



**Auditor of State
Betty Montgomery**

CITY OF BUCYRUS
CRAWFORD COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Independent Accountants' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Required by <i>Government Auditing Standards</i>	1

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**Auditor of State
Betty Montgomery**

**INDEPENDENT ACCOUNTANTS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
REQUIRED BY *GOVERNMENT AUDITING STANDARDS***

City of Bucyrus
Crawford County
500 South Sandusky Avenue
Bucyrus, Ohio 44820

To the Members of City Council:

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bucyrus, Crawford County, Ohio, (the City) as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements and have issued our report thereon dated June 27, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting to determine our auditing procedures in order to express our opinions on the financial statements and not to opine on the internal control over financial reporting. Our consideration of the internal control would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a reportable 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 caused by error or fraud in amounts material to the financial statements we audited may occur and not be timely detected by employees when performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider material weaknesses. In a separate letter to the City's management dated June 27, 2005, we reported other matters involving internal control over financial reporting we did not deem reportable conditions.

Compliance and Other Matters

As part of reasonably assuring whether the City's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express an opinion. The results of our tests disclosed no instances of noncompliance or other matters we must report under *Government Auditing Standards*. In a separate letter to the City's management dated June 27, 2005, we reported certain other matters related to noncompliance we deemed immaterial.

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www.auditor.state.oh.us

We intend this report solely for the information and use of the finance committee, management, and City Council. It is not intended for 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

June 27, 2005

CITY OF BUCYRUS, OHIO
Comprehensive Annual Financial Report
For the Year Ended
December 31, 2004

CITY OF BUCYRUS, OHIO

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For The Year Ended December 31, 2004

Prepared By:

City Auditor

JOYCE M. SCHIFER

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CITY OF BUCYRUS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2004

TABLE OF CONTENTS

INTRODUCTORY SECTION

Title Page.....	i
Table of Contents	iii
Letter of Transmittal.....	vi
Certificate of Achievement.....	xii
Organizational Chart	xiii
City of Bucyrus Principal City Officials	xiv

FINANCIAL SECTION

Independent Accountants' Report	1
General Purpose External Financial Statements	
Management's Discussion and Analysis.....	3
Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Assets	11
Statement of Activities.....	12
Fund Financial Statements	
Balance Sheet - Governmental Funds.....	14
Reconciliation of Total Governmental Fund Balance to Net Assets of Governmental Activities	15
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	16
Reconciliation of Statement of Revenues, Expenditures, and Changes in Fund Balance of Governmental Funds to Statement of Activities.....	17
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual:	
General Fund	18
Street Maintenance and Repair Fund	19

TABLE OF CONTENTS

(continued)

FINANCIAL SECTION (continued)

Statement of Fund Net Assets - Enterprise Funds	20
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Enterprise Funds	21
Statement of Cash Flows - Enterprise Funds	22
Statement of Fiduciary Assets and Liabilities - Agency Funds	24
Notes to the Basic Financial Statements	25
Combining Statements and Individual Fund Schedules	61
Combining Statements - Nonmajor Governmental Funds	
Fund Descriptions.....	63
Combining Balance Sheet - Nonmajor Governmental Funds	67
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance - Nonmajor Governmental Funds.....	75
Combining Statements - Fiduciary Funds	
Fund Descriptions.....	83
Combining Statement of Assets and Liabilities - Agency Funds.....	84
Combining Statement of Changes in Assets and Liabilities - Agency Funds.....	85
Individual Fund Schedules of Revenues, Expenditures/Expenses, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual	87
Major Funds	88
Nonmajor Funds	100
Schedules of Capital Assets Used in the Operation of Governmental Funds.....	123
Capital Assets Used in the Operation of Governmental Funds - Schedule of Changes by Program and Department	125
Capital Assets Used in the Operation of Governmental Funds - Schedule by Program and Department.....	126
Capital Assets Used in the Operation of Governmental Funds - Schedule by Source.....	128

TABLE OF CONTENTS

(continued)

STATISTICAL SECTION

Governmental Activities Expenses by Program - Last Four Years	S-2
Governmental Activities Revenues by Source - Last Four Years	S-4
Governmental Fund Type Expenditures by Program - Last Ten Years.....	S-6
Governmental Fund Type Revenues by Source - Last Ten Years.....	S-8
Real Property Tax Levies and Collections - Last Ten Years.....	S-10
Tangible Personal Property Tax Levies and Collections - Last Ten Years.....	S-12
Assessed and Estimated Actual Value of Taxable Property - Last Ten Years.....	S-14
Property Tax Rates - Direct and Overlapping Governments - Last Ten Years.....	S-16
Principal Taxpayers	S-17
Special Assessment Billings and Collections - Last Ten Years.....	S-18
Legal Debt Margin	S-19
Bonded Debt.....	S-20
Computation of Overlapping General Obligation Bonded Debt	S-21
Mortgage Revenue Bond Coverage - Water Enterprise Fund - Last Ten Years.....	S-22
Demographic Statistics - Last Ten Years.....	S-24
Property Value, Construction, and Bank Deposits - Last Ten Years.....	S-25
Miscellaneous Statistics	S-26

Joyce M. Schifer

Auditor

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June 27, 2005

Citizens of the City of Bucyrus
Members of Bucyrus City Council

As City Auditor, it is my pleasure to present the City of Bucyrus Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2004. This report is prepared by the Auditor's office and provides a full and complete disclosure of the financial operations of the City. It is intended to inform elected officials, employees, bondholders, investment bankers, rating agencies, and all interested persons of the financial affairs of the City. This report was prepared according to generally accepted accounting principles (GAAP).

Responsibility for both the accuracy of the presented data and the thoroughness of the presentation rests with the City. We believe the data to be accurate in all material aspects and to be presented in a manner designed to fairly set forth the financial position and the results of operations of the City.

The Comprehensive Annual Financial Report is divided into three sections: the Introductory Section, the Financial Section, and the Statistical Section. The Introductory Section contains a table of contents, letter of transmittal, certificate of achievement, an organizational chart, and a listing of the City elected and appointed officials. The Financial Section contains the Independent Accountants' Report, Management's Discussion and Analysis, basic financial statements and notes, and relevant supplemental information for the year ended December 31, 2004. The Statistical Section provides pertinent and select financial, economic, and demographic information which displays trends for comparative fiscal periods.

GAAP require the Management's Discussion Analysis (MD&A), a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is design to complement the MD&A and should be read in conjunction with it.

Included in the 2004 Comprehensive Annual Financial Report are all agencies, boards, and commissions which compose the City's reporting entity. The primary government consists of all funds and departments which provide various services including police and fire protection, parks and recreation, airport facilities, street maintenance and repair, access television channel, and water, sewer, sanitation, and storm water services. The City Council has direct responsibility for these activities.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; or the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Bucyrus in 2004.

The City participates in two jointly governed organizations and a public entity shared risk pool. These organizations are presented in Note 21 and Note 22 to the basic financial statements.

Related organizations are organizations for which the City appoints a voting majority of the governing board but for which the City is not financially accountable. The Bucyrus Public Library is a related organization to the City. A more detailed description of the Library's relationship to the City may be found in Note 23 to the basic financial statements.

THE CITY AND FORM OF GOVERNMENT

The City of Bucyrus is located in Crawford County in north central Ohio, approximately sixty miles north of Columbus, eighty-five miles southeast of Toledo, and ninety miles southwest of Cleveland. Covering 7.49 square miles, Bucyrus is the largest city in Crawford County, the county seat, and according to the latest census, has a population of 13,224. Bucyrus was incorporated as a city in 1883.

The City operates under and is governed by a mayor-council form of government in accordance with general laws. Under the Ohio Constitution, the City may exercise all powers of local self-government and police powers to the extent not in conflict with applicable general laws. Legislative authority is vested in a seven-member council elected for two-year terms. Three members are elected at-large and four are elected from wards. In addition, the President of Council is elected by the residents for a two-year term and serves as the presiding officer of council. The residents elect a Mayor, Auditor, Treasurer, and Law Director to four-year terms. A Service-Safety Director is appointed by the Mayor and has administrative responsibility for department operations.

