3,243,080	\$ 7,204,209
12,018,009	11,952,164	10,974,948	9,014,842	4,067,945	0
0	0	0	0	0	0
3,939,680	4,299,680	3,966,532	4,075,863	3,283,083	3,002,983
2,301,975	2,305,902	2,414,548	2,433,178	2,361,759	2,410,726
0	0	0	0	0	0
304,276	324,669	321,798	316,702	348,723	363,111
808,657	836,823	720,106	262,916	195,344	891,469
1,499,030	935,437	845,354	463,101	128,624	418,244
20,117	33,343	755	9,404	13,038	0
0	0	0	0	0	0
20,660	27,784	11,620	63,415	70,545	0
28,407	153,387	127,773	35,498	170,109	102,064
<u>23,967,486</u>	<u>24,003,117</u>	<u>22,468,579</u>	<u>19,692,583</u>	<u>13,882,250</u>	<u>14,392,806</u>
5,988,389	5,132,932	4,984,671	4,810,603	4,043,788	3,859,169
6,616,207	6,556,772	6,433,097	5,826,710	5,565,385	5,807,810
146,207	134,669	121,317	103,792	74,192	85,013
762,423	947,377	1,143,948	1,003,270	705,404	494,557
1,334,283	1,114,559	1,295,237	975,780	985,952	964,892
62,520	60,014	59,244	35,587	7,577	751,803
849,041	869,682	776,847	630,490	465,275	519,526
4,699,966	3,894,100	3,858,233	2,008,977	834,240	689,462
331,905	341,430	479,223	467,762	453,000	461,338
129,566	148,565	172,542	199,750	227,829	245,243
<u>20,920,507</u>	<u>19,200,100</u>	<u>19,324,359</u>	<u>16,062,721</u>	<u>13,362,642</u>	<u>13,878,813</u>
<u>3,046,979</u>	<u>4,803,017</u>	<u>3,144,220</u>	<u>3,629,862</u>	<u>519,608</u>	<u>513,993</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	1,700,000
0	0	0	0	0	64,849
0	0	0	0	0	(6,646)
35,000	74,201	370,205	155,732	40,438	55,627
(35,000)	(74,201)	(349,996)	(300,737)	(40,438)	(55,627)
<u>0</u>	<u>0</u>	<u>20,209</u>	<u>(145,005)</u>	<u>0</u>	<u>1,758,203</u>
\$ <u>3,046,979</u>	\$ <u>4,803,017</u>	\$ <u>3,164,429</u>	\$ <u>3,484,857</u>	\$ <u>519,608</u>	\$ <u>2,272,196</u>
0.02	0.02	0.03	0.04	0.05	0.05

**City of Medina**  
**Medina County, Ohio**  
*Principal Taxpayers - Municipal Income Tax*  
2011 and 2005

2011		
Taxpayer	Tax	Percentage of Tax Collected
Medina General Hospital, Inc.	\$ 488,491	6.99%
Medina City School District	466,428	6.67%
County of Medina	351,371	5.03%
Sandridge Food Corp.	203,641	2.91%
Plastipak Packaging, Inc.	200,791	2.87%
Friction Products Co.	197,580	2.83%
Discount Drug Mart	184,192	2.63%
Owens Corning Roofing and Asphalt LLC	141,853	2.03%
City of Medina	139,480	1.99%
Jacobson Mfg, LLC.	123,546	1.77%
<b>Total</b>	<b>\$ 2,497,373</b>	<b>35.72%</b>
<b>Total Tax Collected</b>	<b>\$ 6,991,843</b>	
2005 (1)		
Taxpayer	Tax	Percentage of Tax Collected
Medina City School District	\$ 427,082	3.51%
Medina General Hospital, Inc.	385,134	3.17%
County of Medina	285,468	2.35%
Plastipak Packaging, Inc.	169,993	1.40%
Discount Drug Mart, Inc.	140,351	1.16%
Friction Products Co.	133,446	1.10%
Sandridge Foods Corp	117,049	0.96%
Owens-Corning Sales, Inc.	109,996	0.91%
City of Medina	108,870	0.90%
American Color Graphics, Inc.	103,078	0.85%
Valspar Corporation		0.00%
<b>Total</b>	<b>\$ 1,980,467</b>	<b>16.30%</b>
<b>Total Tax Collected</b>	<b>\$ 12,151,241</b>	

Source: Central Collection Agency

(1) 2002 Information not readily available

**City of Medina**  
**Medina County, Ohio**  
*Principal Employers*  
*2011 and 2005*

2011		
Employer	Employees	Percentage of Total City Employment
Medina City Board of Education	1,111	5.99%
County of Medina	727	3.92%
Sandridge Foods Corp	589	3.18%
Friction Products Co.	456	2.46%
Medina County Board of Education	443	2.39%
Discount Drug Mart, Inc.	393	2.12%
Medina County Joint Vocational School	330	1.78%
Riser Foods Co	311	1.68%
Target Corp	287	1.55%
Buehler Food Markets, Inc.	281	1.52%
<b>Total</b>	<b>4,928</b>	<b>26.58%</b>
<b>Total Employment within the City</b>	<b>18,540</b>	
2005 (1)		
Employer	Employees	Percentage of Total City Employment
Medina City Board of Education	783	1.44%
Medina General Hospital, Inc.	776	1.43
County of Medina	1,340	2.47
Westfield Companies	1,755	3.23
Schneider National Trucking	850	1.56
Shiloh Industries	803	1.48
Brunswick City School District	795	1.46
Wadsworth City Schools	470	0.86
Discount Drug Mart, Inc.	375	0.69
Cloverleaf Local Schools	413	0.76
<b>Total</b>	<b>8,360</b>	<b>15.38%</b>
<b>Total Employment within the City</b>	<b>54,340</b>	

