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**STATE BOARD OF ACCOUNTS**  
**302 West Washington Street**  
**Room E418**  
**INDIANAPOLIS, INDIANA 46204-2769**

EXAMINATION REPORT  
OF  
MEDORA COMMUNITY SCHOOL CORPORATION  
JACKSON COUNTY, INDIANA  
July 1, 2007 to June 30, 2009



**FILED**  
05/28/2010



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OFFICIALS

<u>Office</u>	<u>Official</u>	<u>Term</u>
Treasurer	Vicki Dean	01-01-07 to 12-31-10
Superintendent of Schools	Dr. Andrew Day Dr. Robert M. Mahan Dr. John M. Reed	07-01-07 to 08-30-07 08-31-07 to 06-30-08 07-01-08 to 06-30-11
President of the School Board	Darrell Persinger	01-01-07 to 12-31-10



**STATE OF INDIANA**  
AN EQUAL OPPORTUNITY EMPLOYER

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INDEPENDENT ACCOUNTANT'S REPORT

TO: THE OFFICIALS OF THE MEDORA COMMUNITY  
SCHOOL CORPORATION, JACKSON COUNTY, INDIANA

We have examined the financial information presented herein of the Medora Community School Corporation (School Corporation), for the period of July 1, 2007 to June 30, 2009. The School Corporation's management is responsible for the financial information presented herein. Our responsibility is to express an opinion based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence supporting the financial information presented herein and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion, the financial information referred to above presents fairly, in all material respects, the financial information of the School Corporation for the years ended June 30, 2008 and 2009, based on the criteria set forth in the uniform compliance guidelines established by the Indiana State Board of Accounts.

The Combining Schedules, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. The Combining Schedules have been subjected to the examination procedures applied to the basic financial information, and in our opinion, are fairly stated in all material respects in relation to the basic financial information taken as a whole.

The Schedule of Capital Assets and Schedule of Long-Term Debt, as listed in the Table of Contents, are presented for additional analysis and are not required parts of the basic financial information. They have not been subjected to the examination procedures applied to the basic financial information and, accordingly, we express no opinion on them.

STATE BOARD OF ACCOUNTS

March 8, 2010

MEDORA COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2008

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 1,375,860	\$ -	\$ 66,660	\$ (1,309,200)
Support services	920,035	23,010	86,517	(810,508)
Noninstructional services	76,910	-	-	(76,910)
Facilities acquisition and construction	5,263	-	-	(5,263)
Debt service	365,859	-	-	(365,859)
Nonprogrammed charges	87,951	-	-	(87,951)
<u>Total governmental activities</u>	<u>\$ 2,831,878</u>	<u>\$ 23,010</u>	<u>\$ 153,177</u>	<u>(2,655,691)</u>
General receipts:				
Property taxes				754,731
Other local sources				197,260
State aid				1,562,899
Bonds and loans				371,990
Grants and contributions not restricted to specific programs				231,827
Sale of property				906
Investment earnings				2,663
<u>Total general receipts</u>				<u>3,122,276</u>
Change in net assets				466,585
Net assets - beginning				276,806
<u>Net assets - ending</u>				<u>\$ 743,391</u>
<u>Assets</u>				
Cash and investments				\$ 599,602
Restricted Assets:				
Cash and investments				143,789
<u>Total assets</u>				<u>\$ 743,391</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 143,789
Unrestricted				599,602
<u>Total net assets</u>				<u>\$ 743,391</u>

The accompanying notes are an integral part of the financial information.

MEDORA COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF ACTIVITIES AND NET ASSETS - CASH AND INVESTMENT BASIS  
For the Year Ended June 30, 2009

<u>Functions/Programs</u>	<u>Disbursements</u>	<u>Program Receipts</u>		<u>Totals</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Net (Disbursements) Receipts and Changes in Net Assets</u>
Governmental activities:				
Instruction	\$ 1,275,601	\$ -	\$ 57,148	\$ (1,218,453)
Support services	1,065,542	27,849	89,351	(948,342)
Noninstructional services	85,973	-	-	(85,973)
Facilities acquisition and construction	17,848	-	-	(17,848)
Debt service	744,386	-	-	(744,386)
Nonprogrammed charges	87,289	-	-	(87,289)
<u>Total governmental activities</u>	<u>\$ 3,276,639</u>	<u>\$ 27,849</u>	<u>\$ 146,499</u>	<u>(3,102,291)</u>
General receipts:				
Property taxes				837,267
Other local sources				223,278
State aid				1,592,885
Bonds and loans				60,000
Grants and contributions not restricted to specific programs				320,136
Sale of property				159
Investment earnings				831
<u>Total general receipts</u>				<u>3,034,556</u>
Change in net assets				(67,735)
Net assets - beginning				743,391
Net assets - ending				<u>\$ 675,656</u>
<u>Assets</u>				
Cash and investments				\$ 644,470
Restricted Assets:				
Cash and investments				31,186
<u>Total assets</u>				<u>\$ 675,656</u>
<u>Net Assets</u>				
Restricted for:				
Debt service				\$ 31,186
Unrestricted				644,470
<u>Total net assets</u>				<u>\$ 675,656</u>

The accompanying notes are an integral part of the financial information.