The City is served by a variety of transportation facilities, including four state and U.S. highways. The City-owned Port Bucyrus airport can handle most twin engine aircraft and executive jets while commercial airlines are located in Mansfield (approximately twenty-five miles east of the City) as well as at the Cleveland Hopkins and Port Columbus International Airports. Railroad transportation is provided by Conrail and the Norfolk Southern Railroad.

There are three commercial banks and one savings and loan association in the City that have their principal offices located within Crawford County. A fourth commercial bank, with a branch office in the City, has its principal office located elsewhere.

News and communication is provided daily by the Bucyrus Telegraph Forum newspaper. In addition, the City is within the broadcast area of twenty-five AM and FM radio stations including WBCO/WQEL Bucyrus. Approximately one hundred four television channels are received and provided by Time Warner Communications. The City-owned public access channel provides coverage of various local activities.

The Bucyrus Community Hospital, a forty-seven bed acute care community hospital, is located in the City. On an annual basis, over 750 patients are admitted to the hospital. There are approximately 25,000 outpatient visits and over 12,000 visits to the emergency room. The hospital is currently undergoing a \$26 million renovation to upgrade and expand services to the area. Other hospitals and medical centers, with a total of over 1,183 beds, are within twenty-five miles of the City.

Eight public and private two-year and four-year colleges and universities are within commuting distance, including the Marion and Mansfield branch campuses of the Ohio State University.

Recreational activities can be found at any of the five City parks. The parks cover a total of ninety acres and offer playgrounds, a swimming pool, lighted baseball and softball fields, basketball and tennis courts, picnic shelters, and other recreational facilities.

Additional activities are available nearby at four golf courses and several State parks and lakes. The Bucyrus Little Theatre as well as other community organizations offer a variety of musical and theatrical productions to enhance the cultural aspects of the City.

For three days each August, the City hosts the Bucyrus Bratwurst Festival which attracts over 100,000 visitors to the City. Ohio's "eatingest" festival offers a wide selection of free entertainment, three parades, and many other attractions. The Festival has been held annually for thirty-seven years and has been named Ohio Festival of the Year by the Ohio Showman Association.

ECONOMIC CONDITION AND OUTLOOK

The City's economic downturn continued through 2004, and, with the economy recovering slowly, City officials are cautiously optimistic about the economic prospects for 2005. City departments experienced several layoffs early in 2005, and the City revenues, expenditures, and operating fund balances continue to be monitored very carefully.

Several new businesses opened throughout the City in 2004, such as Thrivent Financial Services, ABC Auto Collision East, Peoples Savings & Loan-North Branch (additional location), Church's Photography, Treasures of Former Times, J & D Heavy Equipment Repair, Sterling gas station, Wholehealth LLC, and C & R Hobbies. These added a variety of new services to the community.

Crossroads Industrial Center, under the guidance of the Crawford County Development Board, Inc., continues to provide the potential for bringing industry and increased employment to the area. The Crossroads Industrial Center is located within the Bucyrus city limits and is currently the home to five businesses.

- Bucyrus Precision Tech, Inc. (BPT) produces transmission shafts and rear wheel spindle shafts for Honda of America Manufacturing.
- Arctco, Inc., the producer of Arctic Cat Snowmobiles, has their distribution center at the Industrial Center. Their warehouse covers 202,000 square feet, has six shipping docks, and nine receiving docks.
- Imasen Bucyrus Technology, Inc. (IB Tech) built a plant in 1998 for assembly, welding, stamping, and painting operations in the production of power seat systems and manual seat adjusters for automobiles. IB Tech completed a 70,000 square foot addition and created an additional one hundred seventy jobs.
- Advanced Fiber Technology built a 22,500 square foot facility in 2001 that produces home insulation and hydroseeding mulch from recycled waste paper. In addition the company produces specialty asphalt paving fibers and structural steel fire proofing fibers. The company employs seventeen people.
- Total Warehousing, Inc. is a young company located in the original spec building in the Industrial Center. They provide packaging and shipping services for local companies and also produce scented candles for resale. These candles are becoming quite popular and are being shipped to locations around the country. The company recently held a groundbreaking ceremony for a 15,000 square foot addition to their building to accommodate their expanding business.

An encouraging indicator of the economic condition of the City is the longevity of its industries. The Timken Company and Bucyrus Blades, Inc. celebrated their 50th anniversaries in the City in 2001. General Electric celebrated its 60th Anniversary in 2002. General Electric recently announced a \$13 million rebuild of one of their manufacturing lines which will result in additional employment of sixty people.

The Ohio Mutual Insurance Group celebrated its 100 year anniversary in Bucyrus in 2001 and recently completed a \$2.6 million investment in new and personal property at its Hopley Avenue site on the City's east side. They expect to create ten new full-time positions each year for the next nine years. The company currently has over one hundred seventy-five full-time employees. The company also continues construction of a residential development on company owned property which includes upscale homes and a condominium community.

MAJOR INITIATIVES

Capital improvement proposals are presented to City Council for approval and appropriations. Funding for projects is generally provided by the Community Development Block Grant program, State of Ohio Issue II funds, permissive motor vehicle license fees, and the one-half percent income tax that is recorded in the Street Maintenance and Repair special revenue fund. Some capital improvements and equipment purchases are financed by the General Fund and the Water, Sewer, Solid Waste, and Storm Water enterprise funds.

A number of street reconstruction and resurfacing projects were in progress in 2004. As part of these projects, contracts were also awarded for maintenance and repair of City streets.

In the latter part of 2000, the City created a Storm Water enterprise fund to finance storm water separation projects mandated by the Ohio Environmental Protection Agency. The utility is funded by a \$4.00 charge per residential unit that is billed to the citizens on their monthly water bill. The first major storm water separation project was completed in 2001. Several other major projects have been completed by utilizing Issue II funds and the resources of the Storm Water enterprise fund which resulted in removing tens of thousands of gallons of storm water from the City's sewer system.

The 2003 Community Development Block Grant project completed in 2004 replaced 1,087 lineal feet of water line along Russell and Failor Avenue at a cost of \$33,400. The project also contributed to the historic preservation of the Toledo & Ohio Central Railroad Passenger Depot on Rensselaer Street owned by the Bucyrus Preservation Society.

The 2004 Community Development Block Grant project will replace 386 lineal feet of water line along Iron Street at an approximate cost of \$23,400. This project will also contribute to the continuing historic preservation of the Toledo & Ohio Central Railroad Passenger Depot. In addition, this grant will fund the Community Housing Improvement Strategy needed to implement a Community Housing Improvement Program in the City.

FINANCIAL INFORMATION

The City's fiscal year corresponds with the calendar year. Responsibilities for the major financial functions of the City are divided among the City Council, the Mayor, the Auditor, and the Treasurer.

The Auditor is the City's chief fiscal and accounting officer. Among the Auditor's duties are to maintain the books and accurate statements of all monies received and expended, to keep records of all taxes and assessments, to insure appropriations are not overdrawn and expenditures are in accordance with appropriations set by the City Council, and to ensure sufficient resources are or will be available at the time expenditures are authorized.

The City prepares its financial report in accordance with generally accepted accounting principles (GAAP) and it provides a consistent and comprehensive financial presentation of the City's financial position.

Internal accounting controls have been designed to provide reasonable assurance for the safeguarding of assets against loss from unauthorized use or disposition, to maintain accountability for assets, and to provide reliable records as the basis for preparing financial statements. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits likely to be derived from their implementation. City-wide internal controls and accounting procedures are evaluated during each annual audit of the City's financial statements.

BUDGETARY CONTROL

The City submits a statement of fund activities to the County Auditor for those funds of the City receiving tax monies. The City no longer submits a tax budget as had been required in prior years; however, the City continues to prepare an annual budget of revenues and expenditures/expenses for use by city officials and department heads. The County Budget Commission certifies to the City the tax revenues the City expects to receive during the upcoming calendar year. These amounts are combined with the available balances at year end and the City's projections for revenues other than taxes to determine the total resources available for appropriation by fund. In late November, the finance committee of City Council meets with each department head, the Service-Safety Director, and the Auditor to determine that department's budget requirements for the upcoming year. These amounts will then be appropriated by City Council ordinance. The focus of budgetary control is by department and, in total, by fund. Additional funding can be procured by a request to City Council, consideration by the finance committee of City Council, and passage of an appropriation ordinance by City Council.

