



**Auditor of State
Betty Montgomery**

**BUCKEYE LOCAL SCHOOL DISTRICT
MEDINA COUNTY**

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE AND ON
INTERNAL CONTROL REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

Buckeye Local School District
Medina County
3044 Columbia Road
Medina, Ohio 44256

To the Board of Education:

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Buckeye Local School District, Medina County, Ohio, (the District) as of and for the year ended June 30, 2004, which collectively comprise the Government's basic financial statements and have issued our report thereon dated December 17, 2004. 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.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance we must report under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting to determine our auditing procedures for the purpose of expressing our opinions on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted a matter involving the internal control over financial reporting that does not require inclusion in this report, that we have reported to the District's management in a separate letter dated December 17, 2004.

Buckeye Local School District
Medina County
Independent Accountants' Report on Compliance and on
Internal Control Required by *Government Auditing Standards*
Page 2

This report is intended solely for the information and use of management, the Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

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

Betty Montgomery
Auditor of State

December 17, 2004



Auditor of State Betty Montgomery

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

Buckeye Local School District
Medina County
3044 Columbia Road
Medina, Ohio 44256

To the Board of Education:

Compliance

We have audited the compliance of Buckeye Local School District, Medina County, Ohio (the District) with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to its major federal program for the year ended June 30, 2004. The District's major federal program is identified in the summary of auditor's results section of the accompanying schedule of findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended June 30, 2004.

Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

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www.auditor.state.oh.us

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

Schedule of Receipts and Expenditures of Federal Awards

We have audited the financial statements of governmental activities, each major fund and the aggregate remaining fund information of the District as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 17, 2004. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The accompanying schedule of receipts and expenditures of federal awards is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

This report is intended for the information and use of management, the Board of Education, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.



Betty Montgomery
Auditor of State

December 17, 2004

**BUCKEYE LOCAL SCHOOL DISTRICT
MEDINA COUNTY**

**SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2004**

Federal Grantor/ Sub Grantor/ Program Title	Federal CFDA Number	Pass-Through Grantor's Number	Receipts	Non-Cash Receipts	Expenditures	Non-Cash Expenditures
<u>U.S. Department of Education</u>						
<i>Passed through the Ohio Department of Education</i>						
Special Education Cluster:						
Special Education Grants to States	84.027	048470-6B-SF-2003-P 048470-6B-SF-2004-P	\$ 29,100 203,391		\$ 46,720 220,743	
Total Special Education Grants to States			232,491		267,463	
Special Education - Preschool Grants	84.173	048470-PG-S1-2004-P	9,626		5,089	
Total Special Education Cluster			242,117		272,552	
Title I Grants to Local Education Agencies	84.010	048470-C1-S1-2003 048470-C1-S1-2004	32,123 121,020		37,956 130,458	
Total Title I Grants to Local Education Agencies			153,143		168,414	
Innovative Education Program Strategies	84.298	048470-C2-S1-2004	7,569		9,700	
Eisenhower Professional Development	84.281	048470-MS-S1-2002	67		67	
Safe and Drug Free Schools and Communities	84.186	048470-DR-S1-2003 048470-DR-S1-2004	330 8,753		428 8,753	
Total Safe and Drug Free Schools and Communities			9,083		9,181	
Class Size Reduction Subsidy	84.340	048470-CR-S1-2003 048470-CR-S1-2004	14,627 58,115		20,176 67,292	
Total Class Size Reduction Subsidy			72,742		87,468	
School Renovation Grants	84.352	048470-AT-S2-2003	(1,109)		2,341	
Technology Literacy Challenge Fund Grants	84.318	048470-TJ-S1-2004	3,480		4,389	
Total U.S. Department of Education			487,092		554,112	
<u>U.S. Department of Agriculture</u>						
<i>Passed through the Ohio Department of Education</i>						
Nutrition Cluster:						
National School Lunch Program	10.555	048470-LL-P4-2003 048470-LL-P4-2004	28,291 82,858		28,291 82,858	
			111,149		111,149	
Food Distribution	10.550	N/A		\$20,701		\$20,701
Total U.S. Department of Agriculture - Nutrition Cluster			111,149	20,701	111,149	20,701
Totals			\$598,241	\$20,701	\$665,261	\$20,701

See Notes to the Schedule of Receipts and Expenditures of Federal Awards

**BUCKEYE LOCAL SCHOOL DISTRICT
MEDINA COUNTY**

NOTES TO THE SCHEDULE OF RECEIPTS AND EXPENDITURES OF FEDERAL AWARDS

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – FOOD DISTRIBUTION

Non-monetary assistance, such as food received from the U.S. Department of Agriculture, is reported on the Schedule at the fair market value of the commodities received and consumed. Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed that federal monies are expended first. At June 30, 2004, the District had \$7,983 of food commodities in inventory.

**BUCKEYE LOCAL SCHOOL DISTRICT
MEDINA COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A-133 § .505
JUNE 30, 2004**

1. SUMMARY OF AUDITOR'S RESULTS

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

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

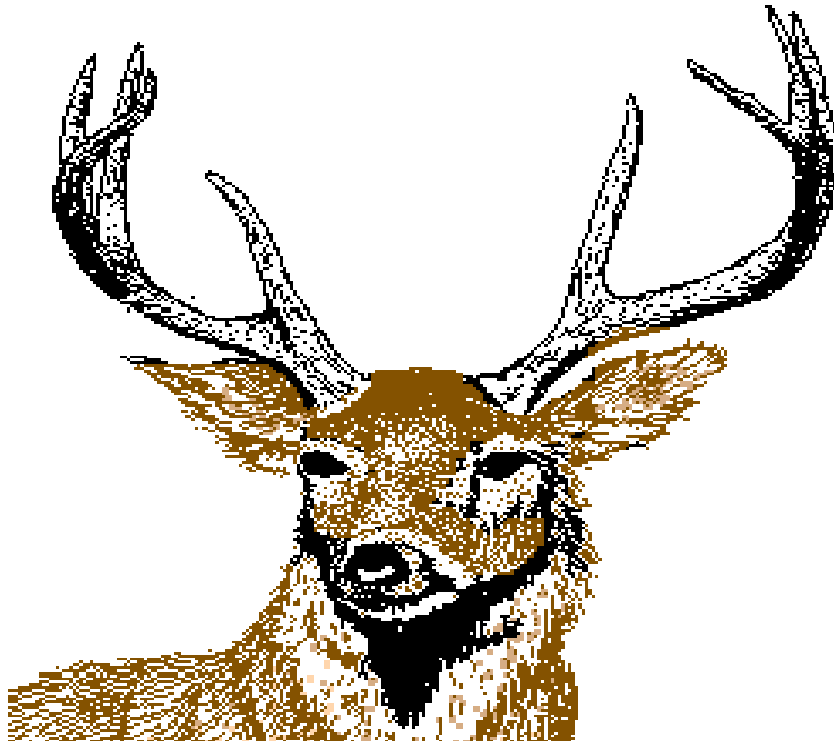
None

3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS

None

BUCKEYE LOCAL SCHOOL DISTRICT

Medina, Ohio



**Prepared by:
Treasurer's Office**

**Carolyn M. Weglewski
Treasurer**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended June 30, 2004**

Introductory Section

Buckeye Local School District

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Buckeye Local School District
BUCKEYE LOCAL BOARD OF EDUCATION

3044 Columbia Road
Medina Ohio 44256
Phone: (330) 725-3735

December 17, 2004

Board of Education Members
Buckeye Local School District

We are pleased to submit to you the Buckeye Local School District's 14th Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2004. This CAFR, prepared by the Treasurer's Office, conforms to generally accepted accounting principles as they apply to governmental entities and contains an opinion from the Ohio Auditor of State. Responsibility for the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the School District. We believe that the data presented is accurate in all material aspects and that it is presented in a manner designed to fairly set forth the financial position and results of operations of the School District. This report will provide the taxpayers of Buckeye Local School District with comprehensive financial data in a format that enables them to receive a clearer understanding of the School District's finances

The Comprehensive Annual Financial Report is presented in three sections as follows:

1. The Introductory Section includes the Table of Contents, Letter of Transmittal, List of Principal Officials, the Organizational Chart, and the GFOA Certificate of Achievement.
2. The Financial Section includes the Auditor's Opinion, Management's Discussion and Analysis, basic financial statements and related footnotes, the combining statements for nonmajor funds, and other schedules that provide detailed information relative to the basic financial statements.
3. The Statistical Section includes various tables reflecting financial trends, the fiscal capacity of the School District, and other relevant educational information.

Litchfield Elementary
9339 Brooker Street
Litchfield Ohio 44253

Liverpool Elementary
6801 School Street
Valley City Ohio 44280

York Elementary
6695 Norwalk Road
Medina Ohio 44256

Buckeye Junior High
3024 Columbia Road
Medina Ohio 44256

Buckeye Senior High
3084 Columbia Road
Medina Ohio 44256

The School District

The Buckeye Local School District is located west of Medina City, and is about 30 miles south of Cleveland. The Buckeye Local School District covers 70.9 square miles. The District is made up of Litchfield Township, Liverpool Township, York Township, and part of Medina City.

On June 12, 1952, the Litchfield, Liverpool, and York Local School Districts consolidated into one school district, to be known as the Buckeye Local School District. At the time of consolidation there were 781 pupils. Currently the enrollment is 2,460.

To serve all the pupils of the consolidated district, a high school was built and dedicated on November 24, 1957. In 1973 a new high school was built and the former high school was converted to the junior high. A new elementary school was built in Litchfield in 1978. A new administrative office was built behind the high school in 1990.

The citizens of the Buckeye Local School District have voted in 51.7 mills, with an effective millage rate of 26.99 as of January 2004. A bond issue for \$23.7 million was approved in March 2000 for the construction of building additions and two replacement elementary buildings. The effective millage of the bond issue was 4.7 mills as of June 30, 2001. Effective January 2004, the Board of Education approved the moving of 1 inside mill to the permanent improvement fund.

The Buckeye Local School District offers a wide range of courses. The students also have a wide range of extracurricular activities to choose from. Students from the Buckeye Local School District have the option to attend the Medina County Career Center located in the district boundaries.

The Reporting Entity

Buckeye Local School District has reviewed its reporting entity definition in order to ensure conformance with Governmental Accounting Standards Board Statement Number 14, "The Financial Reporting Entity." In evaluating how to define the District for financial reporting purposes, management has considered all funds, departments, boards, organizations, and agencies making up the Buckeye Local School District, the primary government. Numerous entities conduct their activities within the School District's boundaries but these entities have been excluded from the financial statements because they do not meet the definitions. Management has prepared the Management Discussion and Analysis of the School District. This discussion follows the auditor's opinion, providing an assessment of the School District finances for 2004 and a comparison to performance in 2003.

Services Provided

The School provides a wide variety of instruction and support services as mandated by state statute or public desire. These services include regular instruction, special instruction, vocational instruction, student guidance services, and extracurricular activities. Support services are necessary to complete the educational process. These services include administration, technical, and other community services. Additional services include uniform school supply sales, food service operation, and a latchkey program. Uniform school supply sales consist of workbooks used by the students. The food service operation provides an opportunity for the children to receive a hot meal every school day, and a latchkey program provides care for School District students before and after school, during the summer, and during winter and spring breaks.

Organization of the School

A five member Board of Education serves as the taxing authority, contracting body, and policy maker for the School District. The Board of Education adopts the annual operating budget, tax budget, and authorizes all expenditures of the School District's tax monies.

The Superintendent is the chief executive officer of the school, responsible to the Board for total education and support operations. The Treasurer is the chief financial officer of the School District, responsible to the Board for maintaining all financial records, issuing checks, making investments, paying liabilities, and maintaining the minutes of all Board of Education meetings. All other employees hired with approval of the Board of Education, ultimately report to the Superintendent.

Economic Condition and Outlook

Our tax base covers the three townships of Liverpool, Litchfield, York and part of Medina City. The three townships are primarily residential and rural, although the District is fortunate to contain two industrial parks, which provide a large personal property tax base. The School District has experienced a steady growth of new construction in residential real estate. Buckeye Local School District has been blessed with a large amount of revenue from personal property taxes in the past. This blessing is being destroyed gradually by a weakened economy and a new state law passed which decreases personal property taxes for inventory one percent annually for 25 years starting in 2003. In 2003 the legislators accelerated this reduction to two percent annually.

Tangible personal property accounts for 21.1% of the District's total tax revenue. The loss of personal property taxes affected the District financially by a half a million dollars in fiscal year 2004. This loss in revenue and State budget cuts that reduced the District revenue, contributed to a decrease in the general fund balance of 1.9 million dollars.

As the demographics of the community are changing, the School District enrollment has stayed constant over the past five years, while the projections show a much greater increase in the near future. In addition, state mandates for classroom size, academic offerings and special education needs within the District challenge the current financial stability of the district.

Pension Plans

All school employees are covered by the statewide School Employees Retirement System (SERS) or the State Teachers Retirement System of Ohio (STRS Ohio). The School's employer contributions to both systems are based on percentages of employees' salaries. State law requires the School to pay the employer share as determined by each retirement system. During 2004, the employer contribution was 14% for both retirement systems. The employees' share was 10% of salary for STRS and 10% for SERS members.

Cash Management

The School District operates an aggressive cash management program by rapidly receipting revenues and investing all available cash in obligations collateralized by instruments issued by the United States Government, State of Ohio, or insured by the Federal Deposit Insurance Corporation. The School District earned \$97,956 in interest income during the fiscal year ended June 30, 2004. Interest was credited to the general, building, and special trust funds. The investment program is very successful because of the

aggressive, responsible method in which all available funds are invested in order to maximize earned interest.

Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Buckeye Local School District for its Comprehensive Annual Financial Reports for the fiscal year ended June 30, 2003. This was the 13th consecutive year that the government has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

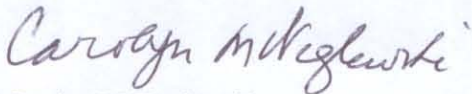
Acknowledgments

We are very proud to submit this 14th Comprehensive Annual Financial Report for the School District. This represents our continuing commitment towards professionalism in the financial reporting of the Buckeye Local School District. This report significantly increases the accountability of the School District to the taxpayers.

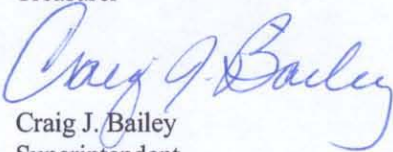
This report would have not been possible without the help of several people. We would like to thank the Board of Education and Superintendent's staff for their support in preparing this report. We would like to thank Marianne Farrell, CPA, LLC, for her expertise and help in making the conversion from cash basis to a modified accrual and accrual presentation.

We are especially grateful to the Treasurer's staff, Rhonda Schultz, Sue Rehlender, and Debbie Hughes, for their extra effort and willingness to assist in the completion of this report.

Sincerely,



Carolyn M Weglewski
Treasurer



Craig J. Bailey
Superintendent

Buckeye Local School District

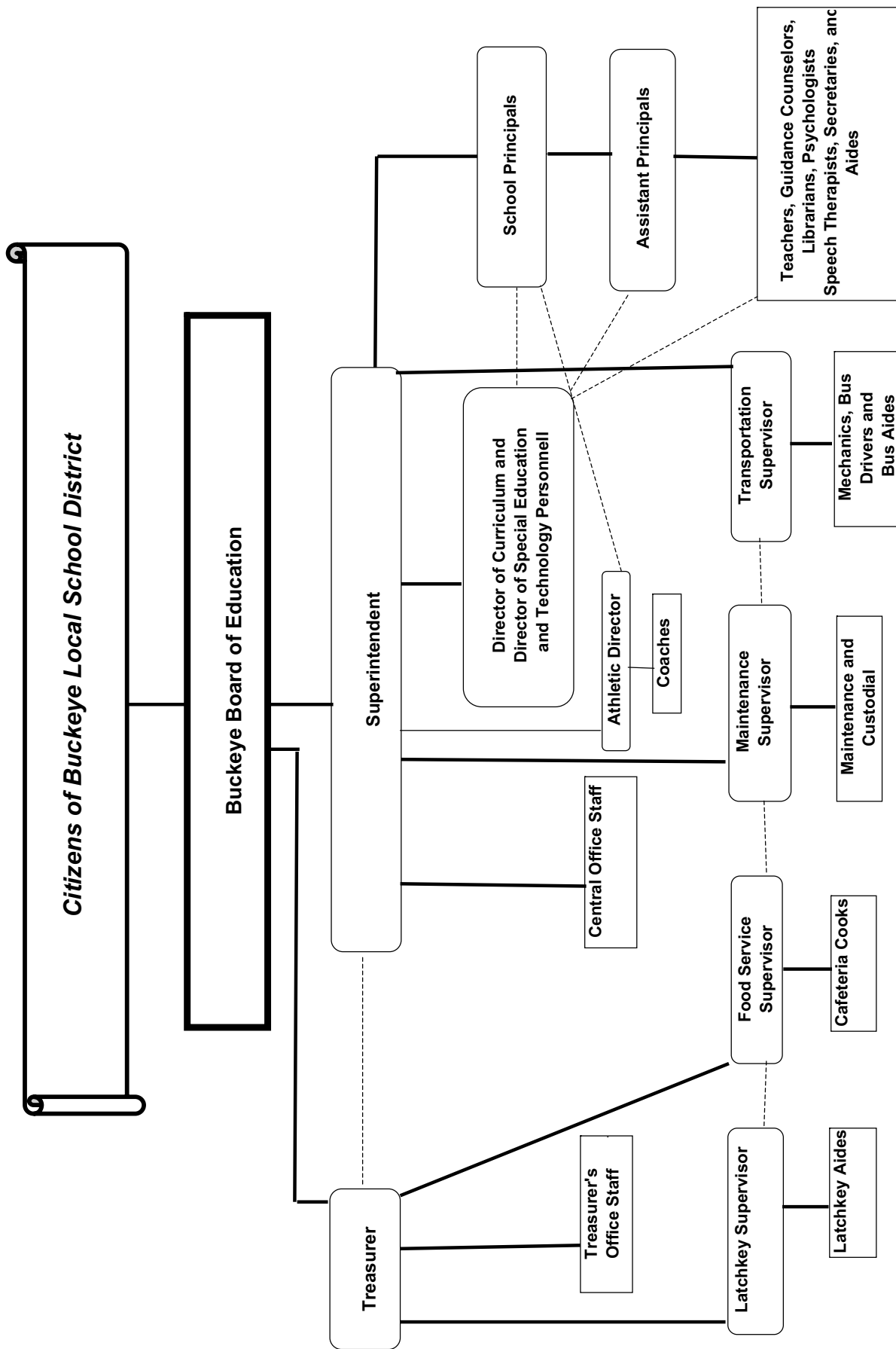
List of Principal Officials

Board of Education

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>
Kay Salzman	President	1/1/02 - 12/31/05
Edward Hovanec	Vice President	1/1/02 - 12/31/05
Judy Rundle	Member	1/1/02 - 12/31/05
Gary Horten	Member	1/1/04 - 12/31/07
Karen Hirt	Member	1/1/04 - 12/31/07