Source: Central Collection Agency

(1) 2002 Information not readily available

**City of Medina**  
**Medina County, Ohio**  
*Income Tax Revenue Base and Collections*  
*Last Ten Years*

<u>Tax Year</u>	<u>Tax Rate (1)</u>	<u>Total Tax Collected</u>	<u>Taxes from Withholding</u>	<u>Percentage of Taxes from Withholding</u>	<u>Taxes From Net Profits</u>	<u>Percentage of Taxes from Net Profits</u>
2011	1.25%	\$ 12,751,628	\$ 7,594,364	59.56%	\$ 923,868	7.25%
2010	1.25%	12,089,535	7,331,866	60.65%	754,691	6.24%
2009	1.25%	12,276,213	7,249,931	59.06%	767,694	6.25%
2008	1.25%	12,857,183	7,484,324	58.21%	1,016,642	7.91%
2007	1.25%	13,045,634	7,532,125	57.74%	1,108,130	8.49%
2006	1.25%	12,444,595	7,282,703	58.52%	892,533	7.17%
2005	1.25%	12,151,241	7,043,435	57.96%	809,729	6.67%
2004	1.25%	9,672,413	6,272,470	64.85%	391,552	4.05%
2003	0.50%	5,035,114	2,774,432	55.10%	260,532	5.17%
2002	0.50%	4,777,758	2,680,745	56.11%	275,390	5.76%

Source: Central Collection Agency

(1) Effective January 1, 2004 City Electors voted to increase the City income tax by .75% to 1.25%.

Note: The City is prohibited by statute from presenting information regarding individual taxpayers.

	Taxes From Individuals	Percentage of Taxes from Individuals		Taxes From Other Sources	Percentage of Taxes from Other Sources
\$	4,024,984	31.56%	\$	208,412	1.63%
	3,829,301	31.67%		173,677	1.44%
	4,100,642	33.40%		157,946	1.29%
	4,183,878	32.54%		172,339	1.34%
	4,258,259	32.64%		147,120	1.13%
	4,123,533	33.14%		145,826	1.17%
	4,136,245	34.04%		161,832	1.33%
	2,885,467	29.83%		122,924	1.27%
	1,879,905	37.34%		120,245	2.39%
	1,720,339	36.01%		101,284	2.12%

**City of Medina**  
**Medina County, Ohio**  
*Ratio of Outstanding Debt to*  
*Total Personal Income and Debt Per Capita*  
*Last Ten Years*

Year	Governmental Activities				General Obligation Bonds
	General Obligation Bonds	Special Assessment Bonds	OPWC Loans	Notes	
2011	\$ 13,845,000	\$ 562,016	\$ 123,484	\$ 0	\$ 15,275,000
2010	13,845,000	801,098	131,716	0	16,420,000
2009	725,000	1,035,698	139,948	0	16,020,000
2008	725,000	1,260,039	148,180	0	16,995,000
2007	725,000	1,478,712	156,412	0	17,935,000
2006	821,200	1,706,185	0	0	18,840,000
2005	917,400	1,917,658	0	33,756	19,720,000
2004	1,158,600	2,123,464	0	65,973	20,575,000
2003	1,399,800	2,269,200	0	96,729	21,400,000
2002	3,401,000	2,481,000	0	126,091	20,500,000

Source: City of Medina Financial Records

Note: Population and Personal Income data are presented on page S22.

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Business-Type Activities

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Special Assessment Bonds	Notes	OWDA Loans	Total Debt	Percentage of Personal Income	Per Capita
\$ 5,984	\$ 0	\$ 1,045,099	\$ 30,856,583	4.30%	1,157
8,902	0	1,116,451	32,323,167	4.59%	1,235
11,302	0	1,184,598	19,116,546	2.61%	735
13,961	0	1,249,682	20,391,862	3.11%	810
16,288	0	1,311,842	21,623,254	3.30%	859
18,615	0	0	21,386,000	3.26%	849
20,942	0	1,427,910	24,037,666	3.67%	955
22,936	0	1,482,064	25,428,037	3.88%	1,010
75,000	0	1,533,784	26,774,513	4.09%	1,064
81,000	0	0	26,589,091	4.06%	1,056

**City of Medina**  
**Medina County, Ohio**  
*Ratio of Net General Bonded Debt to*  
*Assessed Value and Net Bonded Debt Per Capita*  
*Last Ten Years*

Year	(1) Population	Assessed Valuation(2)	Gross Bonded Debt(3)	Debt Service Monies Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
2011	26,678	\$ 578,167,420	\$ 29,120,000	\$ 650,276	\$ 28,469,724	4.92%	\$ 1,067.16
2010	26,176	622,866,250	30,265,000	665,187	29,599,813	4.75%	1,130.80
2009	26,011	618,327,087	16,745,000	1,377,818	15,367,182	2.49%	590.80
2008	25,175	617,915,177	17,720,000	1,389,504	16,330,496	2.64%	648.68
2007	25,175	627,671,469	18,660,000	1,405,671	17,254,329	2.75%	685.38
2006	25,175	647,007,133	19,661,200	1,420,924	18,240,276	2.82%	724.54
2005	25,175	611,461,610	20,637,400	1,317,055	19,320,345	3.16%	767.44
2004	25,175	589,581,168	21,733,600	1,309,971	20,423,629	3.46%	811.27
2003	25,175	607,462,325	22,799,800	1,328,073	21,471,727	3.53%	852.90
2002	25,175	599,736,182	23,901,000	2,492,907	21,408,093	3.57%	850.37

- (1) Source:  
(a) Years 2002 through 2008 - 2000 Federal Census  
(b) Years 2009 through 2011 - City-data.com  
(2) Source: Medina County Auditor  
(3) Includes all general obligation bonded debt and bond anticipation notes.