Funds are encumbered and spent by department heads through the use of purchase orders. At the end of the year, outstanding encumbrances are carried forward to the next year if the purchased item has not been received or the project has not been completed.

CASH AND INVESTMENTS

The City's investment policy is governed by the provisions of the Ohio Revised Code. These statutes permit the City to invest its monies in certificates of deposit, savings accounts, money market deposit accounts, obligations of the United States Government and agencies thereof, obligations of the State of Ohio, certain money market mutual funds, repurchase agreements subject to certain restrictions, and the State Treasurer's investment pool, STAR Ohio.

In accordance with the above mentioned statutes, public depositories must provide security for all public funds on deposit. These institutions may pledge eligible securities for amounts in excess of the deposits insured by the Federal Deposit Insurance Corporation (FDIC), may provide surety company bonds deposited with the Treasurer by the financial institution, or may establish a single collateral pool to secure the repayment of all public monies on deposit with the institution. At December 31, 2004, all monies of the City were secured in accordance with the above statutory provisions.

RISK MANAGEMENT

The City insures all risk through the Public Entities Pool of Ohio, a public entity shared risk pool, and maintains a variety of coverages. Some of the principal types of coverage includes property insurance, general liability, public official and law enforcement liability, and fleet insurance. A more detailed description of the City's risk management may be found in Note 12 to the basic financial statements.

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

INDEPENDENT AUDIT

Included in this report is an unqualified opinion rendered on the City's financial statements for the year ended December 31, 2004. City management plans to continue to subject the financial statements to an annual independent audit as part of the preparation of the Comprehensive Annual Financial Report. An annual audit serves to maintain and strengthen the City's accounting and budgetary controls.

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 the City of Bucyrus for its Comprehensive Annual Financial Report (CAFR) for the year ended December 31, 2003. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report whose contents conform to program standards. The CAFR 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 our current report continues to conform to the Certificate of Achievement requirements, and we are submitting it to the GFOA for consideration.

ACKNOWLEDGMENTS

I would like to thank the members of the Administration, City Council, department heads, and our City employees for their assistance in the preparation of the 2004 Comprehensive Annual Financial Report. Their cooperation is greatly appreciated. We are fortunate to have such dedicated City employees and I commend them on a job well done.

I sincerely want to thank Local Government Services of the Auditor of State, Betty Montgomery's office for their guidance and professionalism.

I would also like to thank A-1 Printing for their photography and graphics on the front cover of this report. The dedication of Bucyrus citizens to promote and maintain our historical landmarks is a great asset to the City.

The continuing dedication and hard work of my staff is also greatly appreciated. Without the cooperation of all involved, the preparation of this report would not have been possible.

Sincerely,



Joyce M. Schifer
Bucyrus City Auditor

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Bucyrus,
Ohio

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



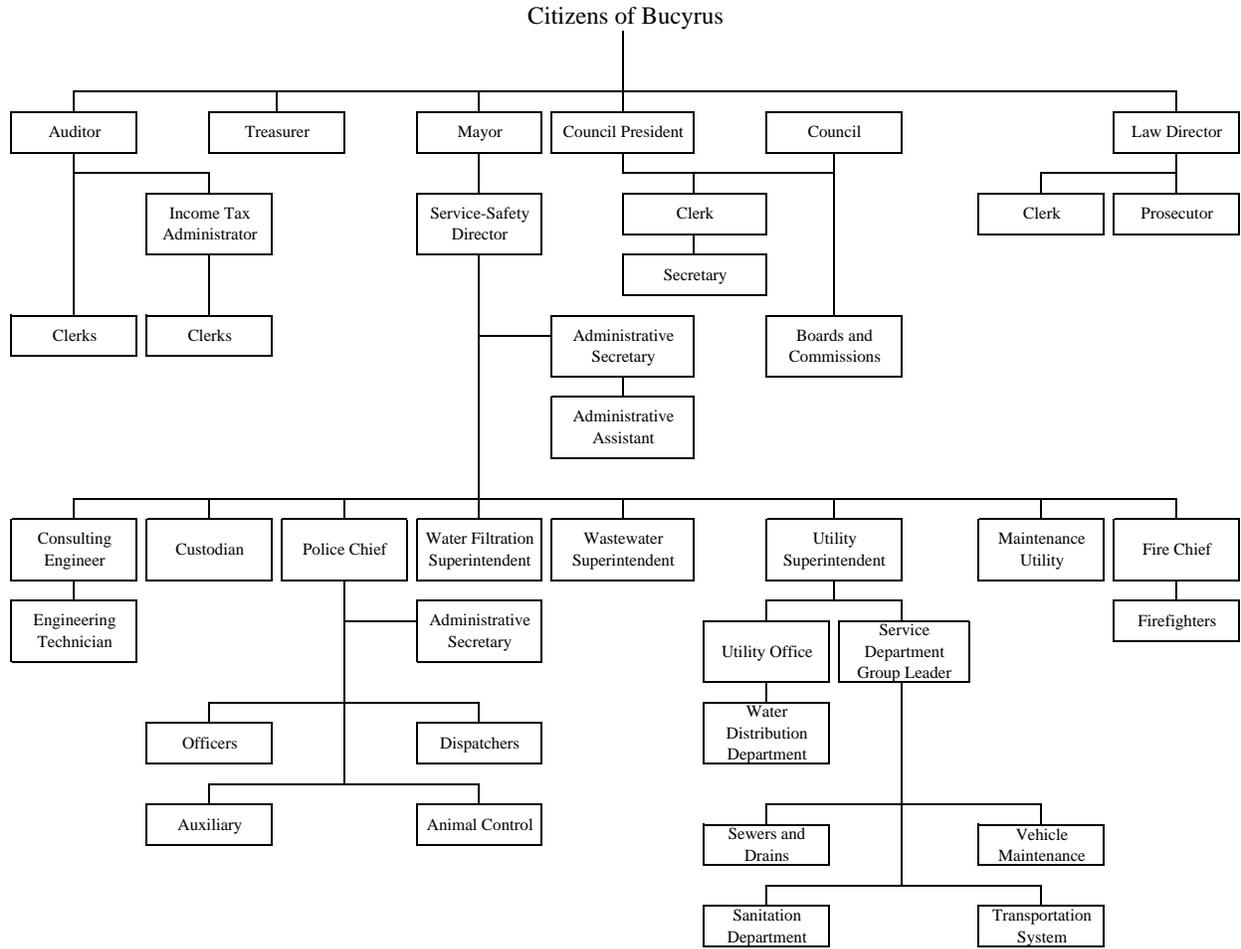
Nancy L. Ziehl

President

Jeffrey R. Emmer

Executive Director

CITY OF BUCYRUS ORGANIZATIONAL CHART



CITY OF BUCYRUS

PRINCIPAL CITY OFFICIALS
DECEMBER 31, 2004

ELECTED OFFICIALS

Mayor..... Daniel F. Ross
Auditor..... Joyce M. Schifer
Treasurer..... Jane A. Cremeans
Law Director..... Robert Clark Neff, Jr.

President of Council..... Randy L. Tidaback
Council Members:..... Norma Hill
Kenneth D. Emerson
Garnet "Sis" Love
Roger A. Moore
Dallis B. Easterday
Richard E. Rockwell, Jr.
Bruce Truka

APPOINTED OFFICIALS

Service-Safety Director..... Sid Seevers
Clerk of Council..... Regina H. Zornes

Financial Section



Auditor of State Betty Montgomery

INDEPENDENT ACCOUNTANTS' REPORT

City of Bucyrus
Crawford County
500 South Sandusky Avenue
Bucyrus, Ohio 44820

To the City Council:

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bucyrus, Crawford County, Ohio, (the City), as of and for the year ended December 31, 2004, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Bucyrus, Crawford County, Ohio, as of December 31, 2004, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparisons for the General and Street Maintenance and Repair funds 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 June 27, 2005, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

We conducted our audit to opine on the financial statements that collectively comprise the City's basic financial statements. The introductory section, combining and individual fund statements and schedules and statistical tables provide additional information and are not a required part of the basic financial statements. We subjected the combining and individual 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

June 27, 2005

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

The discussion and analysis of the City of Bucyrus' financial performance provides an overview of the City's financial activities for the year ended December 31, 2004. The intent of this discussion and analysis is to look at the City's financial performance as a whole.