Administration

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>
Craig J. Bailey	Superintendent	8/1/00 – 7/31/04
Carolyn Weglewski	Treasurer	1/1/04 - 12/31/07



Certificate of Achievement for Excellence in Financial Reporting

Presented to

Buckeye Local School
District, Ohio

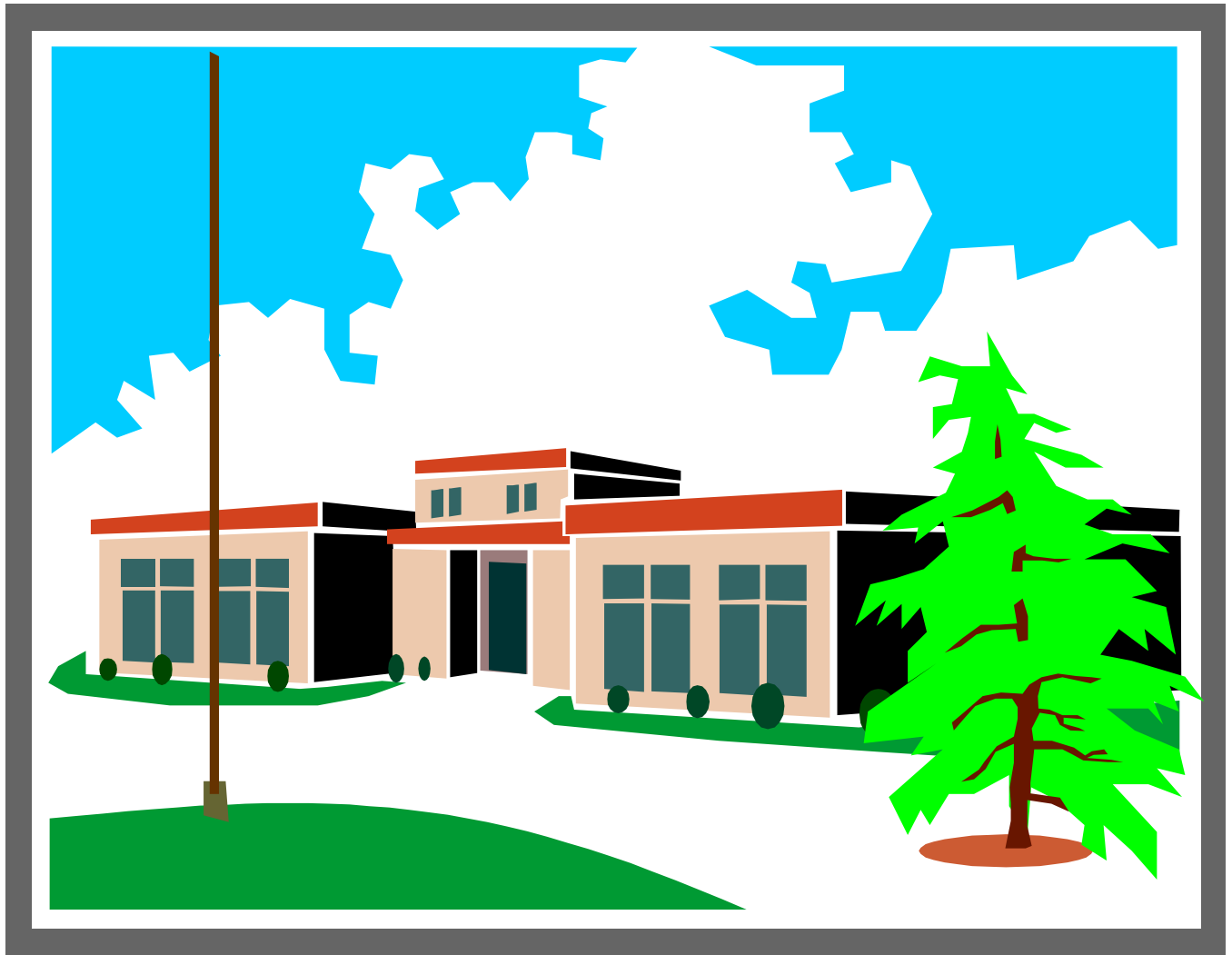
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2003

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



President

Executive Director



***Buckeye Local
Schools***

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Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

Buckeye Local School District
Medina County
3044 Columbia Road
Medina, Ohio 44256

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Buckeye Local School District, Medina County, Ohio, (the District) as of and for the year ended June 30, 2004, which collectively comprise the Government's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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, each major fund, and the aggregate remaining fund information of the Buckeye Local School District, Medina County, Ohio, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, and the respective budgetary comparison for the General Fund thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2004, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

Management's Discussion and Analysis is not a required part of the basic financial statements but is supplementary information the Governmental Accounting Standards Board requires. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

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

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

Betty Montgomery
Auditor of State

December 10, 2004

Buckeye Local School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2004 Unaudited

It is a privilege to present to you the financial picture of Buckeye Local School District (the District). The discussion and analysis of Buckeye Local School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2004. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's financial performance.

Financial Highlights

The opening of the Liverpool and York Elementary Schools, a \$15 million dollar facility, serving kindergarten through sixth grades in Liverpool and York townships

The District moved one inside mill from the general fund to the permanent improvement fund for ongoing capital projects and equipment.

The District has been forced to make major staffing and purchasing cuts in an attempt to control deficit spending. There are more mandated expenses allowing the District less discretionary spending.

Total net assets decreased \$1,342,850, due primarily to expenses exceeding revenues in fiscal year 2004.

Total revenues of \$20,961,010 were comprised of general revenues in the amount of \$18,775,837 or 90 percent and program specific revenues from charges for services, grants and contributions in the amount of \$2,185,173 or 10 percent.

Total assets decreased by \$2,044,791. Current and other assets decreased \$7.1 million. This reflected the \$7.8 million reduction in cash and cash equivalents as construction projects were completed. Taxes receivable increased by \$.5 million, the result of an increase in delinquent taxes. Capital assets, net of depreciation increased \$5.1 million, as major construction came to a close.

The general fund balance decreased \$1,972,480 to \$700,309. This report will analyze various factors contributing to the decrease.

Using this Comprehensive Annual Financial Report (CAFR)

This annual report consists of two distinct series of financial statements: the district-wide and the fund financial statements.

The district-wide reports are designed to show the District's overall economic activity. The *Statement of Net Assets* and *Statement of Activities* provide information about the governmental-type activities of the whole District, presenting both an aggregate view of District finances and a longer-term view of those finances.

Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor

Buckeye Local School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2004 Unaudited

funds presented in total in one column. In the case of Buckeye Local School District, the General, Debt Service, and Building funds are the most significant funds.

Reporting the School District as a Whole (district-wide)

Statement of Net Assets and the Statement of Activities - The analysis of the District as a whole begins on page 5. The view of the District as a whole looks at all financial transactions and asks the questions, "Are we in a better financial position this year than last?" and "Why?" or "Why not?". The Statement of Net Assets and the Statement of Activities provide the basis for answering these questions. The statements include *all assets* and *liabilities*, excluding fiduciary, using the *accrual basis of accounting* similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and any changes in those assets. The change in net assets is important because it tells the reader that, for the District as a whole, *the financial position* of the District has improved or diminished. The causes of this change may be the result of many factors, including factors not under the District's control, such as the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

The Statement of Net Assets and Statement of Activities is represented in one type of activity; Governmental Activities. The District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities as well as food services, uniform school supplies and latchkey.

Reporting the School District's Most Significant Funds (fund financials)

The analysis of the District's major funds begins on page 8. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds.

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

Proprietary Funds - Proprietary funds have historically operated as *enterprise* and *internal service funds* using the same basis of accounting as business-type activities. The lack of profitability in the food service fund led to the decision to no longer report it as an enterprise fund. The charge for a school lunch cannot keep pace with the ever-increasing wage and benefit costs. In addition, the District recognizes that many subsidies received by the food service fund preclude it from being considered a business-type activity. The latchkey fund and the uniform school supplies fund have also been reported as special revenue funds due to the lack of profitability and subsidies received from

Buckeye Local School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited*

other funds. The internal service fund accounts for the self insurance fund and is reported separately as the District's only proprietary fund.

The School District as a Whole

Table 1 provides a comparison of Net Assets as of June 30, 2004 compared to June 30, 2003.

	Table 1 Net Assets	
	Governmental Activities	
	2004	2003
Assets		
Current and Other Assets	\$18,759,240	\$25,909,595
Capital Assets	28,885,917	23,780,353
Total Assets	47,645,157	49,689,948
Liabilities		
Current and Other Liabilities	15,769,676	15,739,954
Long-term Liabilities		
Due Within One Year	960,120	811,104
Due In More Than One Year	22,438,764	23,319,443
Total Liabilities	39,168,560	39,870,501
Net Assets		
Invested in Capital Assets, Net of Debt	6,480,917	12,637,566
Restricted:		
Capital Projects	14,680	0
Debt Service	652,446	0
Set Asides	24,784	0
Other Purposes	493,101	434,046
Unrestricted	810,669	(3,252,165)
Total Net Assets	\$8,476,597	\$9,819,447

Total assets decreased by \$2,044,791. The \$7.8 million decrease in cash and cash equivalents was offset by the \$5.1 million increase in capital assets, net as major construction was completed.

Total liabilities decreased by \$701,941. While current and other liabilities increased by \$29,722, long term liabilities decreased by \$731,663. Long term liabilities declined because of debt service payments. Current and other liabilities saw an increase in accounts and contracts payable due primarily to a \$184,321 increase in tuition payable. This increase was offset by a \$198,762 decrease in deferred revenues due to an increase in delinquent taxes.

Buckeye Local School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited*

Table 2 shows the changes in net assets for fiscal year 2004 compared to 2003.

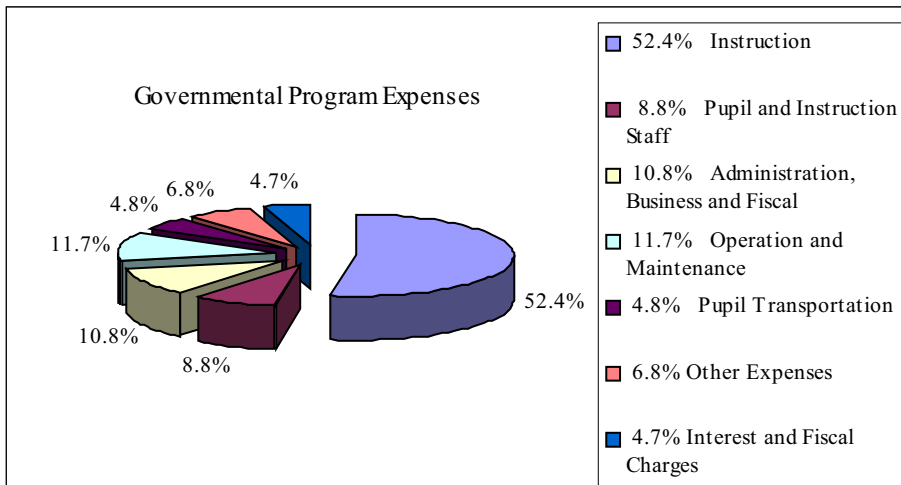
Table 2
Changes in Net Assets for Governmental Activities

	<u>2004</u>	<u>2003</u>
Revenues		
Program Revenues:		
Charges for Services	\$1,033,841	\$975,502
Operating Grants and Contributions	1,151,332	998,057
Capital Grants	0	35,690
General Revenue:		
Property Taxes	12,470,479	12,184,815
Grants and Entitlements	5,988,554	6,044,458
Other	316,804	419,957
Total Revenues	<u>\$20,961,010</u>	<u>\$20,658,479</u>
Program Expenses		
Instruction	\$11,683,044	\$11,224,459
Support Services:		
Pupil and Instruction Staff	1,958,884	1,896,574
Administration, Business and Fiscal	2,416,976	2,171,490
Plant Operation and Maintenance	2,615,104	1,563,657
Pupil Transportation	1,075,846	1,160,450
Central	33,125	18,888
Community Services	215,062	240,083
Extracurricular Activities	765,062	725,997
Food Service	496,232	478,431
Interest and Fiscal Charges	1,044,525	1,071,289
Total Expenses	<u>22,303,860</u>	<u>20,551,318</u>
Increase (Decrease) in Net Assets	(1,342,850)	107,161
Net Assets at Beginning of Year	<u>9,819,447</u>	<u>9,712,286</u>
Net Assets at End of Year	<u><u>\$8,476,597</u></u>	<u><u>\$9,819,447</u></u>

General revenues were steady while program revenues increased \$175,924. Program revenues increased primarily due to increases in operating grants. The 8 percent increase in program revenues is attributable to increases in instruction and food service operating grants.

Buckeye Local School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2004 Unaudited



The total expenses for governmental activities increased \$1,752,542 primarily as a result of increased spending for operation and maintenance from the general and building funds due to the opening of two new elementary schools and relocating the support service

offices, maintenance shop, and storage building to a new location. Instruction comprised 52.4 percent of governmental program expenses. The increase in instruction of \$453,585 is attributable to higher salaries and fringe benefits. The decrease in pupil transportation is due to establishing a new bus storage compound and as a result of budget cuts, there were no new buses purchased.

Governmental Activities

The last operating levy was approved by the voters in August 1994. This was a 12.5 mill ten (10) year limited phase-in levy. A phase-in levy has incremental increases. This phase-in consisted of three incremental increases of 6.9, 2.8 and 2.8 mills over a three year period. This was the first operating levy to add additional revenues for Buckeye Local Schools in 25 years.

A replacement levy of 12.5 mills for a continuing period of time was placed on the ballot twice in fiscal year 2004 and was defeated. A 12.5 mill renewal continuing levy was passed in August 2004 that will maintain 1994 tax revenue levels. The District has placed a 9.8 mill emergency 5 year levy on the February 2005 ballot.

The defeat of the fiscal year 2004 replacement levies, will result in additional budget cuts and increased fees to students for fiscal year 2005. In an effort to stabilize costs, both negotiated agreements were extended at current levels of benefits with no pay increase for the next fiscal year. If the levy passes in calendar year 2005 some of the previously cut programs will be restored.

The Statement of Activities shows the cost of program services and the charges for these services and offsetting grants. Table 3 shows the total cost and the net cost of services. That is, it identifies the cost of these services supported by tax revenue and unrestricted State entitlements. While the food service fund, uniform school supplies fund and they latchkey fund will continue to be segregated in fund accounting, the combined presentation of governmental activities will show those costs in program expenses related to food service operations, regular instruction, and community services.

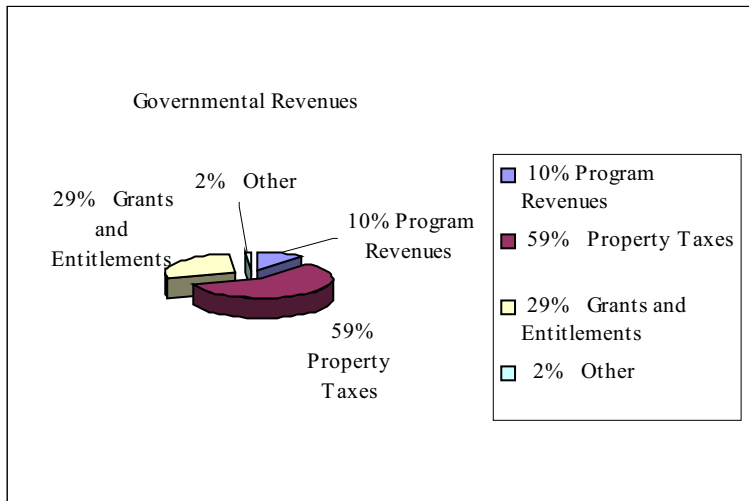
Buckeye Local School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2004 Unaudited

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2004	2003	2004	2003
Instruction	\$11,683,044	\$11,224,459	\$10,658,140	\$10,266,939
Support Services:				
Pupil and Instructional Staff	1,958,884	1,896,574	1,759,741	1,715,156
Administration, Business and Fiscal	2,416,976	2,171,490	2,414,659	2,169,173
Plant Operation and Maintenance	2,615,104	1,563,657	2,615,104	1,563,657
Pupil Transportation	1,075,846	1,160,450	1,003,112	1,102,949
Central	33,125	18,888	18,125	(36,961)
Community Services	215,062	240,083	215,062	240,083
Extracurricular Activities	765,062	725,997	380,413	416,674
Food Service Operation	496,232	478,431	9,806	33,110
Interest and Fiscal Charges	1,044,525	1,071,289	1,044,525	1,071,289
Total Expenses	\$22,303,860	\$20,551,318	\$20,118,687	\$18,542,069

The \$20,118,687 Total Expenses, Net of Services 2004 reveals that these services are not self-supporting, but are supported by tax revenues and unrestricted State entitlements.



Property taxes made up 59 percent of revenues for Buckeye Local Schools in fiscal year 2004. Program revenues include charges for services, grants and contributions that are program specific. Program revenues provided 10 percent of revenues with 90 percent of all governmental activities supported through property taxes, grant and entitlements, and other general revenues. The 29 percent provided by grants and entitlements portion of general revenues included monies

received from the Ohio Department of Education, State Foundation Program and property tax relief such as the utility tax reimbursement, and the homestead and exemption and roll backs provided by HB920. The community, through its willingness to provide property tax revenues, is by far the primary support for Buckeye Local School District students.

The District's Funds

The District's governmental funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$20,124,311 and expenditures of \$28,149,474. The net change in fund balance for the year was most significant in the Building Fund, a decrease of

Buckeye Local School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2004 Unaudited

\$5,808,685 reflecting the completion of major construction. The decrease of \$1,972,480 in the General Fund is also notable. The movement of 1 inside mill to permanent improvement reduced tax revenues. Revenues also decreased because of a rise in delinquent taxes, a decrease in personal property taxes, declining interest earnings and reduced State funding. Expenditures increased due to additional costs associated with opening the two new elementary schools and rising healthcare costs. The \$1.9 million reduction in the general fund balance has prompted the District to consider additional cuts. In order to reduce deficit spending and avoid being placed in State Fiscal Emergency status, the District must look at other large expenditures to eliminate or reduce, such as pupil transportation, closing elementary buildings, closing all other buildings early and elimination of discretionary programs.

General Fund Budgeting Highlights

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

During the course of fiscal 2004, the District amended its general fund budget numerous times. Many of the amendments are due to changes in expenditure priorities in the buildings. The District uses a site-based budgeting system designed to tightly control total site budgets but provide flexibility for site management.

For the General Fund, the final budget basis revenue was \$16,275,985 representing a \$639,665 decrease from the original budget estimates of \$16,915,650. The final budget reflected a 3.8 percent decrease from the original budgeted amount. Most of this difference was due to reductions in tax revenue. For the General Fund, the final budget basis expenditures were \$18,792,612 representing a decrease of less than three-percent from the original budget. Every discretionary purchase was reviewed prior to ordering and as a result expenditures were less than budgeted.

Capital Assets and Debt Administration

Capital Assets

At the end of fiscal 2004 the District had \$28,885,917 invested in land, buildings, equipment, vehicles, and books. Table 4 shows fiscal 2004 balances compared to fiscal 2003. More detailed information is presented in Note 7 of the notes to the basic financial statements.