**City of Medina**  
**Medina County, Ohio**  
*Computation of Direct and Overlapping Governmental Activities Debt*  
*December 31, 2011*

<u>Jurisdiction</u>	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to City (1)</u>	<u>Amount Applicable to City</u>
<b>Direct:</b>			
City of Medina	\$ 30,856,583	100.00%	\$ 30,856,583
<i>Total Direct Debt</i>	<u>30,856,583</u>		<u>30,856,583</u>
<b>Overlapping:</b>			
Medina City School District	62,940,000	43.19%	27,183,786
Cloverleaf Local School District	1,215,000	0.07%	851
Buckeye Local School District	16,727,696	12.67%	2,119,399
Medina County	5,144,680	12.63%	649,773
Medina County Library	<u>28,784,993</u>	14.71%	<u>4,234,272</u>
<i>Total Overlapping Debt</i>	<u>114,812,369</u>		<u>34,188,081</u>
<b>Total</b>	<u><u>\$ 145,668,952</u></u>		<u><u>\$ 65,044,664</u></u>

Source: Ohio Municipal Advisory Council

(1) Percentages were determined by dividing the assessed valuation of the portion of the political subdivision located within the City by the total assessed value of the subdivision.

**City of Medina**  
**Medina County, Ohio**

*Legal Debt Margin*  
*Last Ten Years*

	2011	2010	2009	2008
Total Assessed Property Value	<u>\$ 578,167,420</u>	<u>\$ 622,866,250</u>	<u>\$ 618,327,087</u>	<u>\$ 617,915,177</u>
Overall Legal Debt Limit (10 ½ % of Assessed Valuation)	<u>60,707,579</u>	<u>65,400,956</u>	<u>64,924,344</u>	<u>64,881,094</u>
Debt Outstanding:				
General Obligation Bonds	29,120,000	30,265,000	16,745,000	17,720,000
Special Assessment Bonds	568,000	810,000	1,047,000	1,274,000
Notes Payable	0	0	0	0
OPWC Loans	123,484	131,716	139,948	148,180
OWDA Loans	<u>1,045,099</u>	<u>1,116,451</u>	<u>1,184,598</u>	<u>1,249,682</u>
Total Gross Indebtedness	30,856,583	32,323,167	19,116,546	20,391,862
Less:				
Special Assessment Bonds	(568,000)	(810,000)	(1,047,000)	(1,274,000)
Notes Payable	0	0	0	0
OPWC Loans	(123,484)	(131,716)	(139,948)	(148,180)
OWDA Loans	(1,045,099)	(1,116,451)	(1,184,598)	(1,249,682)
General Obligation Bond Retirement Fund Balance	<u>(650,276)</u>	<u>(665,187)</u>	<u>(1,377,818)</u>	<u>(1,389,504)</u>
Total Net Debt Applicable to Debt Limit	<u>28,469,724</u>	<u>29,599,813</u>	<u>15,367,182</u>	<u>16,330,496</u>
Legal Debt Margin Within 10 ½ % Limitations	<u>\$ 32,237,855</u>	<u>\$ 35,801,143</u>	<u>\$ 49,557,162</u>	<u>\$ 48,550,598</u>
Legal Debt Margin as a Percentage of the Debt Limit	53.10%	54.74%	76.33%	74.83%
Unvoted Debt Limitation (5 ½ % of Assessed Valuation)	<u>\$ 31,799,208</u>	<u>\$ 34,257,644</u>	<u>\$ 34,007,990</u>	<u>\$ 33,985,335</u>
Total Gross Indebtedness	30,856,583	32,323,167	19,116,546	20,391,862
Less:				
Special Assessment Bonds	(568,000)	(810,000)	(1,047,000)	(1,274,000)
Notes Payable	0	0	0	0
OPWC Loans	(123,484)	(131,716)	(139,948)	(148,180)
OWDA Loans	(1,045,099)	(1,116,451)	(1,184,598)	(1,249,682)
General Obligation Bond Retirement Fund Balance	<u>(650,276)</u>	<u>(665,187)</u>	<u>(1,377,818)</u>	<u>(1,389,504)</u>
Net Debt Within 5 ½ % Limitations	<u>28,469,724</u>	<u>29,599,813</u>	<u>15,367,182</u>	<u>16,330,496</u>
Unvoted Legal Debt Margin Within 5 ½ % Limitations	<u>\$ 3,329,484</u>	<u>\$ 4,657,831</u>	<u>\$ 18,640,808</u>	<u>\$ 17,654,839</u>
Unvoted legal Debt Margin as a Percentage of the Unvoted Debt Limitation	10.47%	13.60%	54.81%	51.95%