HIGHLIGHTS

Key highlights for 2004 are as follows:

In total, the City's net assets changed less than 1 percent from the prior year; governmental activities decreased 3 percent and business-type activities increased almost 8 percent. The insignificance of these changes reflects the continued effect of a stagnant economy and tight spending.

Three of the City's four enterprise funds (Water, Sewer, and Storm Water) reflected an operating income for 2004; however, the Solid Waste Fund had a small operating loss and thus a decrease in net assets. Although the Sewer Fund reflects an operating income, the fund experienced a slight decrease in net assets due to non-operating expenses exceeding the operating income. To help remedy the situation in the Solid Waste Fund, in January 2005, the City increased garbage collection fees by \$2/household per month.

USING THIS ANNUAL REPORT

This annual report consists of a series of financial statements and notes to those statements. The statements are organized so the reader can understand the City of Bucyrus' financial position.

The statement of net assets and the statement of activities provide information about the activities of the City as a whole, presenting both an aggregate and a longer-term view of the City.

Fund financial statements provide a greater level of detail. For governmental funds, these statements tell how services were financed in the short-term and what remains for future spending. Fund financial statements report the City's most significant funds individually and the City's non-major funds in a single column. The City's major funds are the General, Street Maintenance and Repair, Water, Sewer, Solid Waste, and Storm Water funds.

REPORTING THE CITY AS A WHOLE

The statement of net assets and the statement of activities reflect how the City did financially during 2004. These statements include all assets and liabilities using the accrual basis of accounting similar to that used by most private-sector companies. This basis of accounting considers all of the current year's revenues and expenses regardless of when cash is received or paid.

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

These statements report the City's net assets and changes in those assets. This change in net assets is important because it tells the reader whether the financial position of the City as a whole has increased or decreased from the prior year. Over time, these increases and/or decreases are one indicator of whether the financial position is improving or deteriorating. Causes for these changes may be the result of many factors, some financial, some not. Non-financial factors can include changes in the City's property tax base and the condition of the City's capital assets (buildings; streets; bridges; water, sewer, and storm water lines). These factors must be considered when assessing the overall health of the City.

In the statement of net assets and the statement of activities, the City is divided into two types of activities:

- **Governmental Activities** - Most of the City's programs and services are reported here, including security of persons and property, public health, leisure time activities, basic utility services, transportation, and general government. These services are primarily funded by property and income taxes and from intergovernmental revenues, including federal and state grants and other shared revenues.
- **Business-Type Activities** - These services are provided on a charge for services basis and are intended to recover all or most of the costs of the services provided. The City's water, sewer, solid waste, and storm water services are reported here.

REPORTING THE CITY'S MOST SIGNIFICANT FUNDS

Fund financial statements provide detailed information about the City's major funds, the General, Street Maintenance and Repair, Water, Sewer, Solid Waste, and Storm Water funds. While the City uses many funds to account for its financial transactions, these are the most significant.

Governmental Funds - The City's governmental funds are used to account for essentially the same programs reported as governmental activities on the government-wide financial statements. Most of the City's basic services are reported in these funds and focus on how money flows into and out of the funds as well as the balances available for spending at year end. These funds are reported on the modified accrual basis of accounting which measures cash and all other financial assets that can be readily converted to cash. The governmental fund financial statements provide a detailed short-term view of the City's general government operations and the basic services being provided.

Because the focus of the governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities on the government-wide financial statements. By doing so, readers may better understand the long-term impact of the City's short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to help make this comparison between governmental funds and governmental activities.

Enterprise Funds - The City's enterprise funds use the accrual basis of accounting, the same as that used for the business-type activities on the government-wide financial statements.

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

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

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Table 1 provides a summary of the City's net assets for 2004 and 2003.

Table 1
Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<u>Assets</u>						
Current and Other Assets	\$7,704,652	\$7,024,338	\$3,903,975	\$3,898,634	\$11,608,627	\$10,922,972
Capital Assets, Net	11,771,283	12,901,443	19,017,875	19,016,753	30,789,158	31,918,196
Total Assets	<u>19,475,935</u>	<u>19,925,781</u>	<u>22,921,850</u>	<u>22,915,387</u>	<u>42,397,785</u>	<u>42,841,168</u>
<u>Liabilities</u>						
Current and Other Liabilities	1,420,101	1,371,800	782,716	495,715	2,202,817	1,867,515
Long-Term Liabilities	904,960	881,983	10,764,742	11,847,652	11,669,702	12,729,635
Total Liabilities	<u>2,325,061</u>	<u>2,253,783</u>	<u>11,547,458</u>	<u>12,343,367</u>	<u>13,872,519</u>	<u>14,597,150</u>
<u>Net Assets</u>						
Invested in Capital Assets, Net of Related Debt	11,626,897	12,860,840	8,417,653	7,315,849	20,044,550	20,176,689
Restricted	4,892,348	3,876,796	474,298	442,265	5,366,646	4,319,061
Unrestricted	631,629	934,362	2,482,441	2,813,906	3,114,070	3,748,268
Total Net Assets	<u>\$17,150,874</u>	<u>\$17,671,998</u>	<u>\$11,374,392</u>	<u>\$10,572,020</u>	<u>\$28,525,266</u>	<u>\$28,244,018</u>

As reflected in the above table, total assets decreased just over 1 percent which is really insignificant; however, there was a somewhat sizable increase in cash and cash equivalents of \$632,000 (most of which can be pinpointed to cash held for street related activities). Since these assets are restricted for street purposes, there was also an increase in restricted net assets. As there was very little change in the City's capital assets for 2004, the decrease in capital assets is simply the effect of depreciation expense for the year as the amount presented above is net of accumulated depreciation. A corresponding decrease is also reflected in invested in capital assets. Finally for governmental activities, there was a decrease in unrestricted net assets of over \$302,000, a 32 percent decrease. Unfortunately, the City had a drop in estate taxes of approximately \$295,000 from the prior year.

While the dollar amount is not that large, the percentage increase in current and other liabilities for business-type activities is somewhat large. This increase is primarily related to outstanding payables on storm water lines being constructed. The reduction in long-term liabilities (for principal retirement) has a corresponding increase in invested in capital assets, net of related debt.

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Table 2 reflects the change in net assets for 2004 and 2003.

Table 2
Change in Net Assets

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<u>Revenues</u>						
Program Revenues						
Charges for Services	\$493,491	\$575,577	\$5,383,247	\$5,461,507	\$5,876,738	\$6,037,084
Operating Grants, Contributions, and Interest	610,129	601,648	15,008	0	625,137	601,648
Capital Grants, Contributions, and Interest	84,763	411,463	15,330	64,838	100,093	476,301
Total Program Revenues	<u>1,188,383</u>	<u>1,588,688</u>	<u>5,413,585</u>	<u>5,526,345</u>	<u>6,601,968</u>	<u>7,115,033</u>
General Revenues						
Property Taxes Levied for General Purposes	571,856	527,167	0	0	571,856	527,167
Property Taxes Levied for Police and Fire Pension	102,803	93,944	0	0	102,803	93,944
Property Taxes Levied for Capital Improvements	197,861	192,948	0	0	197,861	192,948
Municipal Income Taxes Levied for General Purposes	2,515,795	2,656,773	0	0	2,515,795	2,656,773
Municipal Income Taxes Levied for Street Maintenance and Repair	1,257,896	1,328,386	0	0	1,257,896	1,328,386
Other Local Taxes	34,486	32,493	0	0	34,486	32,493
Grants and Entitlements not Restricted to Specific Programs	557,274	819,233	0	0	557,274	819,233
Franchise Fees	113,292	109,784	0	0	113,292	109,784
Interest	75,602	97,639	2,543	0	78,145	97,639
Other Revenues	79,484	80,903	15,639	11,650	95,123	92,553
Total General Revenues	<u>5,506,349</u>	<u>5,939,270</u>	<u>18,182</u>	<u>11,650</u>	<u>5,524,531</u>	<u>5,950,920</u>
Total Revenues	<u>6,694,732</u>	<u>7,527,958</u>	<u>5,431,767</u>	<u>5,537,995</u>	<u>12,126,499</u>	<u>13,065,953</u>