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

	Governmental Activities	
	2004	2003
Land and Improvements	\$623,417	\$620,485
Buildings and Improvements	26,732,545	9,869,037
Furniture and Equipment	739,407	598,254
Vehicles	716,882	862,956
Text and Library Books	73,666	37,596
Construction in Progress	0	11,792,025
Total	<u>\$28,885,917</u>	<u>\$23,780,353</u>

Buckeye Local School District

*Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2004
Unaudited*

A major increase occurred in buildings and improvements and in furniture and equipment as the construction in progress was reclassified because the construction projects were completed. According to Ohio law a school district must set aside 3 percent of certain revenues for capital improvements. This is in addition to the three percent set aside for textbooks, materials, and equipment related directly to instruction. For fiscal year 2004, this amounted to \$350,807 for each set aside for Buckeye Schools. The District completed the bus compound, driver ready room, and support service offices during this fiscal year.

Debt

At June 30, 2004 the District had \$22,405,000 in bonds outstanding, with \$710,000 due within one year. Table 5 summarizes bonds and notes outstanding.

Table 5
Outstanding Debt, at Year End

	Governmental Activities	
	2004	2003
School Facilities Construction and Improvement 2000, GO Bonds	\$9,375,000	\$9,640,000
School Facilities Construction and Improvement 2001, GO Bonds	9,435,000	9,720,000
School Facilities Construction and Improvement 2002, GO Bonds	<u>3,595,000</u>	<u>3,700,000</u>
Total	<u>\$22,405,000</u>	<u>\$23,060,000</u>

On March 7, 2000, a \$23,700,000 bond levy was approved by voters for the purpose of replacing York and Liverpool elementaries, and improvements and additions to the high school, junior high school and Litchfield elementary school.

On August 15, 2000, the District issued \$10,000,000 general obligation bonds at 4.3-5.3 percent for the school facilities construction and improvements. The bonds were issued for a 25 year period with final maturity on December 1, 2025.

On February 1, 2001, the District again issued \$10,000,000 general obligation bonds at 3.1-5.0 percent for the school facilities construction and improvements. The bonds were issued for a 24 year period with final maturity on December 1, 2025.

On October 1, 2002 the District issued \$3,700,000 general obligation bonds at 4.25% for the school facilities construction and improvements. These bonds were issued for a 23 year period with final maturity on December 1, 2025.

On June 30, 2004, the District's overall legal debt margin was \$12,759,451. The District maintains an A1 bond rating. More detailed information is available in Note 8 of the notes to the basic financial statements.

Buckeye Local School District

Management's Discussion and Analysis For the Fiscal Year Ended June 30, 2004 Unaudited

For the Future

Life in the Buckeye Local School District is a reflection of Medina County with its farming roots, increased commercial and industrial expansion and residential migration from more populated areas. The primary reason for the growth and prosperity in the District, is its 1,400 acre industrial park in Liverpool Township. The Liverpool Industrial Park is Medina County's largest industrial park and is already the home to several corporate headquarters including MTD Products, Inc., the County's third largest employer, and Industrial Plastics, the 14th largest employer in the County.

District residents have a long history of grain farming, raising livestock such as cattle, sheep, dairy cows and hogs and is still an important part of the County's economy. That being said, however, the County's farming community has decreased in recent years. In 1986, there were 1,180 farms encompassing 130,000 acres of land. In 1997, that number dropped to 930 farms and 111,000 acres.

Residential growth has not eluded the District over the past few years. Increasing numbers of housing developments are being approved by the townships. Prices of new homes are in the \$180,000 to over \$500,000 price range. The new developments are attracting young families to the area as evidenced by the residential permits issued in the townships. Residential/Agricultural property contributes 64 percent of the District's real estate valuation.

Buckeye Local School District has committed itself to financial excellence for many years. The School District has received the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting since 1991.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the School District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Carolyn M. Weglewski, Treasurer at Buckeye Local School District, 3044 Columbia Road Medina, Ohio 44256.

Buckeye Local School District
Statement of Net Assets
June 30, 2004

	Governmental Activities
Assets	
Equity in Pooled Cash and Cash Equivalents	\$4,262,663
Cash and Cash Equivalents with Fiscal Agents	1,109,213
Receivables:	
Taxes	13,081,081
Accounts	36,301
Intergovernmental	151,101
Inventory	92,438
Prepaid Items	26,443
Nondepreciable Capital Assets	564,444
Depreciable Capital Assets, Net	28,321,473
Total Assets	\$47,645,157
 Liabilities	
Accounts and Contracts Payable	\$1,744,942
Accrued Wages and Benefits	2,107,904
Intergovernmental Payable	473,207
Deferred Revenue	11,339,828
Accrued Interest Payable	86,212
Claims Payable	17,583
Long-Term Liabilities	
Due Within One Year	960,120
Due In More Than One Year	22,438,764
Total Liabilities	39,168,560
 Net Assets	
Invested in Capital Assets, Net of Related Debt	6,480,917
Restricted for:	
Capital Projects	14,680
Debt Service	652,446
Set Asides	24,784
Other Purposes	493,101
Unrestricted	810,669
Total Net Assets	\$8,476,597

See Notes to Basic Financial Statements

Buckeye Local School District
Statement of Activities
For the Fiscal Year Ended June 30, 2004

		Program Revenues		Net (Expense) and Changes in Net Assets
Governmental Activities	Expenses	Charges for Services	Operating Grants and Contributions	Governmental Activities
Instruction				
Regular and Special	\$10,872,787	\$300,448	\$462,621	(\$10,109,718)
Vocational and Other	810,257	0	261,835	(548,422)
Support Services:				
Pupil Services	813,740	0	53,290	(760,450)
Instructional Staff	1,145,144	0	145,853	(999,291)
Administration	1,746,393	0	2,317	(1,744,076)
Business and Fiscal Services	670,583	0	0	(670,583)
Plant Operation and Maintenance	2,615,104	0	0	(2,615,104)
Pupil Transportation	1,075,846	0	72,734	(1,003,112)
Central	33,125	0	15,000	(18,125)
Community Services	215,062	0	0	(215,062)
Extracurricular	765,062	378,649	6,000	(380,413)
Food Service Operations	496,232	354,744	131,682	(9,806)
Interest and Fiscal Charges	1,044,525	0	0	(1,044,525)
Total Governmental Activities	22,303,860	1,033,841	1,151,332	(20,118,687)
General Revenues				
Property Taxes Levied for:				
General Purposes				10,636,810
Debt Service				1,643,506
Capital Outlay				190,163
Grants and Entitlements not Restricted to Specific Programs				5,988,554
Investment Earnings				97,956
Other				218,848
				18,775,837
				(1,342,850)
				9,819,447
				\$8,476,597

See Notes to Basic Financial Statements

Buckeye Local School DistrictBalance Sheet
Governmental Funds
June 30, 2004

	<u>General</u>	<u>Debt Service</u>	<u>Building</u>	<u>Other Governmental Funds</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$2,837,223	\$658,138	\$921	\$594,153
Cash and Cash Equivalents with Fiscal Agents	0	0	1,109,213	0
Receivables:				
Taxes	11,037,043	1,684,908	0	359,130
Accounts	10,155	0	0	26,146
Intergovernmental	0	0	0	151,101
Interfund	61,861	0	0	0
Inventory	80,679	0	0	11,759
Prepaid Items	24,516	0	0	1,927
Total Assets	<u>\$14,051,477</u>	<u>\$2,343,046</u>	<u>\$1,110,134</u>	<u>\$1,144,216</u>
Liabilities and Fund Balances				
Liabilities				
Accounts and Contracts Payable	\$575,241	\$0	\$1,095,454	\$74,247
Accrued Wages and Benefits	2,000,813	0	0	107,091
Intergovernmental Payable	142,632	0	0	5,280
Deferred Revenue	10,632,482	1,604,388	0	341,998
Interfund Payable	0	0	0	61,861
Total Liabilities	<u>13,351,168</u>	<u>1,604,388</u>	<u>1,095,454</u>	<u>590,477</u>
Fund Balances				
Reserved for Encumbrances	360,961	0	0	47,184
Reserved for BWC	24,784	0	0	0
Reserved for Property Tax Advance	404,561	80,520	0	17,132
Unreserved, Undesignated, Reported in:				
General Fund	(89,997)	0	0	0
Special Revenue Funds	0	0	0	459,423
Debt Service Fund	0	658,138	0	0
Capital Project Funds	0	0	14,680	30,000
Total Fund Balances	<u>700,309</u>	<u>738,658</u>	<u>14,680</u>	<u>553,739</u>
Total Liabilities and Fund Balances	<u>\$14,051,477</u>	<u>\$2,343,046</u>	<u>\$1,110,134</u>	<u>\$1,144,216</u>

See Notes to Basic Financial Statements

Buckeye Local School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2004*

Total Governmental Funds		
\$4,090,435	Total Governmental Funds Balances	\$2,007,386
1,109,213		
13,081,081	<i>Amounts reported for governmental activities in the statement of net assets are different because</i>	
36,301		
151,101	Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	28,885,917
61,861		
92,438		
26,443	Other long-term assets are not available to pay for current period expenditures and therefore are deferred in the funds:	
<u>\$18,648,873</u>	Delinquent Property Taxes	1,239,040
\$1,744,942	Due to other governments includes contractually required pension contributions not expected to be paid with expendable available financial resources and therefore not reported in the funds.	(325,295)
2,107,904		
147,912		
12,578,868	One internal service fund is used by management to charge the cost of insurance to individual funds. The assets and liabilities of the internal service fund is included in governmental activities in the statement of net assets.	154,645
61,861		
16,641,487	Long-term liabilities, including bonds payable, are not due and in the funds.	
	General Obligation Bonds	(22,405,000)
408,145	Compensated Absences	(993,884)
24,784	Accrued Interest Payable	(86,212)
502,213		
(89,997)		
459,423		
658,138		
44,680		
2,007,386	Total	<u>(23,485,096)</u>
	Net Assets of Governmental Activities	<u>\$8,476,597</u>
\$18,648,873		

Buckeye Local School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2004

	General	Debt Service	Building Fund	Other Governmental Funds
Revenues				
Taxes	\$9,906,679	\$1,561,519	\$0	\$165,582
Tuition	2,465	0	0	297,983
Charges for Services	0	0	0	354,744
Earnings on Investments	64,611	0	33,089	256
Intergovernmental	6,134,549	166,412	0	838,925
Extracurricular Activities	50,910	0	0	327,739
Contributions and Donations	0	0	0	162,776
Other	56,072	0	0	0
Total Revenues	16,215,286	1,727,931	33,089	2,148,005
Expenditures				
Current:				
Regular and Special Instruction	10,280,253	0	0	430,017
Vocational and Other Instruction	827,714	0	0	0
Support Services:				
Pupil Services	723,573	0	0	78,739
Instructional Staff	856,647	0	0	259,587
Administration	1,593,168	0	238,442	43,906
Business and Fiscal Services	644,951	25,198	0	0
Plant Operation and Maintenance	1,738,252	0	828,828	25,000
Pupil Transportation	1,031,325	0	0	408
Central	8,630	0	0	24,495
Community Services	77	0	0	193,009
Extracurricular	427,406	0	0	335,585
Food Service Operation	0	0	0	494,953
Capital Outlay	23,714	0	4,774,504	539,677
Debt Service:				
Principal	0	655,000	0	0
Interest and Fiscal Charges	0	1,046,416	0	0
Total Expenditures	18,155,710	1,726,614	5,841,774	2,425,376
Excess Revenues Over (Under) Expenditures	(1,940,424)	1,317	(5,808,685)	(277,371)
Other Financing Sources (Uses)				
Transfers In	0	0	0	32,056
Transfers Out	(32,056)	0	0	0
Total Other Financing Sources (Uses)	(32,056)	0	0	32,056
Net Change in Fund Balances	(1,972,480)	1,317	(5,808,685)	(245,315)
Fund Balances at Beginning of Year	2,672,789	737,341	5,823,365	799,054
Fund Balances at End of Year	\$700,309	\$738,658	\$14,680	\$553,739

See Notes to Basic Financial Statements

Buckeye Local School District
*Reconciliation of Statement of Revenues, Expenditures and Changes in
Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2004*

<p style="text-align: center;">Total Governmental Funds</p> <hr/> <p>\$11,633,780 300,448 354,744 97,956 7,139,886 378,649 162,776 56,072</p> <hr/> <p>20,124,311</p> <p>10,710,270 827,714 802,312 1,116,234 1,875,516 670,149 2,592,080 1,031,733 33,125 193,086 762,991 494,953 5,337,895</p> <p>655,000 1,046,416</p> <hr/> <p>28,149,474</p> <p>(8,025,163)</p> <p>32,056 (32,056)</p> <hr/> <p>0</p> <p>(8,025,163)</p> <p>10,032,549</p> <hr/> <p>\$2,007,386</p>	<p>Net Changes in Fund Balances (\$8,025,163)</p> <p><i>Amounts reported for governmental activities in the statement of activities are different because</i></p> <p>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 capital outlays exceeded depreciation in the current period.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Capital Asset Additions</td> <td style="width: 20%; text-align: right;">5,480,796</td> <td style="width: 30%;"></td> </tr> <tr> <td>Depreciation</td> <td style="text-align: right;">(375,232)</td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">5,105,564</td> <td></td> </tr> </table> <p>Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Delinquent Property Taxes</td> <td style="width: 20%;"></td> <td style="width: 30%; text-align: right;">836,699</td> </tr> </table> <p>Repayment of notes and bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 20%;"></td> <td style="width: 30%; text-align: right;">655,000</td> </tr> </table> <p>In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is reported when due.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 20%;"></td> <td style="width: 30%; text-align: right;">1,891</td> </tr> </table> <p>Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures of activities in governmental funds.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Compensated Absences</td> <td style="width: 20%; text-align: right;">76,663</td> <td style="width: 30%;"></td> </tr> <tr> <td>Intergovernmental Payable</td> <td style="text-align: right;">(1,440)</td> <td></td> </tr> <tr> <td>Total</td> <td style="text-align: right;">75,223</td> <td></td> </tr> </table> <p>The internal service funds used by management to charge the costs of insurance to individual funds are not reported in the district- and related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund are allocated among the governmental activities.</p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"></td> <td style="width: 20%;"></td> <td style="width: 30%; text-align: right;">7,936</td> </tr> </table> <p>Change in Net Assets of Governmental Activities <u><u>(\$1,342,850)</u></u></p>	Capital Asset Additions	5,480,796		Depreciation	(375,232)		Total	5,105,564		Delinquent Property Taxes		836,699			655,000			1,891	Compensated Absences	76,663		Intergovernmental Payable	(1,440)		Total	75,223				7,936
Capital Asset Additions	5,480,796																														
Depreciation	(375,232)																														
Total	5,105,564																														
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Total	75,223																														
		7,936																													

Buckeye Local School District
Statement of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Fiscal Year Ended June 30, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$10,647,325	\$9,971,402	\$9,971,402	\$0
Tuition	2,451	2,465	2,465	0
Earnings on Investments	64,239	64,611	64,611	0
Intergovernmental	6,099,269	6,134,549	6,134,549	0
Extracurricular Activities	50,617	50,910	50,910	0
Other	51,749	52,048	52,048	0
Total Revenues	16,915,650	16,275,985	16,275,985	0
Expenditures				
Current:				
Regular Instruction	9,406,432	8,676,439	8,676,439	0
Special Instruction	1,706,867	1,594,662	1,594,662	0
Vocational and Other Instruction	843,887	1,069,879	1,069,879	0
Support Services				
Pupil Services	758,505	719,814	719,814	0
Instructional Staff	1,033,622	907,422	907,422	0
Administration	1,632,420	1,614,037	1,614,037	0
Business and Fiscal Services	600,470	694,200	694,200	0
Plant Operation and Maintenance	1,746,482	1,936,231	1,935,107	1,124
Pupil Transportation	1,158,924	1,121,855	1,121,855	0
Central	8,688	9,657	9,657	0
Extracurricular	441,964	425,326	425,326	0
Capital Outlay	0	24,214	24,214	0
Total Expenditures	19,338,261	18,793,736	18,792,612	1,124
Excess of Revenues Over (Under) Expenditures	(2,422,611)	(2,517,751)	(2,516,627)	1,124
Other Financing Sources (Uses)				
Transfers In	800	0	0	0
Advances In	61,505	0	0	0
Transfers Out	(34,133)	(32,056)	(32,056)	0
Advances Out	(65,867)	(61,861)	(61,861)	0
Total Other Financing Sources (Uses)	(37,695)	(93,917)	(93,917)	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,460,306)	(2,611,668)	(2,610,544)	1,124
Fund Balance at Beginning of Year	3,751,819	3,751,819	3,751,819	0
Prior Year Encumbrances Appropriated	760,868	760,868	760,868	0
Fund Balance at End of Year	\$2,052,381	\$1,901,019	\$1,902,143	\$1,124

See Notes to Basic Financial Statements

Buckeye Local School District

Statement of Net Assets

Internal Service Fund

June 30, 2004

	<u>Insurance</u>
Assets	
Current assets:	
Equity in Pooled Cash and Cash Equivalents	<u>\$172,228</u>
Total Assets	<u>\$172,228</u>
Liabilities	
Current liabilities:	
Claims Payable	<u>\$17,583</u>
Total Liabilities	<u>17,583</u>
Net Assets	
Unrestricted	<u>154,645</u>
Total Net Assets	<u><u>\$154,645</u></u>

See Notes to Basic Financial Statements

Buckeye Local School District
Statement of Revenues, Expenses
and Changes in Fund Net Assets
Internal Service Fund
For the Fiscal Year Ended June 30, 2004

	<u>Insurance</u>
Operating Revenues	
Charges for Services	<u>\$710,717</u>
Total Revenues	710,717
Operating Expenses	
Claims	<u>702,781</u>
Total Expenses	<u>702,781</u>
Operating Income	7,936
Net Assets at Beginning of Year	<u>146,709</u>
Net Assets at End of Year	<u>\$154,645</u>

See Notes to Basic Financial Statements

Buckeye Local School District
Statement of Cash Flows
Internal Service Fund
For the Year Ended June 30, 2004

	<u>Insurance</u>
Increase in Cash and Cash Equivalents	
Cash Flows From Operating Activities	
Cash Received from Quasi-External Transactions With Other Funds	\$710,997
Cash Payments for Claims	<u>(689,362)</u>
Net Increase in Cash and Cash Equivalents	21,635
Cash And Cash Equivalents, Beginning of Year	<u>150,593</u>
Cash And Cash Equivalents, End of Year	<u>\$172,228</u>
 Reconciliation of Operating Income to Net Cash Provided By Operating Activities	
Operating Income	\$7,936
Adjustments:	
Decrease In Assets:	
Accounts Receivable	280
Decrease In Liabilities:	
Claims Payable	<u>13,419</u>
Total Adjustments	<u>13,699</u>
Net Cash Provided By Operating Activities	<u>\$21,635</u>

See Notes to Basic Financial Statements

Buckeye Local School District
Statement of Fiduciary Net Assets
Agency Fund
June 30, 2004

Assets	
Equity in Pooled Cash and Cash Equivalents	\$41,213
Accounts Receivable	<u>486</u>
Total Assets	<u><u>\$41,699</u></u>
Liabilities	
Accounts and Contracts Payable	\$6,297
Due to Students	<u>35,402</u>
Total Liabilities	<u><u>\$41,699</u></u>

See Notes to Basic Financial Statements

Buckeye Local School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

Note 1: Summary of Significant Accounting Policies

Reporting Entity

The Buckeye Local School District (the District) is a school district corporation governed by an elected Board of Education. The reporting entity is composed of the primary government, component units, and other organizations that are included to ensure that the financial statements of the District are not misleading. The primary government consists of all funds, departments, boards and agencies that are not legally separate from the District. For Buckeye Local School District, this includes general operations, food service and student related activities of the District.