**Source:**

City of Medina Financial Records

2007	2006	2005	2004	2003	2002
<u>\$ 627,671,469</u>	<u>\$ 647,007,133</u>	<u>\$ 611,461,610</u>	<u>\$ 589,581,168</u>	<u>\$ 607,462,325</u>	<u>599,736,182</u>
65,905,504	67,935,749	64,203,469	61,906,023	63,783,544	62,972,299
18,660,000	19,661,200	20,637,400	21,733,600	22,799,800	23,901,000
1,495,000	1,724,800	1,938,600	2,146,400	2,344,200	2,562,000
0	0	33,756	65,973	96,729	126,091
156,412	0	0	0	0	0
1,311,842	1,371,210	1,427,910	1,482,064	1,533,784	0
21,623,254	22,757,210	24,037,666	25,428,037	26,774,513	26,589,091
(1,495,000)	(1,724,800)	(1,938,600)	(2,146,400)	(2,344,200)	(2,562,000)
0	0	(33,756)	(65,973)	(96,729)	(126,091)
(156,412)	0	0	0	0	0
(1,311,842)	(1,371,210)	(1,427,910)	(1,482,064)	(1,533,784)	0
(1,405,671)	(1,420,924)	(1,317,055)	(1,309,971)	(1,309,971)	(2,492,907)
17,254,329	18,240,276	19,320,345	20,423,629	21,489,829	21,408,093
<u>\$ 48,651,175</u>	<u>\$ 49,695,473</u>	<u>\$ 44,883,124</u>	<u>\$ 41,482,394</u>	<u>\$ 42,293,715</u>	<u>\$ 41,564,206</u>
73.82%	73.15%	69.91%	67.01%	66.31%	66.00%
<u>\$ 34,521,931</u>	<u>\$ 35,585,392</u>	<u>\$ 33,630,389</u>	<u>\$ 32,426,964</u>	<u>\$ 33,410,428</u>	<u>\$ 32,985,490</u>
21,623,254	22,757,210	24,037,666	25,428,037	26,774,513	26,589,091
(1,495,000)	(1,724,800)	(1,938,600)	(2,146,400)	(2,344,200)	(2,562,000)
0	0	(33,756)	(65,973)	(96,729)	(126,091)
(156,412)	0	0	0	0	0
(1,311,842)	(1,371,210)	(1,427,910)	(1,482,064)	(1,533,784)	0
(1,405,671)	(1,420,924)	(1,317,055)	(1,309,971)	(1,328,073)	(2,492,907)
17,254,329	18,240,276	19,320,345	20,423,629	21,471,727	21,408,093
<u>\$ 17,267,602</u>	<u>\$ 17,345,116</u>	<u>\$ 14,310,044</u>	<u>\$ 12,003,335</u>	<u>\$ 11,938,701</u>	<u>\$ 11,577,397</u>
50.02%	48.74%	42.55%	37.02%	35.73%	35.10%

**City of Medina**  
**Medina County, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Years*

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<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (5)</u>	<u>Personal Income Per Capita (1)</u>	<u>Median Household Income (1)</u>	<u>Median Age (1)</u>	<u>School Enrollment (2)</u>
2011	26,678	\$ 717,931,658	26,911	61,139	36.4	7,354
2010	26,176	704,422,336	26,911	61,139	33.2	7,490
2009	26,011	731,611,397	28,127	58,838	33.2	7,447
2008	25,175	655,380,775	26,033	50,266	36.1	7,298
2007	25,175	655,380,775	26,033	50,266	36.1	7,224
2006	25,175	655,380,775	26,033	50,266	36.1	7,162
2005	25,175	655,380,775	26,033	50,266	36.1	7,115
2004	25,175	655,380,775	26,033	50,266	36.1	7,026
2003	25,175	655,380,775	26,033	50,266	36.1	6,757
2002	25,175	655,380,775	26,033	50,266	36.1	6,555

(1) Source:

(a) Years 2002 through 2008 - 2000 Federal Census

(b) Years 2009 through 2011 - City-data.com

(2) Source: Ohio Department of Education

(3) Source: Bureau of Labor Statistics

(4) Source: Medina County Auditor

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

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Medina County Unemployment Rate (3)	Total Assessed Property Value (4)
6.1%	\$ 622,866,250
8.2	622,866,250
8.3	618,327,087
6.0	617,915,177
5.3	627,671,469
4.9	647,007,133
4.9	611,461,610
5.1	589,581,168
5.1	607,462,325
4.6	599,736,182

**City of Medina**  
**Medina County, Ohio**  
*Full-Time Equivalent City Government Employees by Function/Program*  
*Last Eight Years (1)*

Function/Program	2011	2010	2009	2008
General Government				
Council	5.00	5.00	5.00	5.00
Finance	6.50	6.50	6.50	6.50
Law	4.00	4.00	4.00	4.00
Administration	2.00	2.00	2.00	2.00
Engineer	6.00	6.00	6.00	6.00
Planning	4.00	4.00	4.00	4.00
Civil Service	2.50	2.50	2.50	2.50
Court	42.50	4.00	4.00	4.00
Public Building/Service Department	2.50	2.50	2.50	2.50
Security of Persons and Property				
Police	32.00	40.00	40.00	40.00
Police - Dispatchers/Office/Other	10.00	17.50	17.50	17.50
Fire	2.60	2.60	2.60	2.60
Fire - Secretary - Other	0.50	0.50	0.50	0.50
Public Health Services				
Cemetery/Forestry	6.00	6.00	6.00	6.00
Leisure Time Activities				
Parks and Recreation	15.00	15.00	15.00	15.00
Municipal Pool - Recreation Center	91.50	91.50	91.50	91.50
Cable	3.00	3.00	3.00	3.00
Community Development				
Building	4.50	4.50	4.50	4.50
Economic Development	2.00	2.00	2.00	2.00
Transportation				
Service	4.00	4.00	4.00	4.00
Street M&R	15.00	15.00	15.00	15.00
Basic Utility Services				
Water	13.00	13.00	13.00	13.00
Sanitation	16.50	16.50	16.50	16.50
Totals:	<u>290.60</u>	<u>267.60</u>	<u>267.60</u>	<u>267.60</u>