(continued)

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Table 2
Change in Net Assets
(continued)

	Governmental Activities		Business-Type Activities		Total	
	2004	2003	2004	2003	2004	2003
<u>Program Expenses</u>						
Security of Persons and Property						
Police	\$1,887,312	\$2,017,849	\$0	\$0	\$1,887,312	\$2,017,849
Fire	1,247,626	1,316,961	0	0	1,247,626	1,316,961
Other	116,196	117,042	0	0	116,196	117,042
Public Health	247,195	259,838	0	0	247,195	259,838
Leisure Time Activities	193,875	184,237	0	0	193,875	184,237
Basic Utility Services	4,977	24,871	0	0	4,977	24,871
Transportation	2,063,731	1,704,048	0	0	2,063,731	1,704,048
General Government	1,317,786	1,317,313	0	0	1,317,786	1,317,313
Interest and Fiscal Charges	34,789	27,505	0	0	34,789	27,505
Water	0	0	1,852,176	1,995,801	1,852,176	1,995,801
Sewer	0	0	1,802,639	1,702,131	1,802,639	1,702,131
Solid Waste	0	0	778,984	762,082	778,984	762,082
Storm Water	0	0	297,965	220,260	297,965	220,260
Total Expenses	<u>7,113,487</u>	<u>6,969,664</u>	<u>4,731,764</u>	<u>4,680,274</u>	<u>11,845,251</u>	<u>11,649,938</u>
Increase (Decrease) in Net Assets						
Before Transfers	(418,755)	558,294	700,003	857,721	281,248	1,416,015
Transfers	<u>(102,369)</u>	<u>(525,314)</u>	<u>102,369</u>	<u>525,314</u>	<u>0</u>	<u>0</u>
Increase (Decrease) in Net Assets	<u>(\$521,124)</u>	<u>\$32,980</u>	<u>\$802,372</u>	<u>\$1,383,035</u>	<u>\$281,248</u>	<u>\$1,416,015</u>

Unfortunately, for governmental activities revenues decreased and expenses increased from the prior year; the result, a decrease in net assets. The largest decrease in revenues was related to grant and entitlement type monies, both program related and unrestricted. In 2003, the City received approximately \$370,000 in Issue II monies for capital related projects and approximately \$295,000 in unrestricted estate tax monies. While expenses were held fairly close to the prior year and increased only slightly, this restricted spending could not compensate for the loss of revenues.

The City's business-type activities are almost entirely funded through charges for services. A review of the revenues and expenses reveals that there was little change within these activities.

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Table 3, indicates the total cost of services and the net cost of services for governmental activities. The statement of activities reflects the cost of program services and the charges for services, grants, and contributions offsetting those services. The net cost of services identifies the cost of those services supported by tax revenues and unrestricted intergovernmental revenues.

Table 3
Governmental Activities

	Total Cost of Services		Net Cost of Services	
	2004	2003	2004	2003
Security of Persons and Property				
Police	\$1,887,312	\$2,017,849	\$1,832,099	\$1,917,723
Fire	1,247,626	1,316,961	1,220,111	1,264,228
Other	116,196	117,042	115,031	97,711
Public Health	247,195	259,838	219,776	248,188
Leisure Time Activities	193,875	184,237	119,353	86,672
Basic Utility Services	4,977	24,871	(37,858)	(356,238)
Transportation	2,063,731	1,704,048	1,445,888	1,227,637
General Government	1,317,786	1,317,313	975,915	867,550
Interest and Fiscal Charges	34,789	27,505	34,789	27,505
Total Expenses	\$7,113,487	\$6,969,664	\$5,925,104	\$5,380,976

With a reduction in program revenues in 2004, the burden on general revenues to support governmental programs increased 6 percent. The City's greatest revenue source is municipal income taxes; a general revenue which decreased from the prior year (the effect of changes in municipal income tax legislation which began in January 2004). Although dependence on municipal income taxes and property taxes is critical to the City's operations, there are several programs which continue to be well supported with program revenues. The leisure time activities program received moderate funding through program revenues, albeit less than prior years. Charges for services are received for table/shelter reservations at the parks as well as from pool and concession receipts. In addition, the City continues to receive funding for park improvements from the Philbin Trust and, in 2004, received a grant from the Bucyrus Community Foundation for improvements to the Aumiller Park swimming pool. The basic utility services program revenues exceeded the cost of providing this service again in 2004. The transportation program receives charges for services in the form of permissive motor vehicle license monies. The transportation program also receives operating grants in the form of State levied motor vehicle and gas taxes and received grant monies for repair of the Bucyrus Airport taxiway.

GOVERNMENTAL FUNDS FINANCIAL ANALYSIS

The City's major governmental funds are the General Fund and the Street Maintenance and Repair special revenue fund. The General Fund experienced a \$268,353 decrease in fund balance in 2004, a little over 27 percent. Revenues and expenditures within the General Fund remained very similar to those of the prior year; however, the City continues to dip into the cash carry-over. While the decrease in fund balance in 2004 was less than that of 2003, the City will not be able to accommodate similar decreases for much longer. The Street Maintenance and Repair Fund actually experienced a large increase in fund balance of almost 36 percent. Revenues in the fund were fairly comparable to the prior year but the City cut expenditures substantially.

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

BUSINESS-TYPE ACTIVITIES FINANCIAL ANALYSIS

The City's enterprise funds are the Water, Sewer, Solid Waste, and Storm Water funds. As can be seen on the statement of activities, program revenues, primarily charges for services, have been sufficient to cover the expenses of the Water and Storm Water funds.

The Water Fund has reported an operating income for the past four years and was up slightly from 2003. The City increased water rates 7 percent in 2002 and has no current plans for additional rate increases. No major activity occurred in this fund in 2004.

The Sewer Fund has also reported an operating income for the past four years; however, the fund experienced a decrease in net assets in 2004 due to non-operating expenses (interest expense) exceeding the operating income. The City increased sewer rates 15 percent in 2002 and has no current plans for additional rate increases.

The Solid Waste Fund had an operating income in both 2001 and 2002, but barely recovered costs in each of those years. Both 2003 and 2004 have resulted in operating losses as expenses continue to outpace revenues. As a result, the City has increased garbage collection fees by \$2/household per month.

Lastly, the Storm Water Fund has reported an operating income for the past four years as well. In addition, this fund had a 19 percent increase in net assets for 2004.

BUDGETARY HIGHLIGHTS

The City prepares an annual budget of revenues and expenditures/expenses for all funds of the City for use by City officials and department heads and such other budgetary documents as are required by State statute, including the annual appropriations ordinance which is effective the first day of January. The City's most significant budgeted fund is the General Fund. Changes from the original to final budget and from the final budget to actual revenues received or expenditures made were fairly minimal. However, a 61 percent decrease in fund balance is of concern. For the fourth year in a row, expenditures have exceeded revenues in this fund and carry-over balances are being depleted. The City cannot support this activity much longer.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets - The City's investment in capital assets for governmental and business-type activities as of December 31, 2004, was \$11,626,897 and \$8,417,653, respectively (net of accumulated depreciation and related debt). This investment in capital assets includes land; buildings; improvements other than buildings; streets; bridges; water, sewer, and storm water lines; equipment; furniture and fixtures; and vehicles. For governmental activities, the additions for 2004 were minimal. The same is true for business-type activities, although the City was able to replace several water lines, construct one new storm water line and begin construction on another. For further information regarding the City's capital assets, refer to Note 10 to the basic financial statements.