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

Basis of Presentation, Measurement Focus and Basis of Accounting

The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial principles. The District also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental activities provided they do not conflict with or contradict GASB pronouncements. The most significant of the District's accounting policies are described below.

Basis of Presentation

The District's basic financial statements consist of government-wide statements, including a Statement of Net Assets and a Statement of Activities, and fund financial statements, which provide a more detailed level of financial information.

Government-wide Financial Statements The Statement of Net Assets and the Statement of Activities display information about the District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The activity of the internal service fund is eliminated to avoid overstating revenues and expenses.

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

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

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

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

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

General Fund The general fund is the operating fund of the District and is used to account for all financial resources except those required to be accounted for in another fund.

Debt Service Fund The debt service fund is used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

Building Fund The building capital projects fund accounts for financial resources to be used for the acquisition, construction, or improvement of major capital facilities.

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

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

Proprietary Funds Proprietary funds are used to account for the District's ongoing activities, which are similar to those found in the private sector. The District's only proprietary fund is an internal service fund.

Internal Service Funds Internal service funds account for the financing of services provided by one department to other departments of the District on a cost reimbursement basis. The only internal service fund of the District accounts for a self-insurance program, which provides prescription and dental benefits to employees.

Fiduciary Funds Fiduciary fund reporting focuses on net assets and changes in net assets. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only fiduciary fund is an agency fund that accounts for student activity programs.

Measurement Focus

Government-wide Financial Statements The government-wide financial statements are prepared using the economic resources measurement focus. All nonfiduciary assets and all liabilities associated with the operation of the District 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, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of this fund are included on the Statement of Net Assets. The Statement of Changes in Fund Net Assets presents increases (i.e., revenues) and decreases (i.e., expenses) in net total assets. The Statement of Cash Flows provides information about how the District finances and meets the cash flow needs of its proprietary activities. Fiduciary funds are reported using the economic resources measurement focus.

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

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 also use the accrual basis of accounting. Differences in the accrual and the modified accrual basis of accounting arise in the recognition of revenue, the recording of deferred revenue, and in the presentation of expenses versus expenditures.

Revenues – Exchange and Non-Exchange Transactions Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. Available means that the resources will be collected within the current fiscal year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the District, available means expected to be received within 30 days of year-end.

Non-exchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District 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: property tax advances, tuition, grants, fees and rentals.

Deferred 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 June 30, 2004, but which were levied to finance fiscal year 2005 operations, have been recorded as deferred revenue.

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

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

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

Cash and Cash Equivalents

The District's equity in pooled cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

During fiscal year 2004, investments were limited to the State Treasurer's Investment Pool, STAROhio, and repurchase agreements. STAROhio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price, which is the price the investment could be sold for on June 30, 2004.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the special trust fund during fiscal year 2004 amounted to \$256. Investment earnings from bond proceeds are statutorily required to be credited to the building fund, which amounted to \$33,089 for fiscal year 2004. Interest revenue credited to the general fund was \$64,611, which includes \$19,732 assigned from other District funds.

Inventory

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

Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2004 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

Capital Assets

General capital assets are those assets not specifically related to activities reported in the internal service fund. These assets generally result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market value as of the date received. The District maintains a capitalization threshold of \$2,000. The District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

life are not. All reported capital assets except land are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	10-20 years
Buildings and Improvements	10-50 years
Furniture and Equipment	5-20 years
Vehicles	5-10 years
Library & Textbooks	5 years

Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "Interfund Receivable/Payable". These amounts are eliminated in the Statement of Net Assets. At June 30, 2004, there were no interfund balances.

Compensated Absences

Compensated absences are absences for which employees will be paid, such as vacation or sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the District and its employees, is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent on a specific event that is outside the control of the District and its employees are accounted for in the period in which such services are rendered or such events take place. Sick leave is calculated using the vesting method.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental funds, compensated absences is the amount that is normally expected to be paid with expendable available financial resources and the occurrence of a relevant event.

Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the proprietary fund are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences, special termination benefits and contractually required pension contributions that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are normally expected to be paid with expendable available financial resources. Bonds are recognized as a liability on the fund financial statements when due.

Buckeye Local School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

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 borrowings 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 adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

Fund Balance Reserves

The District reserves portions of fund balance which are legally segregated for specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation for expenditures. Unreserved fund balance indicates that portion of fund balance, which is available for appropriation in future periods. Fund balance reserves are established for encumbrances, BWC rebate, and property tax advances.

The Reserve for Property Tax Advances represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriations under State statute.

Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the proprietary fund. For the District, these revenues are charges for services for self-insurance programs. Operating expenses are necessary costs incurred to provide the goods or services that are the primary activity of the fund. Revenues and expenses not meeting these definitions are reported as non-operating.

Estimates

The preparation of 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.

Note 2: Stewardship, Compliance and Accountability

Budgetary Data

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the object level within each fund and function. The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statements reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final budgeted amounts in the budgetary statements reflect the amounts in the final amended certificate issued during fiscal year 2004.

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

Basis of Budgeting

The District's budgetary process is based upon accounting for transactions on the budget basis. The difference between the budget basis and the accrual and modified accrual (GAAP) basis are that revenues are recorded when received (budget) as opposed to when susceptible to accrual (GAAP) and expenditures are recorded when paid or encumbered (budget) as opposed to when incurred (GAAP). The advances are reclassified as due to or due from.

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

Net Change in Fund Balance	
General Fund	
GAAP Basis	(\$1,972,480)
Net Adjustments for Revenue Accruals	60,699
Net Adjustments for Expenditure Accruals	299,300
Net Adjustments for Interfund Advances	(61,861)
Net Adjustments for Encumbrances	(936,202)
Budget Basis	<u><u>(\$2,610,544)</u></u>

Deficit Fund Balance

The Food Service fund had deficit fund balance of \$32,415. The deficit resulted from adjustments for accrued liabilities. The general fund is ultimately liable for any deficits in the

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

District's funds and provides operating transfers when cash is needed rather than when accruals are recognized.

Note 3: Deposits and Investments

Legal Requirements

Deposits and investments are restricted by provisions of the Ohio Revised Code. Statutes require the classification of monies held by the District into three categories.

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

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

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

Interim monies are to be deposited or 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 or 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 agreement must exceed the principal value of the agreement by at least 2 percent and be marked to market daily, and that the term of the agreement must not exceed 30 days;

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

4. Bonds and other obligations of the State of Ohio;
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 (STAR Ohio).
7. Certain bankers' acceptances and commercial paper notes for a period not to exceed 180 days from the purchase date in any amount not to exceed 25 percent 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 rating classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District and must be purchased with the expectation that it will be held to maturity.

By statute, protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public monies deposited within the institution. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

Deposits

At year-end, the carrying amount of the District's deposits was \$(176,259), and the bank balance was \$55,328. Of the bank balance \$55,328 was covered by federal depository insurance.

Investments

The District's investments are categorized below to give an indication of the level of custodial credit risk assumed by the District at year-end. Category 3 includes uninsured and unregistered

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

investments for which securities are held by the financial institution or by its trust department but not in the District's name.

	Category 3	Carrying Value
Repurchase Agreement	\$251,000	\$ 251,000
Not subject to categorization:		
State Treasurer's Investment Pool		5,338,348
Total Investments	<u>\$251,000</u>	<u>\$5,589,348</u>

Note 4: Jointly Governed Organizations

Lake Erie Education Computer Association (LEECA)

The Lake Erie Educational Computer Association (LEECA) is a jointly governed organization among 30 school districts. The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of these schools supports LEECA based upon a per pupil charge dependent upon the software package utilized. The LEECA assembly consists of a superintendent or designated representative from each participating school district and a representative from the fiscal agent. LEECA is governed by a Board of Directors chosen from the general membership of the LEECA Assembly. The Board of Directors consists of a representative from the fiscal agent, the chairman of each of the operating committees, and at least one Assembly member from each county in which participating school districts are located. Financial information can be obtained by contacting the Treasurer at the Educational Service Center of Lorain County, who serves as the fiscal agent, at 1885 Lake Avenue, Elyria, Ohio 44035.

Ohio Schools' Council (OSC)

The Ohio Schools' Council (OSC) is a jointly governed organization comprised of 72 school districts. The jointly governed organization was formed for the purpose of promoting cooperative agreements and activities among its members in dealing with problems of mutual concern such as a media center, gas consumption, food service, and insurance. Each member provides operating resources to OSC via a monthly administrative fee and an actual usage charge, except for insurance.

The OSC assembly consists of a superintendent or designated representative from each participating school district and the fiscal agent. OSC is governed by a Board of Directors chosen from the general membership. The degree of control exercised by any participating school district is limited to its representation on the Board. Financial information can be obtained by contacting the Treasurer at the Ohio Schools' Council at 8001 Brecksville Road, Brecksville, Ohio 44141.

Buckeye Local School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

Medina County Career Center

The Medina County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board, consisting of one representative from each participating school district's elected board, which possesses its own budgeting and taxing authority. Accordingly, the Medina County Career Center is not part of the District and its operations are not included as part of the reporting entity. The Career Center provides vocational programs for District high school students. Financial information can be obtained by contacting the Treasurer at the Medina County Career Center, 1101 West Liberty Street, Medina, Ohio 44256.

Note 5: Receivables

Receivables at June 30, 2004, consisted of taxes, accounts and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the non-payment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. Receivables as of year-end for the District's individual major, and nonmajor funds in the aggregate, are as follows:

	General Fund	Debt Service Fund	Nonmajor And Other Funds	Total
Receivables:				
Taxes	\$11,037,043	\$1,684,908	\$359,130	\$13,081,081
Accounts	10,155	0	26,632	36,787
Intergovernmental	0	0	151,101	151,101
	<u>\$11,047,198</u>	<u>\$1,684,908</u>	<u>\$536,863</u>	<u>\$13,268,969</u>

Note 6: Interfund Transactions

Interfund transactions as of year-end for the District's general fund and nonmajor governmental funds, and are as follows

	General Fund	Nonmajor Funds	Total
Interfund Receivable	\$61,861	\$0	\$61,861
Interfund Payable	0	(61,861)	(61,861)
Transfers In	0	32,056	32,056
Transfer Out	(32,056)	0	(32,056)
Total	<u>\$29,805</u>	<u>\$(29,805)</u>	<u>\$0</u>

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

The interfund balance represents advances from the General Fund to Special Revenue funds. During the year, the District transferred \$27,305 from the General Fund to a Capital Projects Fund for construction projects in fiscal 2004, and \$4,751 to the Food Service fund to help reduce the deficit fund balance.

Note 7: Capital Assets

Capital asset activity for the fiscal year ended June 30, 2004 was as follows:

Governmental Activities	Balance June 30, 2003	Additions	Deletions	Balance June 30, 2004
Capital Assets, not depreciated				
Land	\$564,444	\$0	\$0	\$564,444
Construction in Progress	11,792,025	0	(11,792,025)	0
Total Capital Assets, not depreciated	<u>12,356,469</u>	<u>0</u>	<u>(11,792,025)</u>	<u>564,444</u>
Capital Assets, depreciated				
Land Improvements	61,059	4,986	0	66,045
Buildings and Improvements	14,343,576	17,030,673	(41,696)	31,332,553
Furniture and Equipment	1,974,682	248,269	(5,481)	2,217,470
Vehicles	1,752,957	0	0	1,752,957
Textbooks and Library Books	1,112,556	72,140	(28,856)	1,155,840
Total Capital Assets, being depreciated	<u>19,244,830</u>	<u>17,356,068</u>	<u>(76,033)</u>	<u>36,524,865</u>
Less Accumulated Depreciation:				
Land Improvements	(5,018)	(2,054)	0	(7,072)
Buildings and Improvements	(4,474,539)	(151,846)	26,377	(4,600,008)
Furniture and Equipment	(1,376,428)	(104,390)	2,755	(1,478,063)
Vehicles	(890,001)	(146,074)	0	(1,036,075)
Textbooks and Library Books	(1,074,960)	(7,214)	0	(1,082,174)
Total Accumulated Depreciation	<u>(7,820,946)</u>	<u>(411,578) *</u>	<u>29,132</u>	<u>(8,203,392)</u>
Total Capital Assets being depreciated, Net	<u>11,423,884</u>	<u>16,944,490</u>	<u>(46,901)</u>	<u>28,321,473</u>
Governmental Activities Capital Assets, Net	<u>\$23,780,353</u>	<u>\$16,944,490</u>	<u>(\$11,838,926)</u>	<u>\$28,885,917</u>

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

*Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$172,298
Special	61,215
Vocational	5,499
Support Services:	
Pupil Services	11,564
Instructional Staff	34,044
Administration	27,494
Fiscal Services	5,499
Operation and Maintenance	22,440
Pupil Transportation	45,406
Community Services	23,370
Extracurricular	<u>2,749</u>
Total Depreciation Expense	<u>\$411,578</u>

Note 8: Long-Term Obligations

Changes in the District's long-term obligations during the year consist of the following:

	Principal			Principal	
	Outstanding			Outstanding	Due Within
	<u>June 30, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>June 30, 2004</u>	<u>One Year</u>
General Obligation Bonds:					
School Facilities Construction					
And Improvements, 2000	9,640,000	0	(265,000)	9,375,000	280,000
School Facilities Construction					
And Improvements, 2001	9,720,000	0	(285,000)	9,435,000	300,000
School Facilities Construction					
And Improvements, 2002	3,700,000	0	(105,000)	3,595,000	130,000
Compensated Absences	1,070,547	152,719	(229,382)	993,884	250,120
Long-term liabilities	<u>\$24,130,547</u>	<u>\$152,719</u>	<u>(\$884,382)</u>	<u>\$23,398,884</u>	<u>\$960,120</u>

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

Bonds

On August 15, 2000, the District issued \$10,000,000 general obligation bonds at 4.3-5.3% for the school facilities construction and improvements. These bonds were issued for a 25 year period with final maturity on December 1, 2025.

On February 1, 2001, the District again issued \$10,000,000 general obligation bonds at 3.1-5.0% for the school facilities construction and improvements. The bonds were issued for a 24 year period with final maturity on December 1, 2025.

On October 1, 2002, the District issued \$3,700,000 general obligation bonds at 4.25% for the school facilities construction and improvements. These bonds were issued for a 23 year period with final maturity on December 1, 2025. All general obligation bonds will be paid from property taxes.

Compensated absences will be paid from the General and the Food Service Funds.

Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2004 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Principal</u>	<u>Interest</u>
2005	\$710,000	\$1,021,609
2006	730,000	995,186
2007	714,800	1,013,969
2008	726,400	995,890
2009	345,800	1,393,083
2010-2014	3,853,000	4,764,358
2015-2019	5,315,000	3,247,486
2020-2024	6,780,000	1,746,526
2025-2026	3,230,000	169,405
Total	<u>\$22,405,000</u>	<u>\$15,347,512</u>

Note 9: Contractual Commitments

As of June 30, 2004, the District had the following contractual commitments for the construction of the junior high, high school, two elementary school building, and a five year contract for copiers:

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

Contractor/Vendor	Contractual Commitment	Expended	Balance
Alcoa-Chem	\$9,627	\$7,133	\$2,494
All Seasons Maintenance	\$59,000	\$44,056	14,944
Bay Mechanical	49,292	0	49,292
Brunbaugh-Herrick, Inc	3,332	0	3,332
Caruth Studio, Inc.	24,750	23,750	1,000
Comdoc	535,956	62,601	473,355
Duket Porter MacPerson	191,770	93,035	98,735
Earth works	8,600	0	8,600
Flaghouse	2,450	2,326	124
Gene's Refrigeration Heating	644,085	530,281	113,804
Heery International, Inc.	179,872	164,872	15,000
Holcomb	58,091	54,251	3,840
Jackson & Sons Drilling & Pump	1,304	0	1,304
Martin Public Seating Inc.	209,237	201,247	7,990
Ohio Edison	20,000	0	20,000
O.L. Construction	62,886	0	62,886
Telamon Construction Company	3,000,666	2,822,823	177,843
	\$5,060,918	\$4,006,375	\$1,054,543

Note 10: Property Taxes

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

Property taxes include amounts levied annually, on all real and public utility property and business tangible personal property located within the District. Real property tax revenue received in calendar 2004 represents collections of calendar year 2003 taxes. Real property taxes received in calendar year 2004 were levied after April 1, 2003, on the assessed value listed as of January 1, 2003, the lien date. Real property taxes collected were based on assessed value equal to 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. The first payment is due December 31, and the remainder is payable by June 20. Under certain circumstances, State statute permits earlier or later payment dates to be established.

Public utility property tax revenue received in calendar 2004 represents collections of calendar year 2003 taxes. Public utility real and tangible personal property taxes received in calendar year 2004 became a lien December 31, 2002, were levied after April 1, 2003 and are collected in 2004 with real property taxes. Public utility real property is assessed at thirty-five percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

Tangible personal property tax revenue received during calendar 2004 (other than public utility property) represents the collection of 2004 taxes. Tangible personal property taxes received in calendar year 2004 were levied after April 1, 2003, on the value as of December 31, 2002. Tangible personal property is currently assessed at twenty-four percent of true value for capital assets and twenty-three percent of true value for inventory. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

The District receives property taxes from Medina County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2004 are available to finance fiscal year 2004 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable represent delinquent taxes outstanding and real property, tangible personal property and public utility property taxes that became measurable as of June 30, 2004. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is intended to finance current year operations. The receivable is therefore offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2004, was \$404,561 in general fund, \$80,520 in the debt service fund, and \$17,132 in the permanent improvement fund.

On a full accrual basis, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis the revenue has been deferred.

The assessed values for the fiscal year 2004 taxes are as follows:

	2003		2002	
	Amount	Percent	Amount	Percent
Real Property				
Residential/Agricultural	\$256,941,900	67.2%	\$245,997,880	64.5%
Commercial/Industrial	43,083,600	11.3%	45,681,300	12.0%
Tangible Personal Property:				
General	66,830,983	17.5%	73,948,155	19.4%
Public Utilities	15,652,330	4.0%	15,671,400	4.1
Total Assessed Values	\$382,508,813	100.0%	\$381,298,735	100.0%

Buckeye Local School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

Note 11: Pension and Retirement Plans

State Teachers Retirement System of Ohio

Plan Description The Buckeye Local School District contributes to the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer retirement system. STRS Ohio provides retirement and disability benefits, health care benefits and death benefits to plan members and beneficiaries. State statute assigns the authority to establish and amend benefit provisions to the STRS Ohio Board of Trustees. The State Teachers Retirement System of Ohio issues a publicly available financial report that includes financial statements and required supplementary information for STRS Ohio. That report may be obtained by writing to State Teachers Retirement System of Ohio, 275 East Broad Street, Columbus, Ohio 43215.