**Source:** City Payroll Department W2 Audit Listing

**Method:** Using 1.0 for each full-time employee and 0.50 for each part-time and seasonal employee at year end.

(1) Information prior to 2004 is not available

<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
5.50	5.00	5.00	5.00
6.50	7.50	6.50	6.50
4.00	4.50	4.50	9.50
2.00	2.00	2.00	2.00
5.50	5.00	5.00	5.00
4.50	4.50	3.00	4.50
2.50	2.50	2.50	4.00
4.00	38.50	35.50	34.50
3.00	4.50	6.50	6.00
39.00	38.00	38.00	36.00
15.50	17.50	17.50	15.50
11.00	9.00	9.00	9.00
0.50	0.50	0.50	0.50
3.50	5.50	5.00	5.00
15.00	13.00	12.00	11.00
97.00	96.50	96.50	83.00
3.50	2.50	3.00	2.50
4.50	5.50	5.50	5.50
2.00	2.00	1.00	1.00
5.00	4.00	4.00	4.00
15.50	10.50	13.50	10.50
14.00	15.00	15.00	15.00
19.00	16.50	16.50	20.50
<u>282.50</u>	<u>310.00</u>	<u>307.50</u>	<u>296.00</u>

**City of Medina**  
**Medina County, Ohio**  
*Operating Indicators by Function/Program*  
*Last Eight Years (1)*

Function/Program	2011	2010	2009	2008
<b>General Government</b>				
<i>Council and Clerk</i>				
Number of Ordinances Passed	155	182	158	191
Number of Resolutions Passed	21	25	31	38
Number of Planning Commission docket items	35	41	43	53
Zoning Board of Appeals docket items	23	20	21	18
<i>Finance Department</i>				
Number of checks/ vouchers issued	4,030	4,247	4,408	5,724
Amount of checks written	\$ 27,646,832	\$ 28,894,914	\$ 32,887,907	\$ 29,030,559
Interest earnings for fiscal year (cash basis)	\$ 325,495	\$ 372,819	\$ 550,962	\$ 807,069
Number of Journal Entries issued	116	135	142	152
General Fund Receipts (cash basis in thousands)	\$ 9,878	\$ 10,527	\$ 7,256	\$ 8,036
General Fund Expenditures (cash basis in thousands)	\$ 8,644	\$ 7,673	\$ 11,634	\$ 6,687
General Fund Cash Balances (in thousands)	\$ 7,494	\$ 6,661	\$ 3,806	\$ 8,507
<i>Municipal Court</i>				
Number of Civil Cases	3,413	3,719	4,208	4,351
Number of Criminal cases	1,094	10,607	12,296	13,661
<i>Civil Service</i>				
Number of police entry tests administered	0	0	1	1
Number of police promotional tests administered	0	2	1	0
Number of fire promotional tests administered	0	0	1	1
Number of hires of Police Officers from certified lists	0	0	3	3
Number of promotions from police certified lists	1	2	1	0
Number of promotions from fire certified lists	0	2	1	1
<i>Building Department Indicators</i>				
Construction Permits Issued	692	605	548	284
Estimated Value of Construction	\$ 23,791,843	\$ 7,139,790	\$ 15,898,310	\$ 20,499,150
Amount of Revenue generated from permits	\$ 147,650	\$ 92,476	\$ 139,284	\$ 160,054
Number of contract registrations issued	643	578	593	691
<b>Security of Persons &amp; Property</b>				
<i>Police</i>				
Total Calls for Services	26,635	28,427	39,801	38,084
Number of traffic citations issued	2,301	2,289	3,433	3,916
Number of parking citations issued	1,226	1,795	2,039	2,310
Number of criminal arrests	1,885	1,547	1,329	2,485
Number of accident reports completed	782	801	729	805
Part 1 Offenses (major offenses)	622	537	565	603
Police Dept. Auxiliary hours worked	4,136	5,198	4,783	4,937
DUI Arrests	139	101	137	106
Motor Vehicle Accidents	782	801	729	561
Property damage accidents	61	N/A	12	719
Fatalities from Motor Vehicle Accidents	0	0	1	0
Gasoline costs of fleet	\$ 81,064	\$ 70,664	\$ 61,763	\$ 84,015
Community Diversion Program Youths	N/A	43	58	46
Community Diversion Program - community service hours	N/A	1,130	1,160	1,794
<b>Leisure Time Activities</b>				
<i>Community Recreation Center</i>				
Recreation Center Memberships	\$ 1,068,622	\$ 1,134,819	\$ 1,047,785	\$ 1,092,310
Recreation Center Daily Passes	228,664	227,678	180,872	203,225
Recreation Center Land Programs	335,041	344,393	290,300	291,424
Recreation Center Aquatics Programs	203,951	230,987	214,427	207,414
Rascal Room	21,086	21,318	21,441	27,938
Recreation Center Rentals	51,741	52,447	52,554	71,489
Total Recreation Department receipts	<u>\$ 1,909,105</u>	<u>\$ 2,011,642</u>	<u>\$ 1,807,379</u>	<u>\$ 1,893,800</u>