MEDORA COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2008

	General	Rainy Day	School Lunch	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>							
Local sources	\$ 304,013	\$ -	\$ 22,204	\$ 367,633	\$ 131,064	\$ 151,976	\$ 976,890
Intermediate sources	16	-	-	-	-	760	776
State sources	1,603,330	-	606	-	-	71,518	1,675,454
Federal sources	-	-	71,840	-	-	200,607	272,447
Temporary loans	157,805	-	-	158,114	-	56,071	371,990
<b>Total receipts</b>	<b>2,065,164</b>	<b>-</b>	<b>94,650</b>	<b>525,747</b>	<b>131,064</b>	<b>480,932</b>	<b>3,297,557</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	1,122,009	-	-	-	-	253,851	1,375,860
Support services	683,148	-	1,131	-	111,986	123,770	920,035
Noninstructional services	7,008	-	69,902	-	-	-	76,910
Facilities acquisition and construction	-	-	-	-	3,996	1,267	5,263
Debt services	-	-	-	332,000	-	33,859	365,859
Nonprogrammed charges	87,951	-	-	-	-	-	87,951
<b>Total disbursements</b>	<b>1,900,116</b>	<b>-</b>	<b>71,033</b>	<b>332,000</b>	<b>115,982</b>	<b>412,747</b>	<b>2,831,878</b>
<b>Excess of receipts over disbursements</b>	<b>165,048</b>	<b>-</b>	<b>23,617</b>	<b>193,747</b>	<b>15,082</b>	<b>68,185</b>	<b>465,679</b>
<b>Other financing sources (uses):</b>							
Sale of capital assets	906	-	-	-	-	-	906
Transfers in	37,544	70,000	-	-	-	37,682	145,226
Transfers out	-	-	-	(3,489)	(22,111)	(119,626)	(145,226)
<b>Total other financing sources (uses)</b>	<b>38,450</b>	<b>70,000</b>	<b>-</b>	<b>(3,489)</b>	<b>(22,111)</b>	<b>(81,944)</b>	<b>906</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>203,498</b>	<b>70,000</b>	<b>23,617</b>	<b>190,258</b>	<b>(7,029)</b>	<b>(13,759)</b>	<b>466,585</b>
<b>Cash and investments - beginning</b>	<b>80,645</b>	<b>-</b>	<b>58,284</b>	<b>(55,004)</b>	<b>48,601</b>	<b>144,280</b>	<b>276,806</b>
<b>Cash and investments - ending</b>	<b>\$ 284,143</b>	<b>\$ 70,000</b>	<b>\$ 81,901</b>	<b>\$ 135,254</b>	<b>\$ 41,572</b>	<b>\$ 130,521</b>	<b>\$ 743,391</b>
<b><u>Cash and Investment Assets - Ending</u></b>							
Cash and investments	\$ 284,143	\$ 70,000	\$ 81,901	\$ -	\$ 41,572	\$ 121,986	\$ 599,602
Restricted assets:							
Cash and investments	-	-	-	135,254	-	8,535	143,789
<b>Total cash and investment assets - ending</b>	<b>\$ 284,143</b>	<b>\$ 70,000</b>	<b>\$ 81,901</b>	<b>\$ 135,254</b>	<b>\$ 41,572</b>	<b>\$ 130,521</b>	<b>\$ 743,391</b>
<b><u>Cash and Investment Fund Balance - Ending</u></b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ 135,254	\$ -	\$ 8,535	\$ 143,789
Unrestricted	284,143	70,000	81,901	-	41,572	121,986	599,602
<b>Total cash and investment fund balance - ending</b>	<b>\$ 284,143</b>	<b>\$ 70,000</b>	<b>\$ 81,901</b>	<b>\$ 135,254</b>	<b>\$ 41,572</b>	<b>\$ 130,521</b>	<b>\$ 743,391</b>

The accompanying notes are an integral part of the financial information.

MEDORA COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended June 30, 2009

	General	Rainy Day	School Lunch	ARRA Education Stimulus	Debt Service	Capital Projects	Other	Totals
<b>Receipts:</b>								
Local sources	\$ 339,061	\$ -	\$ 27,265	\$ -	\$ 389,532	\$ 145,403	\$ 187,870	\$ 1,089,131
Intermediate sources	-	-	-	-	-	-	94	94
State sources	1,623,806	-	613	-	-	-	67,033	1,691,452
Federal sources	34,595	-	67,922	169,083	-	-	96,468	368,068
Temporary loans	-	-	-	-	-	-	60,000	60,000
<b>Total receipts</b>	<b>1,997,462</b>	<b>-</b>	<b>95,800</b>	<b>169,083</b>	<b>389,532</b>	<b>145,403</b>	<b>411,465</b>	<b>3,208,745</b>
<b>Disbursements:</b>								
<b>Current:</b>								
Instruction	1,085,095	-	-	-	-	-	190,506	1,275,601
Support services	837,635	-	2,591	-	-	82,928	142,388	1,065,542
Noninstructional services	-	-	85,110	-	-	-	863	85,973
Facilities acquisition and construction	-	-	-	-	-	17,848	-	17,848
Debt services	157,805	-	-	-	496,065	-	90,516	744,386
Nonprogrammed charges	87,289	-	-	-	-	-	-	87,289
<b>Total disbursements</b>	<b>2,167,824</b>	<b>-</b>	<b>87,701</b>	<b>-</b>	<b>496,065</b>	<b>100,776</b>	<b>424,273</b>	<b>3,276,639</b>
Excess (deficiency) of receipts over disbursements	(170,362)	-	8,099	169,083	(106,533)	44,627	(12,808)	(67,894)
<b>Other financing sources (uses):</b>								
Sale of capital assets	159	-	-	-	-	-	-	159
Transfers in	10,295	-	-	-	-	-	80,779	91,074
Transfers out	(19,891)	-	(5,969)	-	-	-	(65,214)	(91,074)
<b>Total other financing sources (uses)</b>	<b>(9,437)</b>	<b>-</b>	<b>(5,969)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,565</b>	<b>159</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(179,799)	-	2,130	169,083	(106,533)	44,627	2,757	(67,735)
Cash and investments - beginning	284,143	70,000	81,901	-	135,254	41,572	130,521	743,391
Cash and investments - ending	\$ 104,344	\$ 70,000	\$ 84,031	\$ 169,083	\$ 28,721	\$ 86,199	\$ 133,278	\$ 675,656
<b>Cash and Investment Assets - Ending</b>								
Cash and investments	\$ 104,344	\$ 70,000	\$ 84,031	\$ 169,083	\$ -	\$ 86,199	\$ 130,813	\$ 644,470
<b>Restricted assets:</b>								
Cash and investments	-	-	-	-	28,721	-	2,465	31,186
<b>Total cash and investment assets - ending</b>	<b>\$ 104,344</b>	<b>\$ 70,000</b>	<b>\$ 84,031</b>	<b>\$ 169,083</b>	<b>\$ 28,721</b>	<b>\$ 86,199</b>	<b>\$ 133,278</b>	<b>\$ 675,656</b>
<b>Cash and Investment Fund Balance - Ending</b>								
<b>Restricted for:</b>								
Debt service	\$ -	\$ -	\$ -	\$ -	\$ 28,721	\$ -	\$ 2,465	\$ 31,186
Unrestricted	104,344	70,000	84,031	169,083	-	86,199	130,813	644,470
<b>Total cash and investment fund balance - ending</b>	<b>\$ 104,344</b>	<b>\$ 70,000</b>	<b>\$ 84,031</b>	<b>\$ 169,083</b>	<b>\$ 28,721</b>	<b>\$ 86,199</b>	<b>\$ 133,278</b>	<b>\$ 675,656</b>

The accompanying notes are an integral part of the financial information.

MEDORA COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2008

	Pension Trust Fund	Private-Purpose Trust Funds
Additions:		
Contributions:		
Other	\$ -	\$ 14,344
Deductions:		
Benefits	20,293	-
Administrative and general	-	7,304
Total deductions	20,293	7,304
Excess (deficiency) of total additions over total deductions	(20,293)	7,040
Cash and investment fund balance - beginning	40,616	17,711
Cash and investment fund balance - ending	\$ 20,323	\$ 24,751
Net assets:		
Cash and investments	\$ 20,323	\$ 24,751
Total net assets - cash and investment basis held in trust	\$ 20,323	\$ 24,751

The accompanying notes are an integral part of the financial information.

MEDORA COMMUNITY SCHOOL CORPORATION  
SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
FIDUCIARY FUNDS  
For the Year Ended June 30, 2009

	Pension Trust Fund	Private-Purpose Trust Funds
Additions:		
Contributions:		
Other	\$ -	\$ 14,971
Deductions:		
Benefits	4,000	-
Administrative and general	-	13,744
Total deductions	4,000	13,744
Excess (deficiency) of total additions over total deductions	(4,000)	1,227
Cash and investment fund balance - beginning	20,323	24,751
Cash and investment fund balance - ending	\$ 16,323	\$ 25,978
Net assets:		
Cash and investments	\$ 16,323	\$ 25,978
Total net assets - cash and investment basis held in trust	\$ 16,323	\$ 25,978

The accompanying notes are an integral part of the financial information.