New members have a choice of three retirement plans, a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary times a percentage that varies based on years of service, or an allowance based on member contributions and earned interest matched by STRS Ohio funds times an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5% of earned compensation into an investment account. Investment decisions are made by the member. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The Combined Plan offers features of both the DC Plan and the DB Plan. In the Combined Plan, member contributions are invested by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. DC and Combined Plan members will transfer to the Defined Benefit Plan during their fifth year of membership unless they permanently select the DC or Combined Plan. Benefits are established by Chapter 3307 of the Ohio Revised Code.

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

Funding Policy Effective July 1, 2003, the member contribution rate increased to the statutory maximum of 10% of their annual covered salary. And Buckeye Local School District is required to contribute 14%; 13% was the portion used to fund pension obligations for fiscal year 2004.. The contribution requirements of plan members and Buckeye Local School District are established and may be amended by the STRS Ohio Board upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. Ohio Revised Code Chapter 3307 provides statutory authority for member and employer contributions. The District's contributions to STRS Ohio for the years ended June 30, 2004, 2003, and 2002 were \$1,304,184, \$1,158,732, and \$1,153,920, respectively. The full amount has been contributed for 2003 and 2002. For 2004, 83% has been contributed.

Buckeye Local School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

School Employees Retirement System

Plan Description The Buckeye Local School District also contributes to the School Employees Retirement Plan (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Ohio Revised code Chapter 3309 provides the authority to establish and amend benefit provisions. The School Employees Retirement System issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to School Employees Retirement Systems, 300 East Broad Street, Columbus, Ohio 43215-3746.

Funding Policy Plan members are required to contribute 10% of their annual covered salary and Buckeye Local School District is required to contribute at an actuarially determined rate. The current rate is 14% of annual covered payroll. A portion of the District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits. The portion of annual covered salary used to fund pension obligations for fiscal year 2004 was 9.09%. The contribution requirements of plan members and Buckeye Local School District are established and may be amended, up to statutory maximum amounts, by the SERS Board of Trustees. The District's contributions to SERS for the years ended June 30, 2004, 2003, and 2002 were \$390,060, \$389,508, and \$359,436, respectively. The full amount has been contributed for 2003 and 2002. For 2004, 47% has been contributed.

Note 12: Post Employment Benefits

Comprehensive health care benefits are provided to retired teachers and their dependents through the State Teachers Retirement System of Ohio, and to retired non-certified employees and their dependents through the School Employees Retirement System.

State Teachers Retirement System of Ohio (STRS Ohio)

The State Teachers Retirement System of Ohio (STRS Ohio) provides access to health care coverage to retirees who participated in the Defined Benefit or Combined Plans and their dependents. Coverage includes hospitalization, physicians' fees, prescription drugs, and partial reimbursement of monthly Medicare premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Ohio Revised Code (ORC), the State Teachers Retirement Board (the Board) has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients pay a portion of the health care cost in the form of a monthly premium.

The ORC grants authority to STRS Ohio to provide health care coverage to benefit recipients, spouses, and dependents. By Ohio law, the cost of the coverage paid from STRS Ohio fund shall be included in the employer contribution rate, currently 14% of covered payroll.

The Board currently allocates employer contributions to the Health Care Stabilization Fund from which health care benefits are paid. For the fiscal year ended June 30, 2004, the board allocated employer contributions equal to, 1% of covered payroll to the fund.

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

The District's actual contributions for the 2004 fiscal year were \$93,156. The balance in the Health Care Stabilization Fund was \$2.8 billion on June 30, 2003. For the year ended June 30, 2003, (the latest information available) the net health care costs paid by STRS were \$352,301,000. There were 108,294 eligible benefit recipients statewide.

School Employees Retirement System (SERS)

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than 25 years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75% of the premium.

After the allocation for basic benefits, the remainder of the employer's 14% contribution is allocated to providing health care benefits. At June 30, 2004, the healthcare allocation is 4.91%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between a minimum pay and the member's pay, pro-rated for partial service credit. For fiscal 2004, the minimum pay was established as \$25,400. The surcharge rate, added to the unallocated portion of the 14% employer contribution rate provides for maintenance of the asset target level for the health care fund.

Health care benefits are financed on a pay-as-you-go basis. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2003 were \$204,930,737 and the target level was \$307.4 million. At June 30, 2003, (the latest information available) the Retirement System's net assets available for payment of health care benefits was \$303.6 million. The number of participants currently receiving health care benefits is approximately 50,000. The District's actual contributions for the 2004 fiscal year were \$203,107.

Note 13: Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2003, the District participated in the Ohio Schools Council's property and fleet insurance program which contracted with Indiana Insurance Company for buildings and contents, inland marine, crime and general liability coverages. The Council contracted with Travelers Insurance for boiler and machinery insurance.

The District contracted independently with Nationwide/Wausau Education Insurers for public officials and public employees bonds and Great American for builders risk insurance.

Buckeye Local School District

*Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2004*

<u>Company</u>	<u>Type of Insurance</u>	<u>Coverage Amount</u>
Indiana Insurance Company	Property	\$33,324,925
	Inland Marine	1,693,748
	Crime	5,000
	Extra Expense	1,000,000
	Fleet Insurance, Single Limit	2,000,000
	Fleet Insurance, uninsured	50,000
	General Liability, per occurrence	1,000,000
	General Liability, in aggregate	2,000,000
	Auto Medical Payments	15,000
	Employer Stop Gap Liability	1,000,000
	Employee Benefit Liability	3,000,000
	Professional Liability	1,000,000
	Umbrella policy	2,000,000
Travelers Insurance	Boiler and Machinery	30,000,000
	Expediting Expense	100,000
	Spoilage	100,000
	Off Premises Service Interruption	500,000
	Hazardous Substance	100,000
	Ammonia Contamination	100,000
	Water Damage	100,000
	Ordinance Or Law	1,000,000
Nationwide/Wausau Educational Insurers	Public Officials Bond	20,000
	Public Officials Bond, Board	10,000
	Public Employees Blanket Bond	10,000
Great American	Builders Risk	16,340,081

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

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Program (GRP), an insurance purchasing pool. The intent of the GRP is to achieve the benefit of a reduced premium for the District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP.

Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Total savings are then calculated and each participant's

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

individual performance is compared to the overall savings percentage of the GRP. A participant will then either receive money from, or be required to contribute to, the "equity pooling fund". This "equity pooling" arrangement insures that each participant shares equally in the overall performance of the GRP. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Gates McDonald & Co. provides administrative, cost control and actuarial services to the GRP.

The District has contracted with Medical Mutual to provide medical/surgical benefits for its employees and their covered dependents. The District also provides vision insurance benefits.

The District operates and manages employee dental and prescription drug benefits on a self-insured basis; using an internal service fund to account for its dental and prescription drug coverage. The District pays monthly contributions that are placed in a common fund from which eligible claims are paid for employees and their covered dependents. The monthly premium paid by the District for dental benefits is \$68.09 for single and for family coverage. Employees with single or family coverage paid \$3.58 per month. The District provides coverage as a paid benefit with an employee deductible of twenty percent (20%) or a minimum of \$7.50 per prescription for name brand drugs and twenty-five (25%) or a minimum of \$15 for generic drugs. Employees using mail order supplier for prescriptions pay a deductible of \$7.50 for name brand drugs and \$5.00 for generic drugs.

The claims liability was estimated by the third party administrator to be \$17,583 at June 30, 2004. This is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses. The changes in the fund's claim liability amount in fiscal year 2004 were:

	Balance Beginning <u>Of Year</u>	Current Year <u>Claims</u>	Claim <u>Payments</u>	Balance End <u>of Year</u>
2003	\$95,776	\$492,578	\$584,190	\$4,164
2004	\$4,164	\$702,781	\$689,362	\$17,583

The District also provides life insurance and accidental death and dismemberment insurance to employees.

Note 14: Set Asides

The District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the purchase of textbooks and other instructional materials and an equal amount for the acquisition and construction of capital improvements. Although the District had qualifying disbursements during the

Buckeye Local School District

Notes to the Basic Financial Statements For the Fiscal Year Ended June 30, 2004

year that reduced the set-aside amounts below zero, these extra amounts may only be used to reduce the set-aside requirements of future years for the purchase of textbooks. Amounts not spent by year end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years. The District had qualifying disbursements during the year that exceeded the required set-asides and the reserve balance. In prior years, the District was also required to set-aside money for budget stabilization. At June 30, 2004, only the unspent portion of certain worker's compensation funds continues to be set-aside.

	Textbook Reserve	Capital Improvement Reserve	Set Aside
Balance July 1, 2003	\$0	\$0	\$24,784
Required Set Aside	350,807	350,807	0
Qualifying Expenditures	(385,344)	(564,014)	0
Balance June 30, 2004	\$(34,537)	\$(213,207)	\$24,784

Note 15: Contingencies

The District receives financial assistance from numerous federal and state agencies that is subject to financial and compliance audits. Such audits could lead to a request for reimbursement to the grantor agency for disallowed expenditures. Management believes that such disallowances, if any, would not materially affect the District's financial position.

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school funding is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient...". The District is unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

Note 16 Subsequent Events

The District failed to pass a 9.7 emergency levy in November 2004 and has placed a 9.8 emergency 5 year levy on the February 2005 ballot.

**COMBINING STATEMENTS
AND
INDIVIDUAL FUND SCHEDULES**

Buckeye Local School District

Nonmajor Special Revenue Funds

Special Revenue Funds are used to account for revenues from specific sources which are legally, or otherwise, restricted to expenditures for specified purposes.

Public School Support Fund - This fund accounts for school site sales revenue and expenditures for field trips, assemblies, and other activity costs approved by board resolutions.

Local Grants Fund - This fund accounts for funds received to promote community involvement and volunteer activities between the school and community.

Underground Storage Tank Fund - This fund accounts for the financial responsibility rules of the State Fire Marshall to cover insurance deductible.

Athletics Fund - This fund accounts for gate receipts and other revenues from athletic events and all costs (except personnel services) of the District's Athletic Program.

Management Information Systems (MIS) Fund - This fund accounts for State monies that are used solely for costs associated with the requirements of the management information system.

Data Communication Fund – This fund accounts for State monies that provide for equipment and other costs associated with the development of data communication systems.

Professional Development Fund – This fund accounts for State monies in support of professional development programs.

School Building Incentives Fund – This fund accounts for monies awarded to school buildings of a school district with great improvement in proficiency testing by the State. This money is to be used for building teams for continuous improvement.

Eisenhower Grant Fund - This fund accounts for the Dwight D. Eisenhower Mathematics and Science Education Act monies to be used for expansion of in-service training and retraining in mathematics and science.

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

Title I Fund - This fund accounts for Federal revenues to implement a variety of programs intended to provide supplemental instruction for children of low income families identified as educationally disadvantaged.

Title VI Fund - This fund accounts for Federal revenues that support the implementation of a variety of programs (drug/alcohol abuse, computer education) to benefit children attending public and provide non-profit schools within the community.

Drug-Free School Fund - This fund accounts for Federal revenues that support the implementation of programs for drug abuse education and prevention.

Preschool Handicapped Fund - This fund accounts for Federal monies that provide for the cost of developing a public school.

Title VI-R Fund – This fund accounts for Federal monies used for reduction of class size in grades kindergarten through third.

Ohio Reads – This fund accounts for State monies to improve reading outcomes, especially on fourth grade reading proficiency tests and for costs associated with volunteer coordinators who administer the program.

Summer School Fund – This fund accounts for State monies used for remediation for the at-risk students for a summer school program.

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

Special Trust Fund – This fund accounts for monies held by District in a trustee capacity for individuals and/or private organizations that benefit the student body or the local community.

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

Uniform School Supplies Fund – This fund accounts for financial activity related to the purchase and sale of school supplies as adopted by the Board of Education for use within the District.

Latchkey Fund – This fund accounts for financial activity related to providing day care services for district students before school, after school, and during the summer.

Nonmajor Capital Projects Funds

Capital Projects Funds are used to account for financial resources used for the acquisition, construction, or improvement of capital facilities other than those financed by proprietary funds.

Permanent Improvement Fund - This fund accounts for all transactions related to the acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705, Revised Code.

School Net Plus Fund - This fund accounts for State monies providing for computer hardware and wiring for buildings for kindergarten through fourth grade.

Buckeye Local School District

Combining Balance Sheet

Non-Major Governmental Funds

June 30, 2004

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
Assets			
Equity in Pooled Cash and Cash Equivalents	\$494,615	\$99,538	\$594,153
Taxes Receivable	0	359,130	359,130
Accounts Receivable	26,146	0	26,146
Intergovernmental Receivable	151,101	0	151,101
Inventory	11,759	0	11,759
Prepaid Items	1,927	0	1,927
Total Assets	\$685,548	\$458,668	\$1,144,216
Liabilities and Fund Balances			
Liabilities			
Accounts and Contracts Payable	\$18,215	56,032	\$74,247
Accrued Wages and Benefits	107,091	0	107,091
Intergovernmental Payable	5,280	0	5,280
Deferred Revenue	0	341,998	341,998
Interfund Payable	61,861	0	61,861
Total Liabilities	192,447	398,030	590,477
Fund Balances			
Reserved for Encumbrances	33,678	13,506	47,184
Reserved for Property Tax Advance	0	17,132	17,132
Unreserved, Undesignated, Reported in:			
Special Revenue Funds	459,423	0	459,423
Capital Projects Funds	0	30,000	30,000
Total Fund Balances	493,101	60,638	553,739
Total Liabilities and Fund Balances	\$685,548	\$458,668	\$1,144,216

Buckeye Local School District

Combining Statement of Revenues, Expenditures and Changes in Fund Balances

Non-Major Governmental Funds

For the Fiscal Year Ended June 30, 2004

	Non-Major Special Revenue Funds	Non-Major Capital Projects Funds	Total Non-Major Governmental Funds
Revenues			
Taxes	\$0	\$165,582	\$165,582
Tuition	297,983	0	297,983
Charges for Services	354,744	0	354,744
Earnings on Investments	256	0	256
Intergovernmental	820,789	18,136	838,925
Extracurricular Activities	327,739	0	327,739
Contributions and Donations	162,776	0	162,776
Total Revenues	1,964,287	183,718	2,148,005
Expenditures			
Current:			
Regular and Special Instruction	430,017	0	430,017
Supporting Services:			
Pupil Services	78,739	0	78,739
Instructional Staff	259,587	0	259,587
Administration	43,906	0	43,906
Plant Operation and Maintenance	25,000	0	25,000
Pupil Transportation	408	0	408
Central	23,995	500	24,495
Community Services	193,009	0	193,009
Extracurricular	335,585	0	335,585
Food Service Operations	494,953	0	494,953
Capital Outlay	0	539,677	539,677
Total Expenditures	1,885,199	540,177	2,425,376
Excess of Revenues Over (Under) Expenditures	79,088	(356,459)	(277,371)
Other Financing Sources			
Transfers In	4,751	27,305	32,056
Total Other Financing Sources	4,751	27,305	32,056
Net Change in Fund Balances	83,839	(329,154)	(245,315)
Fund Balances at Beginning of Year	409,262	389,792	799,054
Fund Balances at End of Year	\$493,101	\$60,638	\$553,739

Buckeye Local School District

Combining Balance Sheet

Non-Major Special Revenue Funds

June 30, 2004

	<u>Public School Support</u>	<u>Local Grants</u>	<u>Underground Storage Tank</u>	<u>Athletics</u>	<u>Management Information Systems</u>
Assets					
Equity in Pooled Cash and Cash					
Equivalents	\$102,193	\$144,845	\$11,000	\$24,148	\$11,369
Accounts Receivable	718	0	0	0	0
Intergovernmental Receivable	0	0	0	0	0
Inventory	0	0	0	0	0
Prepaid Items	200	0	0	575	0
Total Assets	<u>\$103,111</u>	<u>\$144,845</u>	<u>\$11,000</u>	<u>\$24,723</u>	<u>\$11,369</u>
Liabilities and Fund Balances					
Liabilities					
Accounts and Contracts Payable	\$3,664	\$1,684	\$0	\$2,482	\$6,714
Accrued Wages and Benefits	0	0	0	0	0
Intergovernmental Payable	0	0	0	1,390	0
Interfund Payable	0	0	0	0	0
Total Liabilities	<u>3,664</u>	<u>1,684</u>	<u>0</u>	<u>3,872</u>	<u>6,714</u>
Fund Balances					
Reserved for Encumbrances	11,299	15,493	0	1,820	0
Unreserved, Undesignated (Deficit)	88,148	127,668	11,000	19,031	4,655
Total Fund Balances	<u>99,447</u>	<u>143,161</u>	<u>11,000</u>	<u>20,851</u>	<u>4,655</u>
Total Liabilities and Fund Balance	<u>\$103,111</u>	<u>\$144,845</u>	<u>\$11,000</u>	<u>\$24,723</u>	<u>\$11,369</u>

<u>Data Communication</u>	<u>Professional Development</u>	<u>School Building Incentives</u>	<u>Eisenhower Grant</u>	<u>Title VI - B</u>	<u>Title I</u>
\$16,024	\$0	\$14,162	\$0	\$0	\$501
0	0	0	0	0	0
0	0	0	0	48,292	41,138
0	0	0	0	0	0
0	0	579	0	0	0
\$16,024	\$0	\$14,741	\$0	\$48,292	\$41,639
\$200	\$0	\$0	\$0	\$0	\$500
0	0	0	0	30,079	20,919
0	0	0	0	0	0
0	0	0	0	17,352	9,937
200	0	0	0	47,431	31,356
823	0	0	0	0	0
15,001	0	14,741	0	861	10,283
15,824	0	14,741	0	861	10,283
\$16,024	\$0	\$14,741	\$0	\$48,292	\$41,639

(continued)

Buckeye Local School District
Combining Balance Sheet
Non-Major Special Revenue Funds (continued)
June 30, 2004

	<u>Title VI</u>	<u>Drug-Free School</u>	<u>Preschool Handicapped</u>	<u>Title VI-R</u>	<u>Ohio Reads</u>
Assets					
Equity in Pooled Cash and Cash					
Equivalents	\$1,024	\$0	\$4,537	\$0	\$0
Accounts Receivable	0	0	0	0	0
Intergovernmental Receivable	5,478	0	0	17,629	0
Inventory	0	0	0	0	0
Prepaid Items	0	0	0	0	0
	0	0	0	0	0
Total Assets	<u>\$6,502</u>	<u>\$0</u>	<u>\$4,537</u>	<u>\$17,629</u>	<u>\$0</u>
Liabilities and Fund Balances					
Liabilities					
Accounts and Contracts Payable	\$1,024	\$0	\$0	\$0	\$0
Accrued Wages and Benefits	0	0	0	7,418	0
Intergovernmental Payable	0	0	0	0	0
Interfund Payable	2,154	0	0	9,177	0
Total Liabilities	<u>3,178</u>	<u>0</u>	<u>0</u>	<u>16,595</u>	<u>0</u>
Fund Balances					
Reserved for Encumbrances	0	0	0	0	0
Unreserved, Undesignated (Deficit)	3,324	0	4,537	1,034	0
Total Fund Balances	<u>3,324</u>	<u>0</u>	<u>4,537</u>	<u>1,034</u>	<u>0</u>
Total Liabilities and Fund Balance	<u>\$6,502</u>	<u>\$0</u>	<u>\$4,537</u>	<u>\$17,629</u>	<u>\$0</u>