2007	2006	2005	2004
181	218	222	200
36	32	48	42
51	49	38	36
20	24	23	36
4,533	4,612	4,497	4,254
\$ 27,643,271	\$ 28,266,469	\$ 28,779,114	\$ 27,055,348
\$ 1,789,056	\$ 700,092	\$ 500,354	\$ 271,521
190	238	233	202
\$ 8,110	\$ 7,268	\$ 6,975	\$ 7,442
\$ 6,272	\$ 6,004	\$ 6,535	\$ 7,852
\$ 6,927	\$ 4,678	\$ 3,134	\$ 2,138
3,603	3,170	3,044	3,267
13,790	13,560	13,878	14,067
1	1	0	1
1	0	1	0
1	0	0	2
1	2	0	3
3	0	1	0
1	0	0	6
182	216	493	610
\$ 9,648,141	\$ 15,711,204	N/A	N/A
\$ 37,096	\$ 65,265	\$ 205,748	\$ 383,657
694	732	675	723
39,580	41,891	33,682	27,085
4,080	3,838	3,446	2,406
2,508	3,482	2,274	1,520
2,654	2,507	2,037	1,588
789	823	806	918
567	568	530	632
6,250	7,196	7,209	7,036
126	128	122	83
539	526	513	601
699	752	731	841
0	1	0	0
\$ 82,127	\$ 74,671	\$ 67,563	\$ 44,464
47	50	51	49
1,833	1,950	1,989	1,911
\$ 1,144,265	\$ 1,129,884	\$ 1,105,215	\$ 1,037,981
180,872	187,747	195,484	194,878
264,662	205,810	158,542	127,244
165,911	161,816	143,674	130,651
27,883	24,204	25,553	22,883
73,190	67,781	61,619	46,898
<u>\$ 1,856,783</u>	<u>\$ 1,777,242</u>	<u>\$ 1,690,087</u>	<u>\$ 1,560,535</u>

(continued)

**City of Medina**  
**Medina County, Ohio**  
*Operating Indicators by Function/Program*  
*Last Eight Years (1)*

Function/Program	2011	2010	2009	2008
<b>Parks Department</b>				
Outdoor Pavillion Rentals	\$ 4,080	\$ 4,075	\$ 4,297	\$ 3,285
Outdoor Pool Revenues	20,467	21,270	7,318	16,662
Outdoor Pool Concessions (2)	3,980	4,545	N/A	N/A
Total Parks Department receipts	<u>\$ 28,527</u>	<u>\$ 29,890</u>	<u>\$ 11,615</u>	<u>\$ 19,947</u>
<b>Community Development</b>				
Grant amounts received due to Economic Development Dept.	\$ 192,288	\$ 405,000	\$ 1,900,500	\$ 680,000
<b>Basic Utility Services (3)</b>				
Refuse disposal per year (in tons)	24,300	24,322	24,643	26,786
Refuse disposal costs per year	\$ 1,500,000	\$ 1,394,276	\$ 1,338,456	\$ 1,372,830
<b>Transportation</b>				
Crackseal Coating Program (Miles)	2.6	6.4	5.3	4.4
Paint Striping (linear feet)	77,519	500	720	480
Street Sweeper (hours)	240	350	500	343
Cold Patch (hours)	2,804	3,200	2,500	1,401
Snow & Ice Removal regular hours	2,000	3,720	3,468	2,448
Snow & Ice Removal overtime hours	339	1,090	1,134	1,200
After hours Sewer Calls (hours)	31.0	42.0	30.0	5.9
Sewer Crew (hours)	4,282	4,600	4,800	3,465
Sewer jet, Vac-all, other services (hours)	1,000	1,100	1,000	636
Landscaping Stump-Chipper service (hours)	1,248	160	205	205
Leaf collection (hours)	2,193	4,000	4,200	1,759
Holiday lights setup (hours)	15	12	15	10
Downtown Square Repair after events (hours)	19	12	15	20
Equipment repair/body shop (hours)	7,600	7,390	7,226	5,995
Sign department (hours)	230	650	600	314
Number of Trees Planted per year	115	250	249	154
Tons of snow melting salt purchased (Nov-Mar)	3,536	5,000	4,370	5,907
Cost of salt purchased	\$ 174,360	\$ 242,450	\$ 168,236	\$ 179,647

**Source:** City of Medina Department Records

- (1) Information prior to 2004 is not available.
- (2) Information prior to 2010 is unavailable.
- (3) Information for 2011 is an estimate.
- N/A Information not readily available.