MEDORA COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION

Note 1. Introduction

School Corporation, as used herein, shall include, but is not limited to, school townships, school towns, school cities, consolidated school corporations, joint schools, metropolitan school districts, township school districts, county schools, united schools, school districts, cooperatives, educational service centers, community schools, community school corporations, and charter schools.

The School Corporation was established under the laws of the State of Indiana. The School Corporation operates under a Board of School Trustees form of government and provides educational services.

Joint Ventures

The School Corporation is a participant with various other school corporations in a joint venture to operate Orange, Lawrence, Jackson, Martin, and Greene Joint Services which was created to provide instruction for handicapped children. The School Corporation is obligated by contract to remit annually a proportionate share of the costs based on their average daily membership (ADM). Complete financial statements for the Orange, Lawrence, Jackson, Martin, and Greene Joint Services can be obtained from its administrative office at 1401 15<sup>th</sup> Street, Bedford, Indiana, 47421.

The School Corporation is a participant with various other school corporations in a joint venture to operate Wilson Education Center which was created to perform educational planning and to assist in meeting specific educational needs. The School Corporation is obligated by contract to remit annually a proportionate share of the costs based on the average daily membership (ADM). Complete financial statements for the Wilson Education Center can be obtained from its administrative office at 2101 Grace Avenue, Charlestown, Indiana, 47111.

Note 2. Fund Accounting

A. Government-Wide and Fund Financial Schedules

Government-Wide Financial Schedules

The Schedules of Activities and Net Assets - Cash and Investment Basis display information about the reporting government as a whole. They include all funds of the reporting entity except for fiduciary funds. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange revenues.

Fund Financial Schedules

Fund financial schedules of the reporting entity are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitutes its assets, liabilities, fund equity, receipts, and disbursements. Separate financial schedules are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial schedules. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial schedules. However, at this time, the school corporation has not established any enterprise funds.

MEDORA COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

The School Corporation reports the following major governmental funds:

The general fund is the primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

The rainy day fund is used to account for funds in accordance with Indiana Code 36-1-8-5.1 and a locally adopted resolution.

The school lunch fund is used to account for receipts and disbursements concerning the operation of the school lunch program.

Fiscal stabilization-education (stimulus) fund accounts for receipts and disbursements of cash received from the federal government to be used to supplement funding of local, state, and federal programs.

The debt service fund accounts for debt from funds borrowed or advanced for the purchase or lease of school buildings, school buses, judgments against the corporation, equipment or capital construction, and interest on emergency and temporary loans.

The capital projects fund accounts for planned construction, repair, replacement or remodeling; and the purchase, lease, upgrade, maintenance, or repair of computer equipment.

Additionally, the School Corporation reports the following fund types:

The pension trust fund accounts for the bond and payments anticipated to be made to employees on or after the termination of employment or to pay postretirement or severance benefits held by the School Corporation in a trustee capacity.

The private-purpose trust funds report trust arrangements under which principal and income benefit individuals receiving scholarships.

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

The government-wide, governmental fund, and fiduciary fund financial schedules are reported using the basis of accounting that demonstrates compliance with the cash and investment basis and budget laws of the State of Indiana, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

The cash and investment basis of accounting differs from accounting principles generally accepted in the United States of America in that receipts are recognized when received in cash rather than when earned and disbursements are recognized when paid rather than when a liability is incurred. Investment transactions are not presented on the financial schedules.

MEDORA COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

If the School Corporation utilized the basis of accounting recognized as generally accepted, the fund financial schedules for governmental funds would use the modified accrual basis of accounting, while the fund financial schedules for proprietary fund types would use the accrual basis of accounting. All government-wide financials would be presented on the accrual basis of accounting.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial schedules.

When both restricted and unrestricted resources are available for use, the School Corporation's policy is to use restricted resources first, then unrestricted resources as they are needed.

Note 3. Budgets

The operating budget is initially prepared and approved at the local level. In addition, funds for which property taxes are levied are subject to final approval by the Indiana Department of Local Government Finance.

Note 4. Property Taxes

Normally property taxes levied are collected by the County Treasurer and are distributed to the School Corporation in June and December. State statute (IC 6-1.1-17-16) requires the Indiana Department of Local Government Finance to establish property tax rates and levies by February 15. These rates were based upon the preceding year's March 1 (lien date) assessed valuations adjusted for various tax credits. Taxable property is assessed at 100% of the true tax value (determined in accordance with rules and regulations adopted by the Indiana Department of Local Government Finance). Taxes may be paid in two equal installments which become delinquent if not paid by May 10 and November 10, respectively.

Note 5. Deposits and Investments

Deposits, made in accordance with Indiana Code 5-13, with financial institutions in the State of Indiana at year end were entirely insured by the Federal Depository Insurance Corporation or by the Indiana Public Deposit Insurance Fund. This includes any deposit accounts issued or offered by a qualifying financial institution.

State statute (IC 5-13-9) authorizes the School Corporation to invest in securities including, but not limited to, federal government securities, repurchase agreements, and certain money market mutual funds. Certain other statutory restrictions apply to all investments made by local governmental units.

MEDORA COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Note 6. Interfund Transfers

Interfund transfers for the years ended June 30, 2008 and 2009, were as follows:

Transfer From	Transfer To	2008	2009
General Fund	Other governmental funds	\$ -	\$ 19,891
Debt Service Fund	Other governmental funds	3,489	-
Capital Projects Fund	General Fund	22,111	-
School Lunch Fund	General Fund	-	5,969
Other governmental funds	General Fund	15,433	4,326
	Rainy Day Fund	70,000	-
	Other governmental funds	34,193	60,888
		<u>145,226</u>	<u>91,074</u>
Totals		<u>\$ 145,226</u>	<u>\$ 91,074</u>

The School Corporation typically uses transfers for cash flow purposes as provided by various statutory provisions.

Note 7. Pension Plan

Teacher's Retirement Fund

Plan Description

The School Corporation contributes to the Indiana Teachers' Retirement Fund (TRF), a defined benefit pension plan. TRF is a cost-sharing multiple-employer public employee retirement system, which provides retirement benefits to plan members and beneficiaries. All employees engaged in teaching or in the supervision of teaching in the public schools of the State of Indiana are eligible to participate in TRF. State statute (IC 5-10.2) governs, through the TRF Board, most requirements of the system, and gives the School Corporation authority to contribute to the plan. The TRF retirement benefit consists of the pension provided by employer contributions plus an annuity provided by the member's annuity savings account. The annuity savings account consists of members' contributions, set by state statute at 3% of compensation, plus the interest credited to the member's account. The School Corporation may elect to make the contributions on behalf of the member.