<u>Summer Schoo</u>	<u>Title II-D</u>	<u>Special Trust</u>	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Latchkey</u>	<u>Total Non-Majo Special Revenue Funds</u>
\$0	\$0	\$52,946	\$328	\$81,702	\$29,836	\$494,615
0	0	0	0	11,876	13,552	26,146
22,174	910	0	15,480	0	0	151,101
0	0	0	11,759	0	0	11,759
0	0	0	573	0	0	1,927
<u>\$22,174</u>	<u>\$910</u>	<u>\$52,946</u>	<u>\$28,140</u>	<u>\$93,578</u>	<u>\$43,388</u>	<u>\$685,548</u>
\$0	\$0	\$0	\$366	\$169	\$1,412	\$18,215
0	0	4,643	41,973	0	2,059	107,091
0	0	1,095	2,736	0	59	5,280
6,851	910	0	15,480	0	0	61,861
<u>6,851</u>	<u>910</u>	<u>5,738</u>	<u>60,555</u>	<u>169</u>	<u>3,530</u>	<u>192,447</u>
0	0	117	0	148	3,978	33,678
15,323	0	47,091	(32,415)	93,261	35,880	459,423
<u>15,323</u>	<u>0</u>	<u>47,208</u>	<u>(32,415)</u>	<u>93,409</u>	<u>39,858</u>	<u>493,101</u>
<u>\$22,174</u>	<u>\$910</u>	<u>\$52,946</u>	<u>\$28,140</u>	<u>\$93,578</u>	<u>\$43,388</u>	<u>\$685,548</u>

Buckeye Local School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Special Revenue Funds
For the Fiscal Year Ended June 30, 2004

	<u>Public School Support</u>	<u>Local Grants</u>	<u>Underground Storage Tank</u>	<u>Athletics</u>	<u>Management Information Systems</u>	<u>Data Communications</u>
Revenues						
Tuition	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0	0
Earnings on Investments	0	0	0	0	0	0
Intergovernmental	0	52,340	0	0	8,534	15,000
Extracurricular Activities	244,090	0	0	83,649	0	0
Contributions and Donations	315	152,800	0	2,035	0	0
Total Revenues	244,405	205,140	0	85,684	8,534	15,000
Expenditures						
Current:						
Regular and Special Instruction	0	2,042	0	0	0	0
Supporting Services:		0	0	0	0	
Pupil Services	0	0	0	0	0	0
Instructional Staff	0	50,257	0	0	10,696	200
Administration	0	41,782	0	0	0	0
Plant Operation and Maintenance	0	25,000	0	0	0	0
Pupil Transportation	0	408	0	0	0	0
Central	0	10,245	0	0	0	13,750
Community Services	0	0	0	0	0	0
Extracurricular	246,073	2,504	0	81,008	0	0
Food Service Operations	0	0	0	0	0	0
Total Expenditures	246,073	132,238	0	81,008	10,696	13,950
Excess of Revenues Over (Under) Expenditures	(1,668)	72,902	0	4,676	(2,162)	1,050
Other Financing Sources						
Transfers In	0	0	0	0	0	0
Net Change in Fund Balances	(1,668)	72,902	0	4,676	(2,162)	1,050
Fund Balances (Deficit) at Beginning of Year	101,115	70,259	11,000	16,175	6,817	14,774
Fund Balances at End of Year	\$99,447	\$143,161	\$11,000	\$20,851	\$4,655	\$15,824

<u>Professional Development</u>	<u>School Building Incentives</u>	<u>Eisenhower Grant</u>	<u>Title VI-B</u>	<u>Title I</u>
\$0	\$0	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
4,140	2,317	67	261,042	178,501
0	0	0	0	0
0	0	0	0	0
4,140	2,317	67	261,042	178,501
4,140	0	67	58,169	160,970
0	0	0	78,739	0
0	2,100	0	146,096	11,887
0	2,124	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	3,333
0	0	0	0	0
0	0	0	0	0
4,140	4,224	67	283,004	176,190
0	(1,907)	0	(21,962)	2,311
0	0	0	0	0
0	(1,907)	0	(21,962)	2,311
0	16,648	0	22,823	7,972
\$0	\$14,741	\$0	\$861	\$10,283

(continued)

Buckeye Local School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Special Revenue Funds (continued)
For the Fiscal Year Ended June 30, 2004

	<u>Title VI</u>	<u>Drug-Free School</u>	<u>Preschool Handicapped</u>	<u>Title VI-R</u>	<u>Ohio Reads</u>	<u>Summer School</u>
Revenues						
Tuition	\$0	\$0	\$0	\$0	\$0	\$0
Charges for Services	0	0	0	0	0	0
Earnings on Investments	0	0	0	0	0	0
Intergovernmental	13,047	8,753	9,626	81,694	6,000	43,665
Extracurricular Activities	0	0	0	0	0	0
Contributions and Donations	0	0	0	0	0	0
Total Revenues	13,047	8,753	9,626	81,694	6,000	43,665
Expenditures						
Current:						
Regular and Special Instruction	7,469	691	0	70,962	0	28,342
Supporting Services:						
Pupil Services	0	0	0	0	0	0
Instructional Staff	2,254	8,368	5,089	18,250	0	0
Administration	0	0	0	0	0	0
Plant Operation and Maintenance	0	0	0	0	0	0
Pupil Transportation	0	0	0	0	0	0
Central	0	0	0	0	0	0
Community Services	0	0	0	0	0	0
Extracurricular	0	0	0	0	6,000	0
Food Service Operations	0	0	0	0	0	0
Total Expenditures	9,723	9,059	5,089	89,212	6,000	28,342
Excess of Revenues Over (Under) Expenditures	3,324	(306)	4,537	(7,518)	0	15,323
Other Financing Sources						
Transfers In	0	0	0	0	0	0
Net Change in Fund Balances	3,324	(306)	4,537	(7,518)	0	15,323
Fund Balances (Deficit) at Beginning of Year	0	306	0	8,552	0	0
Fund Balances at End of Year	\$3,324	\$0	\$4,537	\$1,034	\$0	\$15,323

<u>Title II-D</u>	<u>Special Trust</u>	<u>Food Service</u>	<u>Uniform School Supplies</u>	<u>Latchkey</u>	<u>Total Non-Major Special Revenue Funds</u>
\$0	\$25,746	\$0	\$115,322	\$156,915	\$297,983
0	0	354,744	0	0	354,744
0	256	0	0	0	256
4,390	0	131,673	0	0	820,789
0	0	0	0	0	327,739
0	7,626	0	0	0	162,776
<u>4,390</u>	<u>33,628</u>	<u>486,417</u>	<u>115,322</u>	<u>156,915</u>	<u>1,964,287</u>
0	12,329	0	84,836	0	430,017
0	0	0	0	0	78,739
4,390	0	0	0	0	259,587
0	0	0	0	0	43,906
0	0	0	0	0	25,000
0	0	0	0	0	408
0	0	0	0	0	23,995
0	26,110	0	0	163,566	193,009
0	0	0	0	0	335,585
0	0	494,953	0	0	494,953
<u>4,390</u>	<u>38,439</u>	<u>494,953</u>	<u>84,836</u>	<u>163,566</u>	<u>1,885,199</u>
0	(4,811)	(8,536)	30,486	(6,651)	79,088
0	0	4,751	0	0	4,751
0	(4,811)	(3,785)	30,486	(6,651)	83,839
0	52,019	(28,630)	62,923	46,509	409,262
<u>\$0</u>	<u>\$47,208</u>	<u>(\$32,415)</u>	<u>\$93,409</u>	<u>\$39,858</u>	<u>\$493,101</u>

Buckeye Local School District
Combining Balance Sheet
Non-Major Capital Projects Funds
June 30, 2004

	<u>Permanent Improvement</u>	<u>School Net Plus</u>	<u>Total Non-Major Capital Projects Funds</u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$69,538	\$30,000	\$99,538
Taxes Receivable	359,130	0	359,130
Total Assets	<u>\$428,668</u>	<u>\$30,000</u>	<u>\$458,668</u>
 Liabilities and Fund Balances			
Liabilities			
Accounts and Contracts Payable	\$56,032	\$0	\$56,032
Deferred Revenue	341,998	0	341,998
Total Liabilities	<u>398,030</u>	<u>0</u>	<u>398,030</u>
 Fund Balances			
Reserved for Encumbrances	13,506	0	13,506
Reserved for Property Tax Advance	17,132	0	17,132
Unreserved, Undesignated	0	30,000	30,000
Total Fund Balances	<u>30,638</u>	<u>30,000</u>	<u>60,638</u>
Total Liabilities and Fund Balances	<u>\$428,668</u>	<u>\$30,000</u>	<u>\$458,668</u>

Buckeye Local School District
Combining Statement of Revenues, Expenditures
and Changes in Fund Balances
Non-Major Capital Projects Funds
For the Fiscal Year Ended June 30, 2004

	<u>Permanent Improvement</u>	<u>School Net Plus</u>	<u>Total Non-Major Capital Projects Funds</u>
Revenues			
Taxes	\$165,582	\$0	\$165,582
Intergovernmental	18,136	0	18,136
Total Revenues	183,718	0	183,718
Expenditures			
Current:			
Supporting Services:			
Central	0	500	500
Capital Outlay	539,677	0	539,677
Total Expenditures	539,677	500	540,177
Excess of Revenues Over (Under) Expenditures	(355,959)	(500)	(356,459)
Other Financing Sources			
Transfers In	27,305	0	27,305
Total Other Financing Sources (Uses)	27,305	0	27,305
Net Change in Fund Balances	(328,654)	(500)	(329,154)
Fund Balances at Beginning of Year	359,292	30,500	389,792
Fund Balances (Deficit) at End of Year	\$30,638	\$30,000	\$60,638

Buckeye Local School District
Statement of Changes in Assets and Liabilities
Agency Fund
June 30, 2004

	Beginning Balance <u>June 30, 2003</u>	<u>Additions</u>	<u>Reductions</u>	Ending Balance <u>June 30, 2004</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$52,072	\$0	(\$10,859)	\$41,213
Accounts Receivable	<u>757</u>	<u>486</u>	<u>(757)</u>	<u>486</u>
Total Assets	<u>\$52,829</u>	<u>\$486</u>	<u>(\$11,616)</u>	<u>\$41,699</u>
Liabilities				
Accounts and Contracts Payable	\$4,977	\$6,297	(\$4,977)	\$6,297
Due to Students	<u>47,095</u>	<u>0</u>	<u>(11,693)</u>	<u>35,402</u>
Total Liabilities	<u>\$52,072</u>	<u>\$6,297</u>	<u>(\$16,670)</u>	<u>\$41,699</u>

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Taxes	\$9,971,402	\$9,971,402	\$0
Tuition	2,465	2,465	0
Earnings on Investments	64,611	64,611	0
Intergovernmental	6,134,549	6,134,549	0
Extracurricular Activities	50,910	50,910	0
Other	52,048	52,048	0
Total Revenues	<u>16,275,985</u>	<u>16,275,985</u>	<u>0</u>
Expenditures			
Current:			
Instruction:			
Regular Instruction:			
Salaries	6,112,729	6,112,729	0
Fringe Benefits	2,157,851	2,157,851	0
Purchased Services	62,257	62,257	0
Materials and Supplies	307,764	307,764	0
New Equipment	29,661	29,661	0
Replacement Equipment	6,177	6,177	0
Total	<u>8,676,439</u>	<u>8,676,439</u>	<u>0</u>
Special Instruction:			
Salaries	1,094,169	1,094,169	0
Fringe Benefits	487,377	487,377	0
Purchased Services	11,400	11,400	0
Materials and Supplies	1,716	1,716	0
Total	<u>1,594,662</u>	<u>1,594,662</u>	<u>0</u>
Vocational Instruction:			
Salaries	238,415	238,415	0
Fringe Benefits	77,357	77,357	0
Purchased Services	2,427	2,427	0
Total	<u>318,199</u>	<u>318,199</u>	<u>0</u>
Other Instruction:			
Purchased Services	751,680	751,680	0
Total	<u>751,680</u>	<u>751,680</u>	<u>0</u>
Total Instruction	<u>11,340,980</u>	<u>11,340,980</u>	<u>0</u>

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund - continued
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Support Services:			
Pupil Services:			
Salaries	522,638	522,638	0
Fringe Benefits	167,376	167,376	0
Purchased Services	21,280	21,280	0
Materials and Supplies	8,520	8,520	0
Total	<u>719,814</u>	<u>719,814</u>	<u>0</u>
Instructional Staff:			
Salaries	454,370	454,370	0
Fringe Benefits	257,837	257,837	0
Purchased Services	19,217	19,217	0
Materials and Supplies	15,702	15,702	0
New Equipment	15,045	15,045	0
Replacement Equipment	2,629	2,629	0
Other	142,622	142,622	0
Total	<u>907,422</u>	<u>907,422</u>	<u>0</u>
Board of Education:			
Salaries	8,160	8,160	0
Purchased Services	4,555	4,555	0
Materials and Supplies	575	575	0
Other	12,937	12,937	0
Total	<u>26,227</u>	<u>26,227</u>	<u>0</u>
Administration:			
Salaries	927,777	927,777	0
Fringe Benefits	393,857	393,857	0
Purchased Services	153,180	153,180	0
Materials and Supplies	41,937	41,937	0
New Equipment	12,835	12,835	0
Replacement Equipment	1,848	1,848	0
Other	56,376	56,376	0
Total	<u>1,587,810</u>	<u>1,587,810</u>	<u>0</u>
Fiscal:			
Salaries	219,572	219,572	0
Fringe Benefits	99,490	99,490	0
Purchased Services	35,148	35,148	0
Other	295,607	295,607	0
Total	<u>649,817</u>	<u>649,817</u>	<u>0</u>

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund - continued
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Business:			
Salaries	6,587	6,587	0
Fringe Benefits	37,796	37,796	0
Total	<u>44,383</u>	<u>44,383</u>	<u>0</u>
Plant Operation and Maintenance:			
Salaries	448,303	448,303	0
Fringe Benefits	201,377	201,377	0
Purchased Services	1,168,716	1,167,592	1,124
Materials and Supplies	111,292	111,292	0
New Equipment	6,543	6,543	0
Total	<u>1,936,231</u>	<u>1,935,107</u>	<u>1,124</u>
Pupil Transportation:			
Salaries	580,244	580,244	0
Fringe Benefits	353,878	353,878	0
Purchased Services	37,991	37,991	0
Materials and Supplies	148,912	148,912	0
New Equipment	830	830	0
Total	<u>1,121,855</u>	<u>1,121,855</u>	<u>0</u>
Central:			
Purchased Services	8,713	8,713	0
Other	944	944	0
Total	<u>9,657</u>	<u>9,657</u>	<u>0</u>
Extracurricular Activities:			
Sports Oriented			
Salaries	319,558	319,558	0
Fringe Benefits	69,827	69,827	0
Purchased Services	18,000	18,000	0
Materials and Supplies	971	971	0
Replacement Equipment	8,000	8,000	0
Other	8,970	8,970	0
Total	<u>425,326</u>	<u>425,326</u>	<u>0</u>

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
General Fund - continued
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Capital Outlay			
Facilities Acquisition and Construction			
Capital Outlay - New	24,214	24,214	0
Total	<u>24,214</u>	<u>24,214</u>	<u>0</u>
Total Expenditures	<u>18,793,736</u>	<u>18,792,612</u>	<u>1,124</u>
Excess of Revenues Over (Under) Expenditures	<u>(2,517,751)</u>	<u>(2,516,627)</u>	<u>1,124</u>
Other Financing Sources (Uses)			
Transfers Out	(32,056)	(32,056)	0
Advances In	<u>(61,861)</u>	<u>(61,861)</u>	<u>0</u>
Total Other Financing Sources (Uses)	<u>(93,917)</u>	<u>(93,917)</u>	<u>0</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(2,611,668)	(2,610,544)	1,124
Fund Balance at Beginning of Year	3,751,819	3,751,819	0
Prior Year Encumbrances Appropriated	<u>760,868</u>	<u>760,868</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,901,019</u></u>	<u><u>\$1,902,143</u></u>	<u><u>\$1,124</u></u>

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Debt Service Fund
For the Fiscal Year Ended June 30, 2004

	Revised Budget	Actual	Variance
Revenues			
Taxes	\$1,575,522	\$1,575,522	\$0
Intergovernmental	166,412	166,412	0
Total Revenues	1,741,934	1,741,934	0
Expenditures			
Current:			
Support Services			
Business and Fiscal Services	25,198	25,198	0
Debt Service:			
Principal	655,000	655,000	0
Interest and Fiscal Charges	1,046,416	1,046,416	0
Total Expenditures	1,726,614	1,726,614	0
Excess of Revenues Over (Under) Expenditures	15,320	15,320	0
Fund Balance at Beginning of Year	642,818	642,818	0
Fund Balance at End of Year	\$658,138	\$658,138	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Building Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Earnings on Investments	\$33,089	\$33,089	\$0
Total Revenues	33,089	33,089	0
Expenditures			
Current:			
Support Services			
Administration			
Purchased Services	248,441	248,441	0
Operation and Maintenance of Plant			
Purchased Services	24,225	24,225	0
New Equipment	839,621	839,621	0
Capital Outlay:			
Building Acquisition & Construction Services			
Purchased Services	208,891	208,891	0
New Equipment	5,621,484	5,621,484	0
Total Expenditures	6,942,662	6,942,662	0
Excess of Revenues Over (Under) Expenditures	(6,909,573)	(6,909,573)	0
Fund Balance at Beginning of Year	403,830	403,830	0
Prior Year Encumbrances Appropriated	6,625,997	6,625,997	0
Fund Balance at End of Year	\$120,254	\$120,254	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Public School Support Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Extracurricular	\$244,614	\$244,614	\$0
Total Revenues	244,614	244,614	0
Expenditures			
Current:			
Extracurricular			
Purchased Services	17,176	17,176	0
Materials and Supplies	240,148	240,148	0
Total Expenditures	257,324	257,324	0
Excess of Revenues Over (Under) Expenditures	(12,710)	(12,710)	0
Fund Balance at Beginning of Year	90,538	90,538	0
Prior Year Encumbrances Appropriated	9,400	9,400	0
Fund Balance at End of Year	\$87,228	\$87,228	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Local Grants Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Donations	\$134,451	\$134,451	\$0
Other	70,689	70,689	0
Total Revenues	205,140	205,140	0
Expenditures			
Current:			
Regular Instruction			
Salaries	300	300	0
Materials and Supplies	1,742	1,742	0
Support Services			
Instructional Staff			
Salaries	41,958	41,958	0
Purchased Services	4,944	4,944	0
Materials and Supplies	4,142	4,142	0
New Equipment	339	339	0
Administration			
Salaries	7,000	7,000	0
Fringe Benefits	1,282	1,282	0
Purchased Services	47,265	47,265	0
Materials and Supplies	181	181	0
New Equipment	2,293	2,293	0
Plant Operation and Maintenance			
New Equipment	25,000	25,000	0
Pupil Transportation			
Salaries	350	350	0
Fringe Benefits	58	58	0
Central			
New Equipment	10,245	10,245	0
Extracurricular Activities			
Purchased Services	820	820	0
Total Expenditures	147,919	147,919	0
Excess of Revenues Over (Under) Expenditures	57,221	57,221	0
Fund Balance at Beginning of Year	68,645	68,645	0
Prior Year Encumbrances Appropriated	1,799	1,799	0
Fund Balance at End of Year	\$127,665	\$127,665	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Underground Storage Tank Fund
For the Fiscal Year Ended June 30, 2004