2007	2006	2005	2004
\$ 3,440	\$ 2,585	\$ 1,820	N/A
17,628	21,817	18,473	13,547
N/A	N/A	N/A	N/A
<u>\$ 21,068</u>	<u>\$ 24,402</u>	<u>\$ 20,293</u>	<u>\$ 13,547</u>
\$ 80,000	\$ 660,400	\$ 132,000	\$ 604,000
27,468	28,259	28,769	28,292
\$ 1,407,785	\$ 1,448,274	\$ 1,474,440	\$ 1,450,000
5.6	8.6	No program	5.6
486	453	551	691
397	414	491	448
1,291	1,388	1,441	1,706
2,616	2,707	2,696	2,904
1,847	327	1,168	845
6.0	6.0	13.9	21.9
3,026	3,807	4,335	4,343
767	1,008	1,099	1,128
205	205	205	205
1,807	2,376	2,289	3,601
10	10	10	10
20	16	12	12
5,693	6,000	5,900	5,800
499	269	333	614
91	362	270	373
6,514	5,727	8,174	5,706
\$ 292,994	\$ 203,806	\$ 294,177	\$ 252,554

**City of Medina**  
**Medina County**  
*Capital Assets Statistics by Function/Program*  
*Last Seven Years (1)*

Function/Program	2011	2010	2009	2008	2007	2006	2005
<b>General Government</b>							
Square Footage City Hall	18,500	18,500	18,500	18,500	18,500	18,500	18,500
Administrative Vehicles	3	3	3	3	3	3	3
Inspection Vehicles	7	6	6	6	6	6	6
Municipal Court Vehicles	2	2	2	2	1	1	1
Lands & Buildings Vehicles	5	5	5	5	4	4	4
<b>Police</b>							
Police Station - 150 W. Washington	14,500	14,500	14,500	14,500	14,500	14,500	14,500
Police Station - Satellite Station	575	575	575	575	575	575	575
Vehicles	23	33	33	32	32	32	32
<b>Fire</b>							
Station 1 - 300 W. Reagan Parkway	13,427	13,427	13,427	13,427	13,427	13,427	13,427
Station 2 - 500 Lake Road	5,418	5,418	5,418	5,418	5,418	5,418	5,418
Station 3 - 1000 Wadsworth Toad	4,686	4,686	4,686	4,686	4,686	4,686	4,686
Engine House - 51 Public Square	3,884	3,884	3,884	3,884	3,884	3,884	3,884
Vehicles	14	15	15	14	14	14	14
<b>Recreation</b>							
Number of Parks	12	12	12	12	12	12	12
Number of Pools	1	1	1	1	1	1	1
Number of Tennis Courts	3	3	3	3	3	3	3
Number of Skateboarding Areas	1	1	1	1	1	1	1
Number of Baseball Diamonds	16	16	16	16	16	16	16
Number of Soccer Fields	10	10	10	10	10	10	10
Vehicles	8	10	10	9	9	9	9
<b>Other Public Works</b>							
Streets (miles)	56	56	56	56	55	55	55
Service Vehicles	45	42	42	43	43	43	40
<b>Sanitation</b>							
Square Footage Sanitation Office	275	275	275	275	275	275	275
Square Footage Sanitation Office - City Hall	168	168	168	168	168	168	168
<b>Wastewater</b>							
Storm Sewers (miles)	54	54	54	54	54	54	54
Vehicles	1	1	1	1	1	1	0
<b>Water Department</b>							
Square Footage Water Maintenance Office	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Square Footage Water Meter Office	575	575	575	575	575	575	575
Square Footage Water Office - City Hall	168	168	168	168	168	168	168
Water Lines (miles)	65	65	65	65	65	65	65
Vehicles	15	12	12	12	11	11	10

**Source:** City of Medina Department Records

(1) Information prior to 2005 is not available.

**City of Medina**  
***Medina County, Ohio***  
***Report Letter***

December 31, 2011

**CITY OF MEDINA, OHIO**

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June 29, 2012

City of Medina  
Medina County, Ohio  
132 N. Elmwood Drive  
Medina, OH 44270

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

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of City of Medina, Medina County, Ohio (the City) as of and for the year ended December 31, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 29, 2012 in which we noted the City restated net assets and fund balances to account for the implementation of GASB Statement No. 54. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control over Financial Reporting**

Management of the City is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying *Schedule of Findings*, we identified a certain deficiencies in internal control over financial reporting that we consider to be material weaknesses.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying *Schedule of Findings* to be material weaknesses: 2011-001 and 2011-002.

### **Compliance and Other Matters**

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

We noted certain matters that we reported to management of the City in a separate letter dated June 29, 2012.

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

This report is intended solely for the information and use of management, City Council, others within the entity and management and is not intended to be and should not be used by anyone other than these specified parties.

*Rea & Associates, Inc.*



**City of Medina**  
**Medina County, Ohio**  
*Schedule of Findings*  
*December 31, 2011*

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**Material Weakness – Internal Controls over Financial Reporting**

**Finding Number:** 2011-001

**Criteria:** The AICPA establishes auditing standards generally accepted in the United States that certified public accountants and government auditors must follow in conducting audits of state and local governments. SAS No. 115 establishes standards, responsibilities and guidance for auditors during a financial statement audit engagement for identifying and evaluating a client’s internal control over financial reporting. This new standard requires the audit to report in writing to management and the governing body any control deficiencies found during the audit that are considered significant deficiencies and/or material weaknesses. To this end, SAS No. 115 lists specific control deficiencies that should be regarded as at least a significant deficiency and a strong indicator of a material weakness in internal control.

**Condition:** We identified material misstatements in the City’s financial statements, as well as other misstatements that were not necessarily material, but were more than inconsequential. Material amounts noted above have been subsequently reported in the audited financial statements.