TRF issues a publicly available financial report that includes financial schedules and required supplementary information for the plan as a whole and for its participants. That report may be obtained by contacting:

Teachers' Retirement Fund  
150 West Market Street  
Indianapolis, IN 46204  
Ph. (317) 232-3860

MEDORA COMMUNITY SCHOOL CORPORATION  
NOTES TO FINANCIAL INFORMATION  
(Continued)

Funding Policy and Annual Pension Cost

The School Corporation contributes the employer's share to TRF for certified employees employed under a federally funded program and all the certified employees hired after July 1, 1995. The School Corporation currently receives partial funding, through the school funding formula, from the State of Indiana for this contribution. The employer's share of contributions for certified personnel who are not employed under a federally funded program and were hired before July 1, 1995, is considered to be an obligation of, and is paid by, the State of Indiana.

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008

	Transportation Operating	Special Education Preschool	Textbook Rental	Levy Excess	Education Plate Fees	Library Grant	At Risk
<b>Receipts:</b>							
Local sources	\$ 85,621	\$ 468	\$ 6,481	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	760	-	-
State sources	-	-	14,071	-	-	-	25,000
Federal sources	-	1,061	-	-	-	-	-
Temporary loans	37,730	-	-	-	-	-	-
<b>Total receipts</b>	<b>123,351</b>	<b>1,529</b>	<b>20,552</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>25,000</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	-	-	-	-	37,607
Support services	93,910	-	18,143	-	-	-	1,451
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>93,910</b>	<b>-</b>	<b>18,143</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>39,058</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>29,441</b>	<b>1,529</b>	<b>2,409</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>(14,058)</b>
<b>Other financing sources (uses):</b>							
Transfers in	8,321	-	3,489	-	-	-	-
Transfers out	-	(72,166)	-	(15,433)	-	-	-
<b>Total other financing sources (uses)</b>	<b>8,321</b>	<b>(72,166)</b>	<b>3,489</b>	<b>(15,433)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>37,762</b>	<b>(70,637)</b>	<b>5,898</b>	<b>(15,433)</b>	<b>760</b>	<b>-</b>	<b>(14,058)</b>
<b>Cash and investments - beginning</b>	<b>(3,444)</b>	<b>78,437</b>	<b>(18,238)</b>	<b>15,433</b>	<b>1,109</b>	<b>(928)</b>	<b>(16,103)</b>
<b>Cash and investments - ending</b>	<b>\$ 34,318</b>	<b>\$ 7,800</b>	<b>\$ (12,340)</b>	<b>\$ -</b>	<b>\$ 1,869</b>	<b>\$ (928)</b>	<b>\$ (30,161)</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 34,318	\$ 7,800	\$ (12,340)	\$ -	\$ 1,869	\$ (928)	\$ (30,161)
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 34,318</b>	<b>\$ 7,800</b>	<b>\$ (12,340)</b>	<b>\$ -</b>	<b>\$ 1,869</b>	<b>\$ (928)</b>	<b>\$ (30,161)</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	34,318	7,800	(12,340)	-	1,869	(928)	(30,161)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 34,318</b>	<b>\$ 7,800</b>	<b>\$ (12,340)</b>	<b>\$ -</b>	<b>\$ 1,869</b>	<b>\$ (928)</b>	<b>\$ (30,161)</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Step Ahead SACC	Performance Based Awards	Intelenet Commission	Top Hat Grant	Gifted and Talented	Gifted and Talented 98-99	Gifted and Talented 2002-03
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	6,220	-	-	-	-	26,227	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>6,220</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,227</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	3,537	-	-	3,723	1,132	9,052	14,680
Support services	-	-	-	11	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>3,537</b>	<b>-</b>	<b>-</b>	<b>3,734</b>	<b>1,132</b>	<b>9,052</b>	<b>14,680</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>2,683</b>	<b>-</b>	<b>-</b>	<b>(3,734)</b>	<b>(1,132)</b>	<b>17,175</b>	<b>(14,680)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>2,683</b>	<b>-</b>	<b>-</b>	<b>(3,734)</b>	<b>(1,132)</b>	<b>17,175</b>	<b>(14,680)</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>26</b>	<b>4,049</b>	<b>28,649</b>	<b>9</b>	<b>7,053</b>	<b>(2,055)</b>
<b>Cash and investments - ending</b>	<b>\$ 2,683</b>	<b>\$ 26</b>	<b>\$ 4,049</b>	<b>\$ 24,915</b>	<b>\$ (1,123)</b>	<b>\$ 24,228</b>	<b>\$ (16,735)</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 2,683	\$ 26	\$ 4,049	\$ 24,915	\$ (1,123)	\$ 24,228	\$ (16,735)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 2,683</b>	<b>\$ 26</b>	<b>\$ 4,049</b>	<b>\$ 24,915</b>	<b>\$ (1,123)</b>	<b>\$ 24,228</b>	<b>\$ (16,735)</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	2,683	26	4,049	24,915	(1,123)	24,228	(16,735)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 2,683</b>	<b>\$ 26</b>	<b>\$ 4,049</b>	<b>\$ 24,915</b>	<b>\$ (1,123)</b>	<b>\$ 24,228</b>	<b>\$ (16,735)</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
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 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Electricity Grant	Community Foundation	Community Foundation Spanish	Community Foundation Secondary	Title I FY 2000	Title I FY 2005
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 4,345	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,345</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	6,375	-	567
Support services	-	-	-	-	-	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>6,375</b>	<b>-</b>	<b>567</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,030)</b>	<b>-</b>	<b>(567)</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	649	-
Transfers out	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>649</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(2,030)</b>	<b>649</b>	<b>(567)</b>
<b>Cash and investments - beginning</b>	<b>193</b>	<b>(456)</b>	<b>50</b>	<b>(772)</b>	<b>(649)</b>	<b>-</b>
<b>Cash and investments - ending</b>	<b>\$ 193</b>	<b>\$ (456)</b>	<b>\$ 50</b>	<b>\$ (2,802)</b>	<b>\$ -</b>	<b>\$ (567)</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 193	\$ (456)	\$ 50	\$ (2,802)	\$ -	\$ (567)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 193</b>	<b>\$ (456)</b>	<b>\$ 50</b>	<b>\$ (2,802)</b>	<b>\$ -</b>	<b>\$ (567)</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	193	(456)	50	(2,802)	-	(567)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 193</b>	<b>\$ (456)</b>	<b>\$ 50</b>	<b>\$ (2,802)</b>	<b>\$ -</b>	<b>\$ (567)</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Title I FY 2006-07	Title I FY 2007-08	Title I FY 2008-09	Title V, Part A	Title V, Part A FY 2005	Title V, Part A
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	4,446	59,168	-	-	-	-
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<u>4,446</u>	<u>59,168</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	57,548	6,108	-	-	14,249	-
Support services	-	6,279	-	-	586	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<u>57,548</u>	<u>12,387</u>	<u>-</u>	<u>-</u>	<u>14,835</u>	<u>-</u>
Excess (deficiency) of receipts over disbursements	<u>(53,102)</u>	<u>46,781</u>	<u>-</u>	<u>-</u>	<u>(14,835)</u>	<u>-</u>
<b>Other financing sources (uses):</b>						
Transfers in	18,145	-	3,287	-	1,625	-
Transfers out	<u>(8,970)</u>	<u>(15,223)</u>	<u>-</u>	<u>(1,083)</u>	<u>-</u>	<u>(542)</u>
<b>Total other financing sources (uses)</b>	<u>9,175</u>	<u>(15,223)</u>	<u>3,287</u>	<u>(1,083)</u>	<u>1,625</u>	<u>(542)</u>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	<u>(43,927)</u>	<u>31,558</u>	<u>3,287</u>	<u>(1,083)</u>	<u>(13,210)</u>	<u>(542)</u>
Cash and investments - beginning	<u>17,150</u>	<u>-</u>	<u>-</u>	<u>1,083</u>	<u>901</u>	<u>542</u>
Cash and investments - ending	<u>\$ (26,777)</u>	<u>\$ 31,558</u>	<u>\$ 3,287</u>	<u>\$ -</u>	<u>\$ (12,309)</u>	<u>\$ -</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ (26,777)	\$ 31,558	\$ 3,287	\$ -	\$ (12,309)	\$ -
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ (26,777)</u>	<u>\$ 31,558</u>	<u>\$ 3,287</u>	<u>\$ -</u>	<u>\$ (12,309)</u>	<u>\$ -</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	<u>(26,777)</u>	<u>31,558</u>	<u>3,287</u>	<u>-</u>	<u>(12,309)</u>	<u>-</u>
<b>Total cash and investment fund balance - ending</b>	<u>\$ (26,777)</u>	<u>\$ 31,558</u>	<u>\$ 3,287</u>	<u>\$ -</u>	<u>\$ (12,309)</u>	<u>\$ -</u>