	Revised Budget	Actual	Variance
Revenues			
Other	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures			
Current:			
Support Services			
Plant Operation and Maintenance	0	0	0
Total Expenditures	0	0	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	11,000	11,000	0
Fund Balance at End of Year	\$11,000	\$11,000	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Athletics Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Extracurricular	\$83,649	\$83,649	\$0
Other	2,035	2,035	0
Total Revenues	85,684	85,684	0
Expenditures			
Current:			
Extracurricular Activities			
Salaries	2,576	2,576	0
Fringe Benefits	401	401	0
Purchased Services	47,354	47,354	0
Material and Supplies	26,589	26,589	0
New Equipment	12,957	12,957	0
Total Expenditures	89,877	89,877	0
Excess of Revenues Over (Under) Expenditures	(4,193)	(4,193)	0
Fund Balance at Beginning of Year	16,882	16,882	0
Prior Year Encumbrances Appropriated	7,149	7,149	0
Fund Balance at End of Year	\$19,838	\$19,838	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Management Information Systems Fund
For the Fiscal Year Ended June 30, 2004

	Revised Budget	Actual	Variance
Revenues			
Intergovernmental	\$8,534	\$8,534	\$0
Total Revenues	8,534	8,534	0
Expenditures			
Current:			
Support Services			
Instructional Staff			
Purchased Services	6,700	6,700	0
Materials and Supplies	4,576	4,576	0
Total Expenditures	11,276	11,276	0
Excess of Revenues Over (Under) Expenditures	(2,742)	(2,742)	0
Fund Balance at Beginning of Year	6,805	6,805	0
Prior Year Encumbrances Appropriated	591	591	0
Fund Balance at End of Year	\$4,654	\$4,654	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Data Communication Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$15,000	\$15,000	\$0
Total Revenues	15,000	15,000	0
Expenditures			
Current:			
Central			
Purchased Services	14,983	14,983	0
Total Expenditures	14,983	14,983	0
Excess of Revenues Over (Under) Expenditures	17	17	0
Fund Balance at Beginning of Year	14,759	14,759	0
Prior Year Encumbrances Appropriated	224	224	0
Fund Balance at End of Year	\$15,000	\$15,000	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Professional Development Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$4,140	\$4,140	\$0
Total Revenues	4,140	4,140	0
Expenditures			
Current:			
Regular Instruction			
Purchased Services	4,140	4,140	0
Total Expenditures	4,140	4,140	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
School Building Incentives Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$2,317	\$2,317	\$0
Total Revenues	2,317	2,317	0
Expenditures			
Current:			
Support Services			
Pupils			
Materials and Supplies	160	160	0
Administration			
Purchased Services	1,897	1,897	0
Total Expenditures	2,057	2,057	0
Excess of Revenues Over (Under) Expenditures	260	260	0
Fund Balance at Beginning of Year	13,744	13,744	0
Prior Year Encumbrances Appropriated	161	161	0
Fund Balance at End of Year	<u><u>\$14,165</u></u>	<u><u>\$14,165</u></u>	<u><u>\$0</u></u>

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Eisenhower Grant Fund
For the Fiscal Year Ended June 30, 2004

	Revised Budget	Actual	Variance
Revenues			
Intergovernmental	\$67	\$67	\$0
Total Revenues	67	67	0
Expenditures			
Current:			
Regular Instruction			
Materials and Supplies	67	67	0
Total Expenditures	67	67	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Title VI - B Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$232,491	\$232,491	\$0
Total Revenues	232,491	232,491	0
Expenditures			
Current:			
Special Instruction			
Salaries	45,781	45,781	0
Fringe Benefits	13,443	13,443	0
Materials and Supplies	4,364	4,364	0
Support Services			
Pupils			
Salaries	28,592	28,592	0
Fringe Benefits	11,310	11,310	0
Purchased Services	33,383	33,383	0
Instructional Staff			
Salaries	71,468	71,468	0
Fringe Benefits	42,583	42,583	0
Purchased Services	16,540	16,540	0
Total Expenditures	267,464	267,464	0
Excess of Revenues Over (Under) Expenditures	(34,973)	(34,973)	0
Other Financing Sources (Uses)			
Advances - In	17,352	17,352	0
Total Other Financing Sources (Uses)	17,352	17,352	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(17,621)	(17,621)	0
Fund Balance at Beginning of Year	15,104	15,104	0
Prior Year Encumbrances Appropriated	2,517	2,517	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Title I Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$153,143	\$153,143	\$0
Total Revenues	153,143	153,143	0
Expenditures			
Current:			
Regular Instruction			
Materials and Supplies	1,031	1,031	0
Special Instruction			
Salaries	105,146	105,146	0
Fringe Benefits	47,920	47,920	0
Support Services			
Instructional Staff			
Purchased Services	11,483	11,483	0
Community Services			
Purchased Services	3,333	3,333	0
Total Expenditures	168,913	168,913	0
Excess of Revenues Over (Under) Expenditures	(15,770)	(15,770)	0
Other Financing Sources (Uses)			
Advances - In	9,937	9,937	0
Total Other Financing Sources (Uses)	9,937	9,937	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(5,833)	(5,833)	0
Fund Balance at Beginning of Year	3,998	3,998	0
Prior Year Encumbrances Appropriated	1,835	1,835	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Title VI Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$7,569	\$7,569	\$0
Total Revenues	7,569	7,569	0
Expenditures			
Current:			
Special Instruction			
Salaries	6,375	6,375	0
Fringe Benefits	1,094	1,094	0
Support Services			
Instructional Staff			
Purchased Services	2,254	2,254	0
Total Expenditures	9,723	9,723	0
Excess of Revenues Over (Under) Expenditures	(2154)	(2154)	0
Other Financing Sources (Uses)			
Advances - In	2,154	2,154	0
Total Other Financing Sources (Uses)	2,154	2,154	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Drug - Free School Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$9,083	\$9,083	\$0
Total Revenues	9,083	9,083	0
Expenditures			
Current:			
Special Instruction			
Salaries	500	500	0
Fringe Benefits	74	74	0
Materials and Supplies	239	239	0
Support Services			
Instructional Staff			
Salaries	6,500	6,500	0
Fringe Benefits	1,162	1,162	0
Materials and Supplies	406	406	0
New Equipment	300	300	0
Total Expenditures	9,181	9,181	0
Excess of Revenues Over (Under) Expenditures	(98)	(98)	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	98	98	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Preschool Handicapped Fund
 For the Fiscal Year Ended June 30, 2004

	Revised Budget	Actual	Variance
Revenues			
Intergovernmental	\$9,626	\$9,626	\$0
Total Revenues	9,626	9,626	0
Expenditures			
Current:			
Support Services			
Instructional Staff			
Salaries	5,089	5,089	0
Total Expenditures	5,089	5,089	0
Excess of Revenues Over (Under) Expenditures	4,537	4,537	0
Fund Balance at Beginning of Year	0	0	
Fund Balance at End of Year	\$4,537	\$4,537	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Title VI-R Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$71,633	\$71,633	\$0
Total Revenues	71,633	71,633	0
Expenditures			
Current:			
Regular Instruction			
Salaries	51,040	51,040	0
Fringe Benefits	18,171	18,171	0
Special Instruction			
New Equipment	2,341	2,341	0
Support Services			
Instructional Staff			
Salaries	6,900	6,900	0
Fringe Benefits	1,466	1,466	0
Purchased Services	9,889	9,889	0
Total Expenditures	89,807	89,807	0
Excess of Revenues Over (Under) Expenditures	(18,174)	(18,174)	0
Other Financing Sources (Uses)			
Advances - In	9,177	9,177	0
Total Other Financing Sources (Uses)	9,177	9,177	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(8,997)	(8,997)	0
Fund Balance at Beginning of Year	6,657	6,657	0
Prior Year Encumbrances Appropriated	2,340	2,340	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Ohio Reads Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$6,000	\$6,000	\$0
Total Revenues	6,000	6,000	0
Expenditures			
Current:			
Extracurricular Activities			
Salaries	6,000	6,000	0
Total Expenditures	6,000	6,000	0
Excess of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Summer School
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$21,491	\$21,491	\$0
Total Revenues	21,491	21,491	0
Expenditures			
Current:			
Regular Instruction			
Salaries	19,627	19,627	0
Fringe Benefits	6,412	6,412	0
Materials and Supplies	2,303	2,303	0
Total Expenditures	28,342	28,342	0
Excess of Revenues Over (Under) Expenditures	(6,851)	(6,851)	0
Other Financing Sources (Uses)			
Advances - In	6,851	6,851	0
Total Other Financing Sources (Uses)	6,851	6,851	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Title II-D Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$3,480	\$3,480	\$0
Total Revenues	3,480	3,480	0
Expenditures			
Current:			
Special Instruction			
Salaries	0	0	0
Support Services			
Instructional Staff			
Salaries	2,610	2,610	0
Purchased Services	1,780	1,780	0
New Equipment	0	0	0
Total Expenditures	4,390	4,390	0
Excess of Revenues Over (Under) Expenditures	(910)	(910)	0
Other Financing Sources (Uses)			
Advances - In	910	910	0
Advances - out	0	0	0
Total Other Financing Sources (Uses)	910	910	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	0	0	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	0	0	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Special Trust Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Tuition and Fees	\$25,746	\$25,746	\$0
Earnings on Investments	256	256	0
Other	7,626	7,626	0
Total Revenues	33,628	33,628	0
Expenditures			
Current:			
Regular Instruction			
Other	11,867	11,867	0
Special Instruction			
Salaries	1,000	1,000	0
Fringe Benefits	163	163	0
Materials and Supplies	910	910	0
Community Services			
Salaries	6,433	6,433	0
Fringe Benefits	16,294	16,294	0
Materials and Supplies	1,601	1,601	0
Other	453	453	0
Total Expenditures	38,721	38,721	0
Excess of Revenues Over (Under) Expenditures	(5,093)	(5,093)	0
Fund Balance at Beginning of Year	57,722	57,722	0
Prior Year Encumbrances Appropriated	201	201	0
Fund Balance at End of Year	\$52,830	\$52,830	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Food Service Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Intergovernmental	\$116,193	\$116,193	\$0
Charges for Services	354,900	354,900	0
Total Revenues	471,093	471,093	0
Expenditures			
Current:			
Food Service Operations:			
Salaries	194,233	194,233	0
Fringe Benefits	104,518	104,518	0
Purchased Services	1,283	1,283	0
Materials and Supplies	191,985	191,985	0
Total Expenditures	492,019	492,019	0
Excess of Revenues Over (Under) Expenditures	(20,926)	(20,926)	0
Other Financing Sources (Uses)			
Transfers - in	4,751	4,751	0
Advances - in	15,480	15,480	0
Total Other Financing Sources (Uses)	20,231	20,231	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(695)	(695)	0
Fund Balance at Beginning of Year	695	695	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
 Schedule of Revenues, Expenditures and
 Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Uniform School Supplies Fund
 For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Classroom Materials and Fees	\$113,743	\$113,743	\$0
Total Revenues	113,743	113,743	0
Expenditures			
Current:			
Regular Instruction			
Materials and Supplies	86,194	86,194	0
Total Expenditures	86,194	86,194	0
Excess of Revenues Over (Under) Expenditures	27,549	27,549	0
Fund Balance at Beginning of Year	51,832	51,832	0
Prior Year Encumbrances Appropriated	2,003	2,003	0
Fund Balance at End of Year	\$81,384	\$81,384	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Latchkey Fund
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Tuition	\$152,730	\$152,730	\$0
Total Revenues	152,730	152,730	0
Expenditures			
Current:			
Non-Instructional			
Salaries	105,360	105,360	0
Fringe Benefits	25,640	25,640	0
Purchased Services	12,255	12,255	0
Materials and Supplies	24,586	24,586	0
New Equipment	5,215	5,215	0
Total Expenditures	173,056	173,056	0
Excess of Revenues Over (Under) Expenditures	(20,326)	(20,326)	0
Fund Balance at Beginning of Year	35,431	35,431	0
Prior Year Encumbrances Appropriated	9,341	9,341	0
Fund Balance at End of Year	\$24,446	\$24,446	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Permanent Improvement
For the Fiscal Year Ended June 30, 2004

	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues			
Taxes	\$148,450	\$148,450	\$0
Intergovernmental	18,136	18,136	0
Total Revenues	166,586	166,586	0
Expenditures			
Capital Outlay:			
New Equipment	450,697	450,697	0
Replacement Equipment	128,900	128,900	0
Total Expenditures	579,597	579,597	0
Excess of Revenues Over (Under) Expenditures	(413,011)	(413,011)	0
Other Financing Sources (Uses)			
Operating Transfers - In	27,305	27,305	0
Total Other Financing Sources (Uses)	27,305	27,305	0
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Other Financing Uses	(385,706)	(385,706)	0
Fund Balance at Beginning of Year	214	214	
Prior Year Encumbrances Appropriated	385,492	385,492	0
Fund Balance at End of Year	\$0	\$0	\$0

Buckeye Local School District
Schedule of Revenues, Expenditures and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
School Net Plus Fund
For the Fiscal Year Ended June 30, 2004

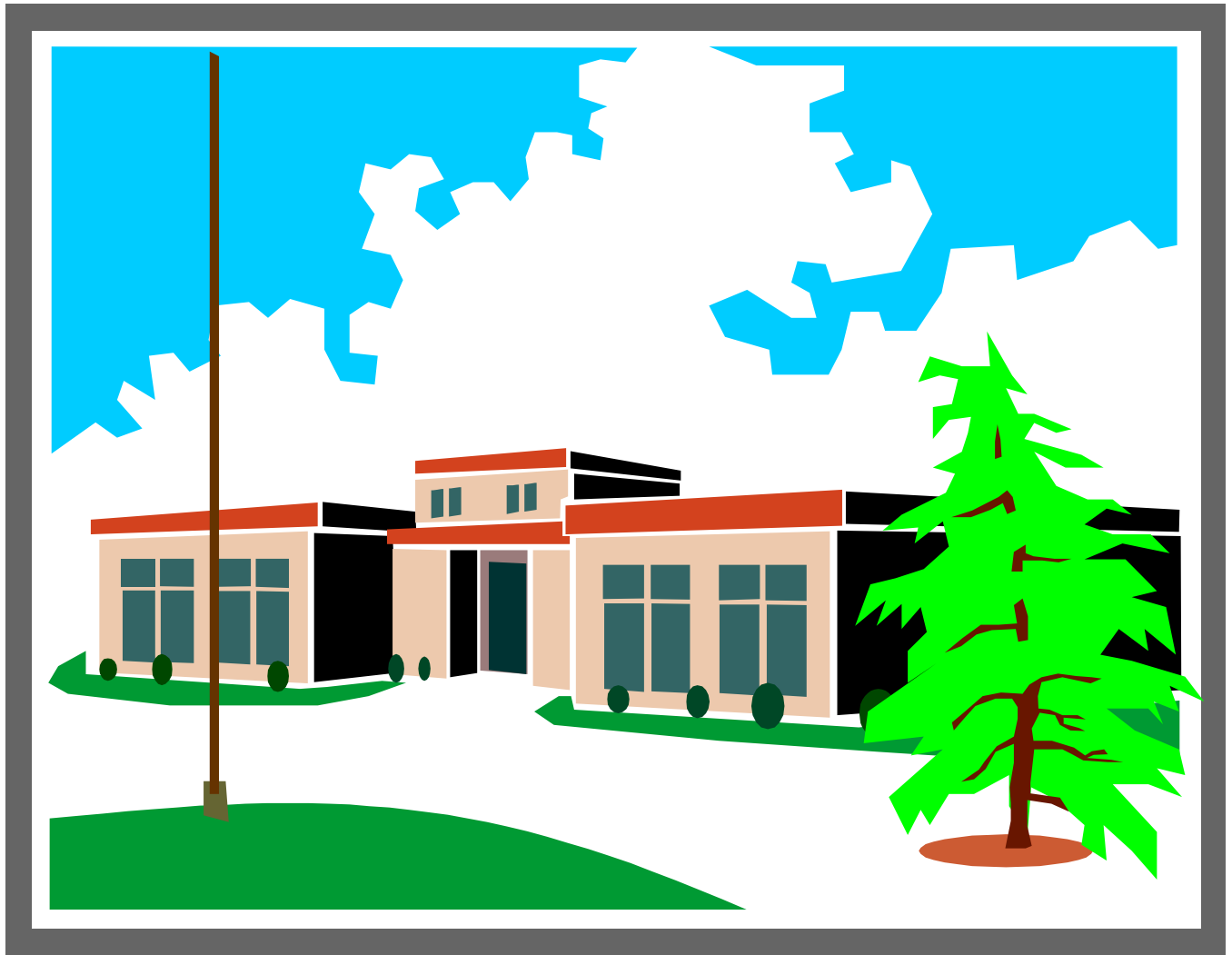
	<u>Revised Budget</u>	<u>Actual</u>	<u>Variance</u>
Expenditures			
Current:			
Support Services			
Central			
Purchased Services	\$500	\$500	\$0
Total Expenditures	<u>500</u>	<u>500</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	(500)	(500)	0
Fund Balance at Beginning of Year	30,500	30,500	0
Fund Balance at End of Year	<u><u>\$30,000</u></u>	<u><u>\$30,000</u></u>	<u><u>\$0</u></u>

Buckeye Local School District
Schedule of Revenues, Expenses and
Changes in Fund Balance - Budget and Actual (Non-GAAP Basis)
Self Insurance Fund
For the Fiscal Year Ended June 30, 2004

	Revised Budget	Actual	Variance
Revenues			
Charges for Services	\$710,997	\$710,997	\$0
Total Revenues	710,997	710,997	0
Expenses			
Purchased Services	753,888	753,888	0
Total Expenses	753,888	753,888	0
Excess of Revenues Over (Under) Expenses	(42,891)	(42,891)	0
Fund Balance at Beginning of Year	98,655	98,655	0
Prior Year Encumbrances Appropriated	51,939	51,939	0
Fund Balance at End of Year	\$107,703	\$107,703	\$0



*Buckeye Local
Schools*



***Buckeye Local
Schools***

Buckeye Local School District
Governmental Fund Revenues By Source and Expenditures By Function
(Including Other Sources and Uses)
Last Ten Years