CITY OF BUCYRUS
Management's Discussion and Analysis
For the Year Ended December 31, 2004
Unaudited

Debt - At December 31, 2004, the City had \$110,000 and \$90,000 in bond anticipation notes payable from governmental and business-type activities, respectively. The City also had a number of long-term obligations outstanding. These obligations included \$162,000 in special assessment bonds, \$3,765,000 in general obligation revenue bonds, \$425,000 in mortgage revenue bonds, \$6,649,523 in Ohio Water Development Authority Loans, and \$364,006 in Ohio Public Works Commission Loans. Of this amount, \$11,203,529 will be repaid from business-type activities. In addition to the debt outlined above, the City's long-term obligations also include compensated absences, the liability for police and fire incurred when the State of Ohio established the statewide pension system, and capital leases. For further information regarding the City's debt, refer to Notes 17, 18, and 19 to the basic financial statements.

CURRENT ISSUES

The biggest concern for the City at this time is the reduced revenue in the General Fund. Since the recession began in 2001, the City has seen reductions in local government funds provided by the State, interest rates on investments are at an all-time low, and changes in municipal income tax laws passed by our State Legislature have reduced our municipal income tax collections. Another unfortunate occurrence has been the County's unemployment rate, which was 8.7 percent at year end, only slightly less than a year ago. This rate exceeds the State and national averages. Meanwhile, personnel costs have continued to increase and health insurance costs have skyrocketed. As a result, the General Fund reserves have been depleted even though capital purchases from the General Fund are all but nonexistent and overtime has been cut to the bare minimum. The Police Department is short two officers that will not be replaced and another officer that will not be replaced, retired in May 2005. Police Department vehicles are in dire need of replacement. The Fire Department had one firefighter on active military duty that returned in January, 2005. March 2005 saw layoffs in several City departments. As a result, labor negotiations have taken place to approve cuts in employee benefits to save jobs.

The local economy in 2004 seemed to hit bottom and then started to rebound. We are slowly starting to see more people back at work, which is increasing income tax collections. Interest rates are starting to move upward, helping revenues a little more. The rerouting and construction of the new U.S. Rt. 30 to the east and west of the City will give our industrial park a faster and more direct route for shipping goods and, hopefully, add to the City's growth. Several of our local industries are expanding and seem to have increased business. All of these things should promote a slow but steady recovery for our City.

REQUEST FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those interested in our City's financial well being. Questions concerning any of the information provided in this report or requests for additional information should be directed to Joyce M. Schifer, Bucyrus City Auditor, 500 South Sandusky Avenue, Bucyrus, Ohio 44820.

City of Bucyrus
Statement of Net Assets
December 31, 2004

	Governmental Activities	Business-Type Activities	Total
<u>Assets</u>			
Equity in Pooled Cash and Cash Equivalents	\$4,485,527	\$2,583,283	\$7,068,810
Cash and Cash Equivalents with Fiscal Agent	0	425,419	425,419
Cash and Cash Equivalents with Escrow Agent	44,668	0	44,668
Accounts Receivable	58,624	902,775	961,399
Accrued Interest Receivable	6,297	0	6,297
Due from Other Governments	516,164	15,008	531,172
Municipal Income Taxes Receivable	931,090	0	931,090
Other Local Taxes Receivable	11,047	0	11,047
Internal Balances	311,898	(311,898)	0
Prepaid Items	47,922	17,822	65,744
Materials and Supplies Inventory	29,313	181,411	210,724
Property Taxes Receivable	1,037,788	0	1,037,788
Special Assessments Receivable	224,314	0	224,314
Unamortized Bond Issuance Costs	0	90,155	90,155
Nondepreciable Capital Assets	720,132	1,223,849	1,943,981
Depreciable Capital Assets, Net	11,051,151	17,794,026	28,845,177
Total Assets	19,475,935	22,921,850	42,397,785
<u>Liabilities</u>			
Accrued Wages Payable	48,528	21,157	69,685
Accounts Payable	65,710	111,548	177,258
Contracts Payable	0	269,622	269,622
Due to Other Governments	157,673	41,204	198,877
Accrued Interest Payable	1,267	35,280	36,547
Notes Payable	110,000	90,000	200,000
Matured Interest Payable	0	36,256	36,256
Retainage Payable	44,668	23,445	68,113
Deferred Revenue	992,255	0	992,255
Deposits Held and Due to Others	0	154,204	154,204
Long-Term Liabilities			
Due Within One Year	73,589	1,284,726	1,358,315
Due in More Than One Year	831,371	9,480,016	10,311,387
Total Liabilities	2,325,061	11,547,458	13,872,519
<u>Net Assets</u>			
Invested in Capital Assets, Net of Related Debt Restricted for	11,626,897	8,417,653	20,044,550
Capital Projects	1,138,043	0	1,138,043
Other Purposes	3,754,305	0	3,754,305
Revenue Bond Future Debt Service	0	279,688	279,688
Revenue Bond Renewal and Replacement	0	194,610	194,610
Unrestricted	631,629	2,482,441	3,114,070
Total Net Assets	\$17,150,874	\$11,374,392	\$28,525,266

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Activities
For the Year Ended December 31, 2004

	Program Revenues			
	Expenses	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest
<u>Governmental Activities</u>				
Security of Persons and Property				
Police	\$1,887,312	\$47,399	\$7,814	\$0
Fire	1,247,626	0	7,784	19,731
Other	116,196	1,165	0	0
Public Health	247,195	2,069	25,350	0
Leisure Time Activities	193,875	41,670	1,220	31,632
Basic Utility Services	4,977	9,435	0	33,400
Transportation	2,063,731	63,482	554,361	0
General Government	1,317,786	328,271	13,600	0
Interest and Fiscal Charges	34,789	0	0	0
Total Governmental Activities	7,113,487	493,491	610,129	84,763
<u>Business-Type Activities</u>				
Water	1,852,176	2,201,161	15,008	2,058
Sewer	1,802,639	1,772,832	0	0
Solid Waste	778,984	746,867	0	0
Storm Water	297,965	662,387	0	13,272
Total Business-Type Activities	4,731,764	5,383,247	15,008	15,330
Total	\$11,845,251	\$5,876,738	\$625,137	\$100,093

General Revenues

Property Taxes Levied for General Purposes
Property Taxes Levied for Police and Fire Pension
Property Taxes Levied for Capital Improvements
Municipal Income Taxes Levied for General Purposes
Municipal Income Taxes Levied for Street Maintenance
and Repair
Other Local Taxes
Grants and Entitlements not Restricted to Specific Programs
Franchise Fees
Interest
Other

Total General Revenues

Transfers

Change in Net Assets

Net Assets Beginning of Year - Restated (Note 3)

Net Assets End of Year

See Accompanying Notes to the Basic Financial Statements

Net (Expense) Revenue
and Change in Net Assets

Governmental Activities	Business-Type Activities	Total
(\$1,832,099)	\$0	(\$1,832,099)
(1,220,111)	0	(1,220,111)
(115,031)	0	(115,031)
(219,776)	0	(219,776)
(119,353)	0	(119,353)
37,858	0	37,858
(1,445,888)	0	(1,445,888)
(975,915)	0	(975,915)
(34,789)	0	(34,789)
<u>(5,925,104)</u>	<u>0</u>	<u>(5,925,104)</u>
0	366,051	366,051
0	(29,807)	(29,807)
0	(32,117)	(32,117)
0	377,694	377,694
<u>0</u>	<u>681,821</u>	<u>681,821</u>
<u>(5,925,104)</u>	<u>681,821</u>	<u>(5,243,283)</u>
571,856	0	571,856
102,803	0	102,803
197,861	0	197,861
2,515,795	0	2,515,795
1,257,896	0	1,257,896
34,486	0	34,486
557,274	0	557,274
113,292	0	113,292
75,602	2,543	78,145
79,484	15,639	95,123
<u>5,506,349</u>	<u>18,182</u>	<u>5,524,531</u>
<u>(102,369)</u>	<u>102,369</u>	<u>0</u>
(521,124)	802,372	281,248
<u>17,671,998</u>	<u>10,572,020</u>	<u>28,244,018</u>
<u>\$17,150,874</u>	<u>\$11,374,392</u>	<u>\$28,525,266</u>