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 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2008  
 (Continued)

	Stewart Homeless Assist Act P.	Title IV, Part A FY 06 Drug Free	Drug Free Schools FY 07	Title II	21st Century Learning Grant	Tech Prep
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	-	-	116,464	-
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>116,464</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	10,000	202	-	-	81,041	875
Support services	-	-	448	-	2,942	-
Facilities acquisition and construction	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>10,000</b>	<b>202</b>	<b>448</b>	<b>-</b>	<b>83,983</b>	<b>875</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(10,000)</b>	<b>(202)</b>	<b>(448)</b>	<b>-</b>	<b>32,481</b>	<b>(875)</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	(6,209)	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,209)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(10,000)</b>	<b>(202)</b>	<b>(448)</b>	<b>-</b>	<b>26,272</b>	<b>(875)</b>
Cash and investments - beginning	10,000	(480)	1,541	158	11,696	-
Cash and investments - ending	<u>\$ -</u>	<u>\$ (682)</u>	<u>\$ 1,093</u>	<u>\$ 158</u>	<u>\$ 37,968</u>	<u>\$ (875)</u>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ -	\$ (682)	\$ 1,093	\$ 158	\$ 37,968	\$ (875)
Restricted assets:						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<u>\$ -</u>	<u>\$ (682)</u>	<u>\$ 1,093</u>	<u>\$ 158</u>	<u>\$ 37,968</u>	<u>\$ (875)</u>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	-	(682)	1,093	158	37,968	(875)
<b>Total cash and investment fund balance - ending</b>	<u>\$ -</u>	<u>\$ (682)</u>	<u>\$ 1,093</u>	<u>\$ 158</u>	<u>\$ 37,968</u>	<u>\$ (875)</u>

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 (Continued)

	Title II, Part A	Title II, Part D FY 05-06	Title II, Part D FY 06-07	Severance/ Retirement	School Bus Replacement	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 38,013	\$ 17,048	\$ 151,976
Intermediate sources	-	-	-	-	-	760
State sources	-	-	-	-	-	71,518
Federal sources	19,468	-	-	-	-	200,607
Temporary loans	-	-	-	18,341	-	56,071
<b>Total receipts</b>	<b>19,468</b>	<b>-</b>	<b>-</b>	<b>56,354</b>	<b>17,048</b>	<b>480,932</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	7,155	-	-	-	-	253,851
Support services	-	-	-	-	-	123,770
Facilities acquisition and construction	-	1,267	-	-	-	1,267
Debt services	-	-	-	33,859	-	33,859
<b>Total disbursements</b>	<b>7,155</b>	<b>1,267</b>	<b>-</b>	<b>33,859</b>	<b>-</b>	<b>412,747</b>
Excess (deficiency) of receipts over disbursements	12,313	(1,267)	-	22,495	17,048	68,185
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	2,166	-	37,682
Transfers out	-	-	-	-	-	(119,626)
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,166</b>	<b>-</b>	<b>(81,944)</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	12,313	(1,267)	-	24,661	17,048	(13,759)
Cash and investments - beginning	1,368	1,267	2,000	(16,126)	20,817	144,280
Cash and investments - ending	\$ 13,681	\$ -	\$ 2,000	\$ 8,535	\$ 37,865	\$ 130,521
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 13,681	\$ -	\$ 2,000	\$ -	\$ 37,865	\$ 121,986
Restricted assets:						
Cash and investments	-	-	-	8,535	-	8,535
<b>Total cash and investment assets - ending</b>	<b>\$ 13,681</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ 8,535</b>	<b>\$ 37,865</b>	<b>\$ 130,521</b>
<b>Cash and Investment Fund Balance - Ending</b>						
Restricted for:						
Debt service	\$ -	\$ -	\$ -	\$ 8,535	\$ -	\$ 8,535
Unrestricted	13,681	-	2,000	-	37,865	121,986
<b>Total cash and investment fund balance - ending</b>	<b>\$ 13,681</b>	<b>\$ -</b>	<b>\$ 2,000</b>	<b>\$ 8,535</b>	<b>\$ 37,865</b>	<b>\$ 130,521</b>