	<u>June 30, 2004</u>	<u>June 30, 2003</u>	<u>June 30, 2002</u>	<u>June 30, 2001</u>
Revenues and Other Financing Sources				
Taxes	\$11,633,780	\$12,032,038	\$12,181,871	\$10,556,917
Tuition	300,448	321,247	28,340	65,742
Charges for Services	354,744	348,932	0	0
Earnings On Investments	97,956	325,309	642,984	1,362,285
Extracurricular Activities	378,649	305,323	346,130	350,477
Intergovernmental	7,139,886	7,078,205	6,924,707	6,352,899
Other	218,848	94,648	61,677	135,647
Transfers In	32,056	149,157	105,174	200,000
Proceeds of Notes	0	0	3,700,000	0
Proceeds of Bonds	0	3,700,000	0	20,000,000
Inception of Capital Lease	0	0	0	0
Total	<u>\$20,156,367</u>	<u>\$24,354,859</u>	<u>\$23,990,883</u>	<u>\$39,023,967</u>
Expenditures and Other Financing Uses				
Instructional	\$11,537,984	\$11,125,076	\$10,236,384	\$9,369,014
Supporting	8,121,149	7,481,926	7,850,086	6,590,369
Community Services	193,086	204,034	24,295	27,754
Extracurricular Activities	762,991	740,451	737,537	742,150
Food Service Operations	494,953	462,287	0	0
Capital Outlay	5,337,895	11,457,829	5,388,358	1,217,447
Debt Service	1,701,416	5,319,918	1,168,709	10,926,025
Transfers Out	32,056	149,157	141,148	200,000
Total	<u>\$28,181,530</u>	<u>\$36,940,678</u>	<u>\$25,546,517</u>	<u>\$29,072,759</u>

Note: Above reflects General, Special Revenue, Debt Service, and Capital Projects Funds

(1) Includes insurance proceeds of \$1,371,684

Source: Buckeye Local School District Financial Records

<u>June 30, 2000</u>	<u>June 30, 1999</u>	<u>June 30, 1998</u>	<u>June 30, 1997</u>	<u>June 30, 1996</u>	<u>June 30, 1995</u>
\$9,558,245	\$9,369,003	\$9,228,196	\$8,131,437	\$7,828,908	\$6,003,663
36,492	40,695	86,259	64,966	17,678	91,930
0	0	0	0	0	0
478,486	305,763	232,164	163,975	115,102	75,524
325,355	268,437	323,697	283,566	292,254	334,524
5,703,466	5,565,093	5,516,072	4,817,070	4,530,639	4,117,071
219,488	25,259	95,851	31,109	66,662	1,396,552 (1)
351,253	0	300,000	451,976	411,197	12,809
10,000,000	0	0	0	0	0
0	0	0	0	0	0
0	0	37,942	110,023	0	0
<u>\$26,672,785</u>	<u>\$15,574,250</u>	<u>\$15,820,181</u>	<u>\$14,054,122</u>	<u>\$13,262,440</u>	<u>\$12,032,073</u>
\$8,898,038	\$7,884,635	\$7,331,411	\$7,253,149	\$6,940,280	\$6,357,946
5,639,861	5,446,876	5,008,934	4,705,168	4,307,595	3,751,539
167,439	30,226	29,722	27,985	15,439	84,280
719,022	568,050	581,177	537,783	517,280	517,484
0	0	0	0	0	0
403,312	549,330	291,330	197,446	66,985	1,348,827
130,813	137,138	143,463	156,663	253,856	256,510
356,125	0	300,000	451,976	411,197	12,809
<u>\$16,314,610</u>	<u>\$14,616,255</u>	<u>\$13,686,037</u>	<u>\$13,330,170</u>	<u>\$12,512,632</u>	<u>\$12,329,395</u>

**Buckeye Local School District
Property Tax Levies and Collections
Last Ten Calendar Years**

Tax Year	Collection Year	Total Tax Levy	Current Tax Collections	Percent of Levy Collected	Delinquent Tax Collections
2002	2003	\$13,206,959	\$12,214,368	92.5%	\$266,080
2001	2002	12,209,453	11,474,812	94.0	473,176
2000	2001	11,805,923	11,264,968	95.4	255,957
1999	2000	9,974,255	9,783,938	98.1	340,718
1998	1999	9,730,069	9,331,011	95.9	282,040
1997	1998	9,476,044	9,092,647	96.0	378,245
1996	1997	9,018,295	8,832,975	97.9	326,967
1995	1996	8,513,248	8,193,369	96.2	248,763
1994	1995	7,399,422	7,327,522	99.0	221,728
1993	1994	5,399,725	5,115,418	94.7	302,649

Note: The Medina County Treasurer collects property taxes on a calendar-year basis, therefore, the above data has been presented on a calendar-year basis

Source: Medina County Auditor's Office

Total Tax Collections	Percent of Collections To Tax Levy	Outstanding Delinquent Taxes	Percent of Delinquent Taxes To Tax Levy
\$12,480,448	94.5%	\$378,636	2.9%
11,947,988	97.9	341,586	2.8
11,520,925	97.6	281,383	2.4
10,124,656	101.5	280,495	2.8
9,613,051	98.8	280,495	2.9
9,470,892	99.9	246,409	2.6
9,159,942	101.6	246,409	2.7
8,442,132	92.2	501,075	5.9
7,549,250	102.0	369,132	5.0
5,418,067	100.3	320,921	5.9

Buckeye Local School District
Assessed and Estimated Actual Value of Taxable Property
Last Ten Calendar Years

Tax Year	Collection Year	Real Property		Public Utility Property	
		Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value
2003	2004	\$300,025,500	\$857,215,714	\$15,652,330	\$31,304,660
2002	2003	291,679,180	833,369,086	15,671,400	31,342,800
2001	2002	272,674,090	779,068,829	15,368,370	30,736,740
2000	2001	225,161,490	643,318,543	18,139,800	36,279,600
1999	2000	216,194,020	617,697,200	18,696,380	37,392,760
1998	1999	207,298,810	592,282,314	19,631,990	39,263,980
1997	1998	189,677,130	541,934,657	20,406,980	40,813,960
1996	1997	181,359,590	518,170,257	20,174,740	40,349,480
1995	1996	172,928,160	494,080,457	21,151,940	42,303,880
1994	1995	128,926,550	368,361,571	24,658,890	49,317,780

Note: The Medina County Treasurer collects property taxes on a calendar-year basis, therefore, the above data has been presented on a calendar-year basis

(1) The Assessed Value is computed at approximately the following percentages of the estimated Actual Value of Real Property - 35%; Public Utilities - 50%; Tangible Personal Property - 25%

Source: Medina County Auditor's Office

Tangible Personal Property		Total	
Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value
\$66,830,983	\$267,323,932	\$382,508,813	\$1,155,844,306
73,948,155	295,792,620	381,298,735	1,160,504,506
78,205,923	312,823,692	366,248,383	1,122,629,261
73,281,157	293,124,628	316,582,447	972,722,771
66,058,215	264,232,860	300,948,615	919,322,820
65,097,837	260,391,348	292,028,637	891,937,642
58,459,510	233,834,040	268,543,620	816,582,657
56,244,675	224,978,700	257,779,005	783,498,437
49,785,485	199,141,940	243,865,585	735,526,277
44,007,450	176,029,800	197,592,890	593,709,151

Buckeye Local School District
Property Tax Rates
Direct and Overlapping Governments
(Per \$1,000 of Assessed Value)
Last Ten Calendar Years

<u>Tax Year</u>	<u>Collection Year</u>	<u>Buckeye Local School District</u>	<u>Medina County</u>	<u>Medina City</u>	<u>Liverpool Township</u>
2003	2004	60.70	8.23	5.70	5.20
2002	2003	60.70	8.24	5.70	5.45
2001	2002	60.70	8.06	5.70	5.45
2000	2001	60.70	8.19	5.80	6.20
1999	2000	56.34	7.92	6.00	5.45
1998	1999	56.34	7.95	6.10	5.45
1997	1998	56.34	7.95	6.10	5.45
1996	1997	56.38	7.97	6.30	6.20
1995	1996	53.58	7.98	6.40	6.20
1994	1995	51.70	8.09	6.50	6.20

Source: Medina County Auditor's Office

Litchfield Township	York Township	Medina County Career Center	Medina County Library	Medina County Park District
9.90	6.20	3.05	2.25	0.50
9.90	6.20	3.05	1.25	0.50
9.90	6.20	3.05	1.25	0.50
9.90	7.70	3.05	1.25	0.50
9.90	7.70	3.05	1.25	0.50
9.90	9.20	3.05	1.25	0.50
9.90	9.20	3.05	1.25	0.50
9.90	6.20	3.05	1.25	0.50
9.90	6.20	3.05	1.25	0.50
9.90	6.20	3.05	1.25	0.50

Buckeye Local School District
Ratio of Net General Bonded Debt to Assessed Value
and Net Bonded Debt Per Capita
Last Ten Fiscal Years

Fiscal Year Ended	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Funds Available (3)
6/30/04	11,805	\$382,508,813	\$22,405,000	\$738,658
6/30/03	11,074	381,298,735	23,060,000	737,341
6/30/02	10,710	366,248,383	19,895,000	614,013
6/30/01	10,491	316,582,447	20,115,000	118,007
6/30/00	10,985	300,948,615	230,000	125,076
6/30/99	10,786	292,028,637	345,000	153,570
6/30/98	10,786	268,543,620	460,000	194,926
6/30/97	10,590	257,779,005	575,000	246,336
6/30/96	10,383	243,865,585	690,000	303,252
6/30/95	9,874	197,592,890	880,000	338,050

Source:

- (1) Medina County Planning Commission Office
- (2) Medina County Auditor's Office
- (3) Buckeye Local School District Financial Records

Net Bonded Debt	Ratio of Debt Service Expenditures to Total Governmental Expenditures	Net Bonded Debt To Assessed Value	Net Bonded Debt Per Capita
\$21,666,342	6.0%	5.7%	\$1,835.35
22,322,659	14.5	5.9	2,015.77
19,280,987	4.6	5.3	1,800.28
19,996,993	3.7	6.3	1,906.11
104,924	0.8	0.1	9.55
191,430	0.9	0.1	17.75
265,074	1.1	0.1	24.58
328,664	1.1	0.1	31.04
386,748	2.1	0.2	37.25
541,950	2.0	0.3	54.89

Buckeye Local School District
Computation of Legal Debt Margin
June 30, 2004

Debt Limitation (9% of Assessed Valuation)	\$34,425,793
Total Debt	\$22,405,000
Less Debt Service Fund Balance	<u>(738,658)</u>
Less Net Debt	<u>21,666,342</u>
Legal Debt Margin	<u><u>\$12,759,451</u></u>
Unvoted Debt Limit (.10% of Assessed Value)	\$382,509
Amount of Debt Applicable	<u>0</u>
Unvoted Debt Margin	<u><u>\$382,509</u></u>

Note: Ohio bond law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt

Source: Buckeye Local School District Financial Records

Buckeye Local School District
Computation of Direct and Overlapping General Obligation Debt
June 30, 2004

	<u>Net General Obligation Bonded Debt (1)</u>	<u>Percentage Applicable To School District (2)</u>	<u>Amount Applicable To School District</u>
Buckeye Local School District	\$21,666,342	100%	\$21,666,342
Medina County	13,110,000	10%	1,311,000
Medina City	<u>23,611,071</u>	8%	<u>1,888,886</u>
Total	<u><u>\$58,387,413</u></u>		<u><u>\$24,866,228</u></u>

(1) Individual Taxing Entities

(2) Percentages determined by dividing the assessed valuation of the political subdivision located within the District by the total assessed valuation of the subdivision.

Source: Respective Political Subdivision.

Buckeye Local School District
Ratio of Annual Debt Service Expenditures
To Total Governmental Expenditures
Last Ten Fiscal Years

Fiscal Year Ended	Principal	Interest and Fiscal Charges	Total Debt Service	Total Governmental Expenditures	Ratio of Debt Service Expenditures To Total Governmental Expenditures
6/30/04	\$655,000	\$1,046,416	\$1,701,416	\$28,181,530	6.00%
6/30/03	4,235,000	1,086,297	5,321,297	36,791,521	14.50
6/30/02	220,000	948,709	1,168,709	25,546,517	4.60
6/30/01	115,000	811,025	926,025	29,072,759	3.20
6/30/00	115,000	17,391	132,391	16,314,610	0.80
6/30/99	115,000	22,138	137,138	14,616,255	0.90
6/30/98	115,000	28,463	143,463	13,686,037	1.10
6/30/97	115,000	34,788	149,788	13,330,170	1.10
6/30/96	190,000	63,856	253,856	12,512,632	2.00
6/30/95	190,000	66,663	256,663	12,329,395	2.00

Note: Above reflects General, Special Revenue, Debt Service, and Capital Projects Funds

Source: Buckeye Local School District Financial Records

Buckeye Local School District
Property Values and New Construction
Last Ten Calendar Years

Tax Year	Collection Year	Property Values Estimated Actual Value	New Construction Assessed Value
2003	2004	\$1,155,844,306	\$9,779,860
2002	2003	1,160,504,506	9,269,600
2001	2002	1,122,629,261	9,441,810
2000	2001	972,722,771	6,523,130
1999	2000	919,322,820	5,776,500
1998	1999	891,937,642	6,815,240
1997	1998	816,582,657	7,573,950
1996	1997	783,498,437	7,149,230
1995	1996	735,526,277	5,076,220
1994	1995	593,709,151	4,819,790

Source: Medina County Auditor's Office

**Buckeye Local School District
Principal Taxpayers
Real Estate Tax
December 31, 2003**

<u>Principal Taxpayers</u>	<u>Assessed Valuation</u>	<u>Percent of Total Real Estate Tax Assessed Valuation</u>
Medina Blanking	\$3,216,430	1.07%
MTD Products	3,167,560	1.06
VCS Properties	1,792,680	0.61
Medina Medical Investors	1,609,680	0.53
Shiloh Automotive	1,487,470	0.51
Discount Drug Mart	1,481,510	0.48
Independent Steel Co.	1,388,350	0.46
Liberty Plaza Ltd	1,351,730	0.44
Webb-Stiles Company	1,168,200	0.39
Industrial Plastics	1,061,350	0.35
Total	\$17,724,960	5.91%
Total Real Estate Assessed Valuation	\$300,025,500	

Source: Medina County Auditor's Office

Buckeye Local School District
Principal Taxpayers
Tangible Personal Property Tax
December 31, 2003

<u>Principal Taxpayers</u>	<u>Assessed Valuation</u>	<u>Percent of Total Tangible Personal Property Tax Assessed Valuation</u>
Shiloh Industries Inc	\$16,891,680	25.28%
Discount Drug Mart	9,047,120	13.54
Valley City Steel	4,000,620	5.99
Independent Steel Co.	3,050,610	4.56
MTD Products	2,186,030	3.27
Luk Incorporated	1,680,930	2.52
CHC Industries Inc	1,646,370	2.46
Value Part Inc	1,414,320	2.12
Hy Production Inc	1,383,610	2.07
Three D Metals Inc	1,228,320	1.83
Total	<u><u>\$42,529,610</u></u>	<u><u>63.64%</u></u>
Total Tangible Personal Property Tax Assessed Valuation	<u><u>\$66,830,983</u></u>	

Source: Medina County Auditor's Office

**Buckeye Local School District
Principal Taxpayers
Public Utilities Tax
December 31, 2003**

<u>Principal Taxpayers</u>	<u>Assessed Valuation</u>	<u>Percent of Total Public Utilities Tax Assessed Valuation</u>
Columbia Gas Transmission	\$5,049,470	32.26%
Ohio Edison	3,802,700	24.29
Verizon	2,144,120	13.71
MCI Telecommunications	1,082,770	6.92
Lorain Medina Rural Electric	1,035,280	6.61
Total	<u><u>\$13,114,340</u></u>	<u><u>83.79%</u></u>
 Total Public Utilities Tax Assessed Valuation	 <u><u>\$15,652,330</u></u>	

Source: Medina County Auditor's Office

Buckeye Local School District
Per Pupil Cost
Last Ten Fiscal Years

Year	General Fund Expenditures (1)	Average Daily Enrollment	Per Pupil Cost	State Average Per Pupil Cost
2003	\$18,187,766	2,460	\$7,393	\$8,441
2002	17,838,939	2,430	7,341	8,073
2001	15,647,911	2,491	6,282	7,591
2000	15,031,292	2,463	6,103	7,057
1999	13,585,832	2,490	5,456	6,642
1998	13,686,037	2,493	5,490	6,232
1997	13,330,170	2,409	5,533	5,939
1996	12,512,632	2,317	5,400	5,284
1995	12,329,395	2,275	5,420	5,353
1994	11,008,111	2,223	4,952	5,241

Source: Buckeye Local School District Financial Records
State Average Per Pupil Cost - State of Ohio Department of Education

(1) Includes Other Financing Uses

Buckeye Local School District
Demographic Statistics
Last Ten Fiscal Years

<u>Year Ended</u>	<u>Population (1)</u>	<u>Enrollment</u>	<u>Unemployment Rate (2)</u>
2004	11,805	2,460	5.2%
2003	11,074	2,430	5.8
2002	10,710	2,463	5.4
2001	10,491	2,491	3.6
2000	10,985	2,463	3.5
1999	10,786	2,490	3.3
1998	10,786	2,493	3.4
1997	10,590	2,409	3.6
1996	10,383	2,317	4.5
1995	9,874	2,275	4.0

Source:

(1) Medina County Planning Commission

(2) Ohio Bureau of Employment Services (Percentages represent Medina County)

Buckeye Local School District
Miscellaneous Statistics
June 30, 2004

Form of Government	Five Member Elected Board of Education
Average Daily Enrollment	2,460
Superintendent	Craig J. Bailey
Treasurer	Carolyn M. Weglewski

School Buildings:		<u>Students</u>
Buckeye High School	Marty Brand, Principal	773
Buckeye Junior High School	David Feola, Principal	401
Litchfield Elementary School	Mary Banton, Principal	409
Liverpool Elementary School	Nancee Watts, Principal	400
York Elementary School	B. Joy Gunnett, Principal	<u>477</u>
		<u><u>2,460</u></u>

Source: Buckeye Local School District Records

Buckeye Local School District
Teacher Education and Experience
June 30, 2004

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
Bachelor's Degree	20.50	13.75%
Bachelor's plus 15	37.00	24.83%
Master's Degree	44.54	29.88%
Master's plus 15	27.50	18.45%
Master's plus 30	19.50	13.09%
Total	149.04	100.00%

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
0 to 5	32.84	22.03%
6 to 10	32.70	21.94%
11 to 20	35.50	23.82%
20 and Over	48.00	32.21%
Total	149.04	100.00%

Note: This schedule presents instructors that teach only portions of days as fractional teachers

Source: Buckeye Local School District Records



**Auditor of State
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**BUCKEYE LOCAL SCHOOL DISTRICT
MEDINA COUNTY**

CLERK'S CERTIFICATION

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

Susan Babbitt

CLERK OF THE BUREAU

**CERTIFIED
FEBRUARY 10, 2005**