City of Bucyrus
Balance Sheet
Governmental Funds
December 31, 2004

	General	Street Maintenance and Repair	Other Governmental	Total Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$263,392	\$2,420,841	\$1,801,294	\$4,485,527
Accounts Receivable	23,167	0	35,457	58,624
Accrued Interest Receivable	6,297	0	0	6,297
Due from Other Governments	250,226	194,277	71,661	516,164
Municipal Income Taxes Receivable	620,727	310,363	0	931,090
Other Local Taxes Receivable	6,678	0	4,369	11,047
Interfund Receivable	313,376	13,272	5,726	332,374
Restricted Assets				
Cash and Cash Equivalents with Escrow Agent	0	44,668	0	44,668
Prepaid Items	39,660	8,262	0	47,922
Materials and Supplies Inventory	2,769	26,544	0	29,313
Property Taxes Receivable	690,759	0	347,029	1,037,788
Special Assessments Receivable	0	0	224,314	224,314
Total Assets	<u>\$2,217,051</u>	<u>\$3,018,227</u>	<u>\$2,489,850</u>	<u>\$7,725,128</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$45,540	\$2,472	\$516	\$48,528
Accounts Payable	41,301	10,619	13,790	65,710
Due to Other Governments	64,221	6,641	86,811	157,673
Interfund Payable	0	0	20,476	20,476
Accrued Interest Payable	0	0	554	554
Notes Payable	0	0	110,000	110,000
Liabilities Payable from Restricted Assets:				
Retainage Payable	0	44,668	0	44,668
Deferred Revenue	1,345,354	364,319	601,613	2,311,286
Total Liabilities	<u>1,496,416</u>	<u>428,719</u>	<u>833,760</u>	<u>2,758,895</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	75,855	1,411,663	1,066,916	2,554,434
Unreserved, Reported in				
General Fund	644,780	0	0	644,780
Special Revenue Funds	0	1,177,845	559,877	1,737,722
Debt Service Fund	0	0	50,471	50,471
Capital Projects Funds (Deficit)	0	0	(21,174)	(21,174)
Total Fund Balance	<u>720,635</u>	<u>2,589,508</u>	<u>1,656,090</u>	<u>4,966,233</u>
Total Liabilities and Fund Balance	<u>\$2,217,051</u>	<u>\$3,018,227</u>	<u>\$2,489,850</u>	<u>\$7,725,128</u>

See Accompanying Notes to the Basic Financial Statement:

City of Bucyrus
 Reconciliation of Total Governmental Fund Balance
 to Net Assets of Governmental Activities
 December 31, 2004

Total Governmental Fund Balance		\$4,966,233
<p>Amounts reported for governmental activities on the statement of net assets are different because of the following:</p>		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.		11,771,283
Other long-term assets are not available to pay for current period expenditures and, therefore, are deferred in the funds:		
Accounts Receivable	23,167	
Accrued Interest Receivable	6,297	
Due from Other Governments	398,959	
Municipal Income Taxes Receivable	620,761	
Property Taxes Receivable	45,533	
Special Assessments Receivable	224,314	
		1,319,031
Some liabilities are not due and payable in the current period and, therefore, are not reported in the funds:		
Accrued Interest Payable	(713)	
Special Assessment Bonds Payable	(162,000)	
Compensated Absences Payable	(385,312)	
Police Pension Liability	(150,935)	
Fire Pension Liability	(172,327)	
Capital Leases Payable	(34,386)	
		(905,673)
Net Assets of Governmental Activities		\$17,150,874

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Governmental Funds
For the Year Ended December 31, 2004

	General	Street Maintenance and Repair	Other Governmental	Total Governmental Funds
<u>Revenues</u>				
Property Taxes	\$568,446	\$0	\$299,100	\$867,546
Municipal Income Taxes	2,480,807	1,240,403	0	3,721,210
Other Local Taxes	34,486	0	63,062	97,548
Special Assessments	0	0	9,339	9,339
Charges for Services	379,000	0	0	379,000
Fees, Licenses, and Permits	14,818	0	118,792	133,610
Fines and Forfeitures	25,458	0	806	26,264
Intergovernmental	630,531	444,241	153,024	1,227,796
Interest	75,473	18,444	5,184	99,101
Other	71,901	18,560	34,862	125,323
Total Revenues	<u>4,280,920</u>	<u>1,721,648</u>	<u>684,169</u>	<u>6,686,737</u>
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,650,371	0	171,854	1,822,225
Fire	986,230	0	196,038	1,182,268
Other	116,196	0	0	116,196
Public Health	222,888	0	25,400	248,288
Leisure Time Activities	33,153	0	126,378	159,531
Basic Utility Services	4,977	0	33,400	38,377
Transportation	33,393	1,037,136	54,185	1,124,714
General Government	1,231,770	0	88,737	1,320,507
Debt Service:				
Principal Retirement	11,339	0	9,000	20,339
Interest and Fiscal Charges	25,245	0	9,584	34,829
Total Expenditures	<u>4,315,562</u>	<u>1,037,136</u>	<u>714,576</u>	<u>6,067,274</u>
Excess of Revenues Over (Under) Expenditures	<u>(34,642)</u>	<u>684,512</u>	<u>(30,407)</u>	<u>619,463</u>
<u>Other Financing Sources (Uses)</u>				
Transfers In	0	0	247,226	247,226
Transfers Out	(233,711)	0	(9,000)	(242,711)
Total Other Financing Sources (Uses)	<u>(233,711)</u>	<u>0</u>	<u>238,226</u>	<u>4,515</u>
Changes in Fund Balance	(268,353)	684,512	207,819	623,978
Fund Balance Beginning of Year - Restated (Note 3)	<u>988,988</u>	<u>1,904,996</u>	<u>1,448,271</u>	<u>4,342,255</u>
Fund Balance End of Year	<u>\$720,635</u>	<u>\$2,589,508</u>	<u>\$1,656,090</u>	<u>\$4,966,233</u>

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
 Reconciliation of Statement of Revenues, Expenditures,
 and Changes in Fund Balance
 of Governmental Funds to Statement of Activities
 For the Year Ended December 31, 2004

Changes in Fund Balance - Total Governmental Funds \$623,978

Amounts reported for governmental activities on the statement of activities are different because of the following:

Governmental funds report capital outlays as expenditures. However, on the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current year.

Capital Outlay - Construction in Progress	28,600	
Capital Outlay - Depreciable Capital Assets	216,412	
Depreciation	<u>(1,375,172)</u>	(1,130,160)

Revenues on the statement of activities that do not provide current financial resources are not reported as revenues in governmental funds.

Property Taxes	4,974	
Municipal Income Taxes	52,481	
Special Assessments	(7,748)	
Intergovernmental	(65,008)	
Interest	129	
Other	<u>23,167</u>	7,995

Repayment of principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities on the statement of net assets.