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 OTHER GOVERNMENTAL FUNDS  
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	Transportation Operating	Special Education Preschool	Textbook Rental	Education Plate Fees	Library Grant	At Risk	Step Ahead SACC
<b>Receipts:</b>							
Local sources	\$ 87,310	\$ 1,082	\$ 8,504	\$ -	\$ -	\$ 35,300	\$ -
Intermediate sources	-	-	-	94	-	-	-
State sources	-	-	10,816	-	-	29,990	-
Federal sources	-	1,375	-	-	-	-	-
Temporary loans	60,000	-	-	-	-	-	-
<b>Total receipts</b>	<b>147,310</b>	<b>2,457</b>	<b>19,320</b>	<b>94</b>	<b>-</b>	<b>65,290</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	713	-	-	-	33,627	8,712
Support services	101,195	-	25,308	610	-	2,543	-
Noninstructional services	-	-	-	-	-	-	-
Debt services	37,730	-	-	-	-	-	-
<b>Total disbursements</b>	<b>138,925</b>	<b>713</b>	<b>25,308</b>	<b>610</b>	<b>-</b>	<b>36,170</b>	<b>8,712</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>8,385</b>	<b>1,744</b>	<b>(5,988)</b>	<b>(516)</b>	<b>-</b>	<b>29,120</b>	<b>(8,712)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	928	-	-
Transfers out	-	(1,530)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>(1,530)</b>	<b>-</b>	<b>-</b>	<b>928</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>8,385</b>	<b>214</b>	<b>(5,988)</b>	<b>(516)</b>	<b>928</b>	<b>29,120</b>	<b>(8,712)</b>
<b>Cash and investments - beginning</b>	<b>34,318</b>	<b>7,800</b>	<b>(12,340)</b>	<b>1,869</b>	<b>(928)</b>	<b>(30,161)</b>	<b>2,683</b>
<b>Cash and investments - ending</b>	<b>\$ 42,703</b>	<b>\$ 8,014</b>	<b>\$ (18,328)</b>	<b>\$ 1,353</b>	<b>\$ -</b>	<b>\$ (1,041)</b>	<b>\$ (6,029)</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 42,703	\$ 8,014	\$ (18,328)	\$ 1,353	\$ -	\$ (1,041)	\$ (6,029)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 42,703</b>	<b>\$ 8,014</b>	<b>\$ (18,328)</b>	<b>\$ 1,353</b>	<b>\$ -</b>	<b>\$ (1,041)</b>	<b>\$ (6,029)</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	42,703	8,014	(18,328)	1,353	-	(1,041)	(6,029)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 42,703</b>	<b>\$ 8,014</b>	<b>\$ (18,328)</b>	<b>\$ 1,353</b>	<b>\$ -</b>	<b>\$ (1,041)</b>	<b>\$ (6,029)</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Performance Based Awards	Intelenet Commission	Top Hat Grant	Gifted and Talented	Gifted and Talented 98-99	Gifted and Talented 2002-03	Electricity Grant
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	26,227	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>26,227</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	-	-	257	3,662	3,307	4,711	-
Support services	-	-	13	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>270</b>	<b>3,662</b>	<b>3,307</b>	<b>4,711</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>-</b>	<b>-</b>	<b>(270)</b>	<b>(3,662)</b>	<b>22,920</b>	<b>(4,711)</b>	<b>-</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>-</b>	<b>-</b>	<b>(270)</b>	<b>(3,662)</b>	<b>22,920</b>	<b>(4,711)</b>	<b>-</b>
<b>Cash and investments - beginning</b>	<b>26</b>	<b>4,049</b>	<b>24,915</b>	<b>(1,123)</b>	<b>24,228</b>	<b>(16,735)</b>	<b>193</b>
<b>Cash and investments - ending</b>	<b>\$ 26</b>	<b>\$ 4,049</b>	<b>\$ 24,645</b>	<b>\$ (4,785)</b>	<b>\$ 47,148</b>	<b>\$ (21,446)</b>	<b>\$ 193</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ 26	\$ 4,049	\$ 24,645	\$ (4,785)	\$ 47,148	\$ (21,446)	\$ 193
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 26</b>	<b>\$ 4,049</b>	<b>\$ 24,645</b>	<b>\$ (4,785)</b>	<b>\$ 47,148</b>	<b>\$ (21,446)</b>	<b>\$ 193</b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	26	4,049	24,645	(4,785)	47,148	(21,446)	193
<b>Total cash and investment fund balance - ending</b>	<b>\$ 26</b>	<b>\$ 4,049</b>	<b>\$ 24,645</b>	<b>\$ (4,785)</b>	<b>\$ 47,148</b>	<b>\$ (21,446)</b>	<b>\$ 193</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Community Foundation BB/INSAI	East Asian Grant	Community Foundation	Community Foundation Spanish	Community Foundation Secondary	Title I FY 2005	Title I FY 2006-07
<b>Receipts:</b>							
Local sources	\$ -	\$ 300	\$ -	\$ -	\$ 5,700	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	-	-	-	-	-	-	-
Temporary loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>300</b>	<b>-</b>	<b>-</b>	<b>5,700</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	1,526	136	-	138	6,375	-	5,544
Support services	-	-	-	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,526</b>	<b>136</b>	<b>-</b>	<b>138</b>	<b>6,375</b>	<b>-</b>	<b>5,544</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(1,526)</b>	<b>164</b>	<b>-</b>	<b>(138)</b>	<b>(675)</b>	<b>-</b>	<b>(5,544)</b>
<b>Other financing sources (uses):</b>							
Transfers in	-	-	-	-	-	567	32,321
Transfers out	-	-	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>567</b>	<b>32,321</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(1,526)</b>	<b>164</b>	<b>-</b>	<b>(138)</b>	<b>(675)</b>	<b>567</b>	<b>26,777</b>
<b>Cash and investments - beginning</b>	<b>-</b>	<b>-</b>	<b>(456)</b>	<b>50</b>	<b>(2,802)</b>	<b>(567)</b>	<b>(26,777)</b>
<b>Cash and investments - ending</b>	<b>\$ (1,526)</b>	<b>\$ 164</b>	<b>\$ (456)</b>	<b>\$ (88)</b>	<b>\$ (3,477)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ (1,526)	\$ 164	\$ (456)	\$ (88)	\$ (3,477)	\$ -	\$ -
<b>Restricted assets:</b>							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ (1,526)</b>	<b>\$ 164</b>	<b>\$ (456)</b>	<b>\$ (88)</b>	<b>\$ (3,477)</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Cash and Investment Fund Balance - Ending</b>							
<b>Restricted for:</b>							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(1,526)	164	(456)	(88)	(3,477)	-	-
<b>Total cash and investment fund balance - ending</b>	<b>\$ (1,526)</b>	<b>\$ 164</b>	<b>\$ (456)</b>	<b>\$ (88)</b>	<b>\$ (3,477)</b>	<b>\$ -</b>	<b>\$ -</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Title I FY 2007-08	Title I FY 2008-09	Title V, Part A FY 2005	Title V, Part A	Stewart Homeless Assist Act P.	Drug Free Schools and Campuses	Title IV, Part A FY 06 Drug Free
<b>Receipts:</b>							
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-	-
State sources	-	-	-	-	-	-	-
Federal sources	7,000	59,125	3,400	482	10,000	-	-
Temporary loans	-	-	-	-	-	-	-
<b>Total receipts</b>	<b>7,000</b>	<b>59,125</b>	<b>3,400</b>	<b>482</b>	<b>10,000</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>							
<b>Current:</b>							
Instruction	5,392	68,188	13,896	-	-	76	-
Support services	4,716	3,787	1,071	-	-	-	-
Noninstructional services	-	-	-	-	-	-	-
Debt services	-	-	-	-	-	-	-
<b>Total disbursements</b>	<b>10,108</b>	<b>71,975</b>	<b>14,967</b>	<b>-</b>	<b>-</b>	<b>76</b>	<b>-</b>
Excess (deficiency) of receipts over disbursements	(3,108)	(12,850)	(11,567)	482	10,000	(76)	-
<b>Other financing sources (uses):</b>							
Transfers in	5,590	25,692	14,181	-	-	-	-
Transfers out	(39,617)	(5,255)	-	-	-	-	-
<b>Total other financing sources (uses)</b>	<b>(34,027)</b>	<b>20,437</b>	<b>14,181</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses	(37,135)	7,587	2,614	482	10,000	(76)	-
Cash and investments - beginning	31,558	3,287	(12,309)	-	-	-	(682)
Cash and investments - ending	<u>\$ (5,577)</u>	<u>\$ 10,874</u>	<u>\$ (9,695)</u>	<u>\$ 482</u>	<u>\$ 10,000</u>	<u>\$ (76)</u>	<u>\$ (682)</u>
<b>Cash and Investment Assets - Ending</b>							
Cash and investments	\$ (5,577)	\$ 10,874	\$ (9,695)	\$ 482	\$ 10,000	\$ (76)	\$ (682)
Restricted assets:							
Cash and investments	-	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b><u>\$ (5,577)</u></b>	<b><u>\$ 10,874</u></b>	<b><u>\$ (9,695)</u></b>	<b><u>\$ 482</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ (76)</u></b>	<b><u>\$ (682)</u></b>
<b>Cash and Investment Fund Balance - Ending</b>							
Restricted for:							
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	(5,577)	10,874	(9,695)	482	10,000	(76)	(682)
<b>Total cash and investment fund balance - ending</b>	<b><u>\$ (5,577)</u></b>	<b><u>\$ 10,874</u></b>	<b><u>\$ (9,695)</u></b>	<b><u>\$ 482</u></b>	<b><u>\$ 10,000</u></b>	<b><u>\$ (76)</u></b>	<b><u>\$ (682)</u></b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Drug Free Schools FY 07	Drug Free Schools 2008-09	Drug Free Schools Part II P.L. 99-570	Title II	21st Century Learning Grant	Tech Prep
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intermediate sources	-	-	-	-	-	-
State sources	-	-	-	-	-	-
Federal sources	-	-	1,486	-	-	-
Temporary loans	-	-	-	-	-	-
<b>Total receipts</b>	<b>-</b>	<b>-</b>	<b>1,486</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	34,246	-
Support services	1,911	595	-	-	639	-
Noninstructional services	-	-	-	-	-	-
Debt services	-	-	-	-	-	-
<b>Total disbursements</b>	<b>1,911</b>	<b>595</b>	<b>-</b>	<b>-</b>	<b>34,885</b>	<b>-</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>(1,911)</b>	<b>(595)</b>	<b>1,486</b>	<b>-</b>	<b>(34,885)</b>	<b>-</b>
<b>Other financing sources (uses):</b>						
Transfers in	1,500	-	-	-	-	-
Transfers out	-	-	-	-	(3,131)	-
<b>Total other financing sources (uses)</b>	<b>1,500</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,131)</b>	<b>-</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(411)</b>	<b>(595)</b>	<b>1,486</b>	<b>-</b>	<b>(38,016)</b>	<b>-</b>
<b>Cash and investments - beginning</b>	<b>1,093</b>	<b>-</b>	<b>-</b>	<b>158</b>	<b>37,968</b>	<b>(875)</b>
<b>Cash and investments - ending</b>	<b>\$ 682</b>	<b>\$ (595)</b>	<b>\$ 1,486</b>	<b>\$ 158</b>	<b>\$ (48)</b>	<b>\$ (875)</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 682	\$ (595)	\$ 1,486	\$ 158	\$ (48)	\$ (875)
<b>Restricted assets:</b>						
Cash and investments	-	-	-	-	-	-
<b>Total cash and investment assets - ending</b>	<b>\$ 682</b>	<b>\$ (595)</b>	<b>\$ 1,486</b>	<b>\$ 158</b>	<b>\$ (48)</b>	<b>\$ (875)</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Unrestricted	682	(595)	1,486	158	(48)	(875)
<b>Total cash and investment fund balance - ending</b>	<b>\$ 682</b>	<b>\$ (595)</b>	<b>\$ 1,486</b>	<b>\$ 158</b>	<b>\$ (48)</b>	<b>\$ (875)</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ASSETS AND FUND BALANCES AND RECEIPTS,  
 DISBURSEMENTS, AND CHANGES IN FUND BALANCES - CASH AND INVESTMENT BASIS  
 OTHER GOVERNMENTAL FUNDS  
 For the Year Ended June 30, 2009  
 (Continued)