**Cause:** The City has been continually developing and implementing procedures to maintain an updated listing of capital assets and monitor capital asset activity; however, there is still room for improvement evidenced by the misstatements identified in the financial statements and the lack of timeliness of identification of capital assets by management. When new personnel or new procedures are implemented to flag payables or track invoices, ensure thorough training and communication takes place regarding the impact this process has on the annual financial statement reporting process. Review by management of GAAP conversion worksheets prepared by its staff would also increase likelihood of detection of errors and reduce risk of material misstatement.

**Effect:** We examined 21 invoices paid in fiscal year 2012 and identified 6 that were improperly excluded from the financial statements. Included in these were payables from construction-in-progress projects. A material receivable was recorded in the water fund that was not attributable to utility services, overstating both receivables and revenues. A project approximating \$870,000 was completed during 2011. The arrangement between the grantor, the city and the contractor is for direct payment to be made to the vendor by the grantor, which did not occur until 2012. While the City’s controls identified this project as an asset, the identification was not made or communicated to the GAAP conversion team until the end of June 2012, which indicates lack of timeliness and incomplete capital asset records maintained throughout the year.

**Recommendation:** Without proper procedures, the reliability of the financial statements is minimized and increases the risk for material misstatement; therefore, we recommend the City strengthen controls over financial reporting by reviewing and overseeing the annual financial reporting process, continually maintaining capital asset schedules, especially when larger projects are recorded and expenditure handled by third-party, implementing an annual inventory in which each department head is held accountable for the assets in that department and also reviewing payable process, receivable schedules and asset reports at year-end and throughout the year, to help ensure the accuracy and completeness of the City’s financial statements.

**Management Response:** With respect to the \$870,000 project noted in the finding, the grantor paid the contractor directly. Therefore, the Finance Department was not involved as the City neither received funds nor paid invoices directly. The Finance Department has reviewed the importance of reporting non-financial transactions with other departments. The receivable recorded in the water fund was placed in that fund because it was identified through the City’s utility billing system. This system is primarily used to invoice city utility customers, but it is also used for other billings. In the future, the receivables will be allocated to the appropriate funds rather than all recorded in the utility funds. The Finance Department has reviewed the identification of payables from invoices for services provided during the previous fiscal year. In the future the City will identify payments based on the date the service was provided rather than the invoice date.

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Findings (Continued)*  
*December 31, 2011*

<b>FINDINGS RELATED TO THE FINANCIAL STATEMENTS REQUIRED TO BE REPORTED IN ACCORDANCE WITH GAGAS</b>
--

**Material Weakness – Cash Reconciliations**

**Finding Number:** 2011-002

**Criteria:** The City’s management has a responsibility to design and maintain internal controls over financial reporting. Internal controls must exist over the cash reconciliation process. Timely reconciliation and review should be completed by the appropriate personnel.

**Condition:** While obtaining an understanding of internal controls over cash reconciliation process and posting of revenues, expenses and journal entries to the accounting system; it was discovered that a reasonable possibility exists that the City’s controls would fail to prevent or detect a misstatement. A crucial step in the internal control over financial reporting is to reconcile the cash bank balance and investments to the balance in the accounting records and provide support for reconciling items. The reconciliation process will assure complete, accurate and timely posting of receipts and will promote the detection of errors or irregularities by the City’s management in a timely manner.

**Cause:** The factors that resulted in the control weakness are lack of ability to reconcile bank activity to book transactions, lack of segregation of duties over reconciling and posting adjustments and the absence of supervisory review over reconciliations and adjustments.

**Effect:** The above condition resulted in consistent, unexplained variances between book balances and bank balances on a reoccurring basis. In addition, the City has checks appearing on the outstanding check list dating back to 2006 for the general account and 2005 for the payroll account. NSF deposits dating back to 2004 remain on the bank reconciliation as a reconciling item. Finally, the lack of controls over bank reconciliations has caused erroneous postings. The erroneous adjustments have been subsequently posted to the City’s ledgers and represent immaterial amounts to the financial statements.

**Recommendation:** The City should implement controls to ensure the proper account coding and classification of disbursements. Those responsible for approving invoices should have the information and knowledge to ensure the appropriate accounts to be charged for goods or services. The assignment should be reviewed and authorization documented. The finance director should provide appropriate oversight of all memo, journal and correcting entries posted to the general ledgers for proper purpose and amount. These entries should contain sufficient documentation to support the purpose and amount of the entry.

Dated items should be properly handled such as posting NSF deposits to accounting system on a monthly basis and putting unclaimed monies into an unclaimed fund. The bank reconciliation should be reviewed and approved evidenced by signature and date. Particular attention to the source of the reconciling items is paramount. This process is important since the person reconciling the bank statement is also the person making the adjusting journal entries.

**Management Response:** The City is adopting updated procedures that will properly segregate duties and ensure timely and adequate supervision over reconciling and posting adjustments. The updated procedures will be fully implemented in time for our next audit.

**City of Medina**  
**Medina County, Ohio**  
*Schedule of Prior Audit Findings*  
*For the Fiscal Year Ended December 31, 2011*

<b>Finding Number</b>	<b>Finding Summary</b>	<b>Fully Corrected?</b>	<b>Corrected, Significantly Different Corrective Action Taken or Finding No Longer Valid Explain</b>
2010-001	Implement controls over capital assets	No	Repeated as part of Finding 2011-001
2010-002	Cash reconciliations and posting receipts and disbursements	No	Repeated as Finding 2011-002

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# Dave Yost • Auditor of State

**CITY OF MEDINA**

**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  
SEPTEMBER 11, 2012**