	Title II, Part A	Title II, Part D FY 06-07	School Lunch Equipment Stimulus	Severance/ Retirement	School Bus Replacement	Totals
<b>Receipts:</b>						
Local sources	\$ -	\$ -	\$ -	\$ 46,716	\$ 2,958	\$ 187,870
Intermediate sources	-	-	-	-	-	94
State sources	-	-	-	-	-	67,033
Federal sources	13,600	-	-	-	-	96,468
Temporary loans	-	-	-	-	-	60,000
<b>Total receipts</b>	<b>13,600</b>	<b>-</b>	<b>-</b>	<b>46,716</b>	<b>2,958</b>	<b>411,465</b>
<b>Disbursements:</b>						
<b>Current:</b>						
Instruction	-	-	-	-	-	190,506
Support services	-	-	-	-	-	142,388
Noninstructional services	-	-	863	-	-	863
Debt services	-	-	-	52,786	-	90,516
<b>Total disbursements</b>	<b>-</b>	<b>-</b>	<b>863</b>	<b>52,786</b>	<b>-</b>	<b>424,273</b>
<b>Excess (deficiency) of receipts over disbursements</b>	<b>13,600</b>	<b>-</b>	<b>(863)</b>	<b>(6,070)</b>	<b>2,958</b>	<b>(12,808)</b>
<b>Other financing sources (uses):</b>						
Transfers in	-	-	-	-	-	80,779
Transfers out	(13,681)	(2,000)	-	-	-	(65,214)
<b>Total other financing sources (uses)</b>	<b>(13,681)</b>	<b>(2,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,565</b>
<b>Excess (deficiency) of receipts and other financing sources over disbursements and other financing uses</b>	<b>(81)</b>	<b>(2,000)</b>	<b>(863)</b>	<b>(6,070)</b>	<b>2,958</b>	<b>2,757</b>
<b>Cash and investments - beginning</b>	<b>13,681</b>	<b>2,000</b>	<b>-</b>	<b>8,535</b>	<b>37,865</b>	<b>130,521</b>
<b>Cash and investments - ending</b>	<b>\$ 13,600</b>	<b>\$ -</b>	<b>\$ (863)</b>	<b>\$ 2,465</b>	<b>\$ 40,823</b>	<b>\$ 133,278</b>
<b>Cash and Investment Assets - Ending</b>						
Cash and investments	\$ 13,600	\$ -	\$ (863)	\$ -	\$ 40,823	\$ 130,813
<b>Restricted assets:</b>						
Cash and investments	-	-	-	2,465	-	2,465
<b>Total cash and investment assets - ending</b>	<b>\$ 13,600</b>	<b>\$ -</b>	<b>\$ (863)</b>	<b>\$ 2,465</b>	<b>\$ 40,823</b>	<b>\$ 133,278</b>
<b>Cash and Investment Fund Balance - Ending</b>						
<b>Restricted for:</b>						
Debt service	\$ -	\$ -	\$ -	\$ 2,465	\$ -	\$ 2,465
Unrestricted	13,600	-	(863)	-	40,823	130,813
<b>Total cash and investment fund balance - ending</b>	<b>\$ 13,600</b>	<b>\$ -</b>	<b>\$ (863)</b>	<b>\$ 2,465</b>	<b>\$ 40,823</b>	<b>\$ 133,278</b>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2008

	<u>Cinergy Grant</u>	<u>Jean Ann Behney Grant</u>	<u>Indiana Next Grant</u>	<u>Workforce Partnership</u>	<u>Kasting Scholarship</u>	<u>Totals</u>
Additions:						
Contributions:						
Other	\$ -	\$ 250	\$ -	\$ 548	\$ 13,546	\$ 14,344
Deductions:						
Administrative and general	-	244	-	110	6,950	7,304
Excess of total additions over total deductions	-	6	-	438	6,596	7,040
Cash and investment fund balance - beginning	<u>3,000</u>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>14,712</u>	<u>17,711</u>
Cash and investments - June 30	<u>\$ 3,000</u>	<u>\$ 6</u>	<u>\$ (1)</u>	<u>\$ 438</u>	<u>\$ 21,308</u>	<u>\$ 24,751</u>
Net assets:						
Cash and investments	<u>\$ 3,000</u>	<u>\$ 6</u>	<u>\$ (1)</u>	<u>\$ 438</u>	<u>\$ 21,308</u>	<u>\$ 24,751</u>

MEDORA COMMUNITY SCHOOL CORPORATION  
 COMBINING SCHEDULE OF ADDITIONS, DEDUCTIONS, AND CHANGES IN CASH AND INVESTMENT BALANCES  
 PRIVATE-PURPOSE TRUST FUNDS  
 For the Year Ended June 30, 2009

	<u>Cinergy Grant</u>	<u>Jean Ann Behney Grant</u>	<u>Indiana Next Grant</u>	<u>Workforce Partnership</u>	<u>Kasting Scholarship</u>	<u>Totals</u>
Additions:						
Contributions:						
Other	\$ -	\$ -	\$ -	\$ 649	\$ 14,322	\$ 14,971
Deductions:						
Administrative and general	-	-	-	494	13,250	13,744
Excess of total additions over total deductions	-	-	-	155	1,072	1,227
Cash and investment fund balance - beginning	<u>3,000</u>	<u>6</u>	<u>(1)</u>	<u>438</u>	<u>21,308</u>	<u>24,751</u>
Cash and investments - June 30	<u>\$ 3,000</u>	<u>\$ 6</u>	<u>\$ (1)</u>	<u>\$ 593</u>	<u>\$ 22,380</u>	<u>\$ 25,978</u>
Net assets:						
Cash and investments	<u>\$ 3,000</u>	<u>\$ 6</u>	<u>\$ (1)</u>	<u>\$ 593</u>	<u>\$ 22,380</u>	<u>\$ 25,978</u>

MEDORA COMMUNITY SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF CAPITAL ASSETS  
 For the Year Ended June 30, 2009

Capital assets are reported at actual or estimated historical cost based on appraisals or deflated current replacement cost. Contributed or donated assets are reported at estimated fair value at the time received.

<u>Primary Government</u>	<u>Ending Balance</u>
Governmental activities:	
Capital assets, not being depreciated:	
Land	\$ 41,524
Buildings	5,619,283
Machinery and equipment	<u>332,879</u>
 Total governmental activities, capital assets not being depreciated	 <u>\$ 5,993,686</u>

MEDORA COMMUNITY SCHOOL CORPORATION  
 SUPPLEMENTARY INFORMATION  
 SCHEDULE OF LONG-TERM DEBT  
 June 30, 2009

The School Corporation has entered into the following debt:

Description of Debt	Ending Principal Balance	Principal and Interest Due Within One Year
Governmental activities:		
Capital leases:		
2005 Refunding bonds lease/rental	\$ 3,865,000	\$ 332,000
Qualified zone academy bonds (QZAB)	208,048	19,814
Notes and loans payable	16,384	9,717
Bonds payable:		
General obligation bonds:		
2005 Pension bonds	<u>412,000</u>	<u>34,984</u>
Total governmental activities debt	<u>\$ 4,501,432</u>	<u>\$ 396,515</u>

MEDORA COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS

OVERDRAWN FUND BALANCES

Numerous funds were overdrawn at June 30, 2008 and 2009, as follows:

Fund	2008	2009
Textbook Rental	\$ 12,340	\$ 18,328
Library Grant	928	-
At Risk	30,161	1,041
Step Ahead SACC	-	6,029
Gifted and Talented	1,123	4,785
Gifted and Talented 2002-2003	16,735	21,446
Community Foundation BB/INSAI	-	1,526
Community Foundation	456	456
Community Foundation - Spanish	-	88
Community Foundation - Secondary	2,802	3,477
Title I - FY 2005	567	-
Title I FY 2006-07	26,777	-
Title I FY 2007-08	-	5,577
Title V Part A - FY 2005	12,309	9,695
Drug Free Schools and Campuses	-	76
Title IV, Part A FY 06 Drug Free	682	682
Drug Free Schools FY 2008-09	-	595
21st Century Learning Grant	-	48
Tech Prep	875	875
School Lunch Equipment Stimulus	-	863

The balance of any fund may not be reduced below zero. Routinely overdrawn funds could be an indicator of serious financial problems which should be investigated by the governmental unit. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

A similar comment appeared in the prior report.

MEDORA COMMUNITY SCHOOL CORPORATION  
EXAMINATION RESULTS AND COMMENTS  
(Continued)

PAYROLL WITHHOLDINGS NOT RECONCILED

Payroll withholding accounts were not reconciled to amounts owed as of June 30, 2009, and the accounts do not reflect the correct balances as of the current date.

A similar comment appeared in the prior report.

At all times, the manual and/or computerized records, subsidiary ledgers, control ledger, and reconciled bank balance should agree. If the reconciled bank balance is less than the subsidiary or control ledgers, then the responsible official or employee may be held personally responsible for the amount needed to balance the fund. (Accounting and Uniform Compliance Guidelines Manual for Indiana Public School Corporations, Chapter 9)

TRANSPORTATION CONTRACTS

Payments were made to parents or grandparents for transporting special education students to Bedford and Brownstown without a written agreement during the current examination period.

A similar comment appeared in the prior report.

511 IAC 7-36-8 (d) states in part: ". . . If the parent does transport the student, pursuant to a written agreement with the public agency, the public agency shall reimburse the parent at no less than the per mile rate at which employees of the public agency are reimbursed."

MEDORA COMMUNITY SCHOOL CORPORATION  
EXIT CONFERENCE

The contents of this report were discussed on March 8, 2010, with Vicki Dean, Treasurer; Dr. John M. Reed, Superintendent of Schools; and Darrell Persinger, President of the School Board. The officials concurred with our findings.