Special Assessment Bonds Payable	9,000	
Police Pension Liability	2,391	
Fire Pension Liability	2,731	
Capital Leases Payable	<u>6,217</u>	20,339

Interest is reported as an expenditure when due in the governmental funds, but is accrued on outstanding debt on the statement of net assets. 40

Compensated absences expenses reported on the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (43,316)

Change in Net Assets of Governmental Activities (\$521,124)

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
General Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u>(Under)</u>
<u>Revenues</u>				
Property Taxes	\$601,000	\$601,000	\$568,446	(\$32,554)
Municipal Income Taxes	2,626,000	2,626,000	2,445,736	(180,264)
Other Local Taxes	32,000	32,000	34,160	2,160
Charges for Services	279,000	279,000	305,584	26,584
Fees, Licenses, and Permits	19,400	19,400	14,818	(4,582)
Fines and Forfeitures	23,000	23,000	25,649	2,649
Intergovernmental	758,050	758,050	851,198	93,148
Interest	100,000	100,000	76,387	(23,613)
Other	55,531	86,797	72,410	(14,387)
Total Revenues	4,493,981	4,525,247	4,394,388	(130,859)
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	1,801,803	1,761,808	1,719,042	42,766
Fire	1,086,250	1,065,172	1,026,467	38,705
Other	100,000	119,365	117,806	1,559
Public Health	230,997	223,884	223,488	396
Leisure Time Activities	40,590	36,941	35,409	1,532
Basic Utility Services	5,600	5,250	5,162	88
Transportation	36,200	65,928	64,872	1,056
General Government	1,351,394	1,410,812	1,325,287	85,525
Debt Service:				
Debt Retirement	2,400	2,400	2,400	0
Total Expenditures	4,655,234	4,691,560	4,519,933	171,627
Excess of Revenues Under Expenditures	(161,253)	(166,313)	(125,545)	40,768
<u>Other Financing Sources (Uses)</u>				
Other Financing Sources	40,400	40,400	1,911	(38,489)
Advances In	0	0	26,374	26,374
Advances Out	0	0	(20,000)	(20,000)
Transfers Out	(217,000)	(233,800)	(233,711)	89
Total Other Financing Sources (Uses)	(176,600)	(193,400)	(225,426)	(32,026)
Changes in Fund Balance	(337,853)	(359,713)	(350,971)	8,742
Fund Balance Beginning of Year	394,456	394,456	394,456	0
Prior Year Encumbrances Appropriated	111,194	111,194	111,194	0
Fund Balance End of Year	\$167,797	\$145,937	\$154,679	\$8,742

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
Street Maintenance and Repair Fund
For the Year Ended December 31, 2004

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Over (Under)</u>
	<u>Original</u>	<u>Final</u>		
<u>Revenues</u>				
Municipal Income Taxes	\$1,201,500	\$1,201,500	\$1,222,868	\$21,368
Intergovernmental	330,000	330,000	439,292	109,292
Interest	15,000	15,000	18,450	3,450
Other	0	0	5,288	5,288
Total Revenues	1,546,500	1,546,500	1,685,898	139,398
<u>Expenditures</u>				
Current:				
Transportation	2,131,400	2,928,777	2,520,165	408,612
Changes in Fund Balance	(584,900)	(1,382,277)	(834,267)	548,010
Fund Balance Beginning of Year	1,703,525	1,703,525	1,703,525	0
Prior Year Encumbrances Appropriated	133,677	133,677	133,677	0
Fund Balance End of Year	\$1,252,302	\$454,925	\$1,002,935	\$548,010

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Fund Net Assets
Enterprise Funds
December 31, 2004

	Water	Sewer	Solid Waste	Storm Water	Total
<u>Assets</u>					
<u>Current Assets</u>					
Equity in Pooled Cash and Cash Equivalents	\$1,023,508	\$253,786	\$195,248	\$761,927	\$2,234,469
Cash and Cash Equivalents with Fiscal Agent	36,256	0	0	0	36,256
Accounts Receivable	382,947	288,880	128,485	102,463	902,775
Due from Other Governments	15,008	0	0	0	15,008
Interfund Receivable	20,476	0	0	0	20,476
Prepaid Items	8,771	5,907	2,952	192	17,822
Materials and Supplies Inventory	174,073	7,338	0	0	181,411
Total Current Assets	1,661,039	555,911	326,685	864,582	3,408,217
<u>Non-Current Assets</u>					
<u>Restricted Assets</u>					
Equity in Pooled Cash and Cash Equivalents	264,208	84,606	0	0	348,814
Cash and Cash Equivalents with Fiscal Agent	389,163	0	0	0	389,163
Unamortized Bond Issuance Costs	35,156	54,999	0	0	90,155
Nondepreciable Capital Assets	897,782	33,000	0	293,067	1,223,849
Depreciable Capital Assets, Net	8,023,721	7,495,169	78,001	2,197,135	17,794,026
Total Non-Current Assets	9,610,030	7,667,774	78,001	2,490,202	19,846,007
Total Assets	11,271,069	8,223,685	404,686	3,354,784	23,254,224
<u>Liabilities</u>					
<u>Current Liabilities</u>					
Accrued Wages Payable	10,054	6,354	4,749	0	21,157
Accounts Payable	22,357	19,762	20,467	48,962	111,548
Contracts Payable	0	0	0	269,622	269,622
Compensated Absences Payable	41,550	5,747	3,040	312	50,649
Due to Other Governments	18,041	13,225	7,838	2,100	41,204
Interfund Payable	79,403	83,011	78,344	91,616	332,374
Accrued Interest Payable	18,511	16,769	0	0	35,280
Notes Payable	0	90,000	0	0	90,000
Matured Interest Payable	36,256	0	0	0	36,256
Retainage Payable	0	0	0	23,445	23,445
General Obligation Revenue Bonds Payable	170,000	270,000	0	0	440,000
Mortgage Revenue Bonds Payable	25,525	0	0	0	25,525
OWDA Loans Payable	400,330	226,238	0	0	626,568
OPWC Loans Payable	13,278	12,981	0	6,250	32,509
Total Current Liabilities	835,305	744,087	114,438	442,307	2,136,137
<u>Non-Current Liabilities</u>					
Compensated Absences Payable	68,562	25,890	14,826	4,438	113,716
<u>Liabilities Payable from Restricted Assets</u>					
Mortgage Revenue Bonds Payable	109,475	0	0	0	109,475
Deposits Held and Due to Others	154,204	0	0	0	154,204
General Obligation Revenue Bonds Payable	1,300,000	1,421,848	0	0	2,721,848
Mortgage Revenue Bonds Payable	290,000	0	0	0	290,000
OWDA Loans Payable	1,287,700	4,735,255	0	0	6,022,955
OPWC Loans Payable	176,688	45,434	0	109,375	331,497
Total Non-Current Liabilities	3,386,629	6,228,427	14,826	113,813	9,743,695
Total Liabilities	4,221,934	6,972,514	129,264	556,120	11,879,832
<u>Net Assets</u>					
Invested in Capital Assets, Net of Related Debt Restricted for	5,183,663	781,412	78,001	2,374,577	8,417,653
Revenue Bond Future Debt Service	279,688	0	0	0	279,688
Revenue Bond Renewal and Replacement	110,004	84,606	0	0	194,610
Unrestricted	1,475,780	385,153	197,421	424,087	2,482,441
Total Net Assets	\$7,049,135	\$1,251,171	\$275,422	\$2,798,664	\$11,374,392

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Revenues, Expenses,
and Changes in Fund Net Assets
Enterprise Funds
For the Year Ended December 31, 2004

	Water	Sewer	Solid Waste	Storm Water	Total
<u>Operating Revenues</u>					
Charges for Services	\$0	\$1,772,832	\$746,867	\$662,387	\$3,182,086
Charges for Services-Pledged as Security for Mortgage Revenue Bonds	2,201,161	0	0	0	2,201,161
Other	0	2,637	40	0	2,677
Other-Pledged as Security for Mortgage Revenue Bonds	27,970	0	0	0	27,970
Total Operating Revenues	<u>2,229,131</u>	<u>1,775,469</u>	<u>746,907</u>	<u>662,387</u>	<u>5,413,894</u>
<u>Operating Expenses</u>					
Personal Services	903,494	615,959	344,962	61,553	1,925,968
Travel and Transportation	15	0	0	0	15
Contractual Services	157,412	201,960	290,818	102,000	752,190
Materials and Supplies	132,322	123,560	47,313	12,630	315,825
Depreciation	359,997	410,584	17,547	43,391	831,519
Other	79,226	78,344	78,344	78,391	314,305
Total Operating Expenses	<u>1,632,466</u>	<u>1,430,407</u>	<u>778,984</u>	<u>297,965</u>	<u>4,139,822</u>
Operating Income (Loss)	<u>596,665</u>	<u>345,062</u>	<u>(32,077)</u>	<u>364,422</u>	<u>1,274,072</u>
<u>Non-Operating Revenues (Expenses)</u>					
Interest Revenue	4,601	0	0	0	4,601
Interest Expense	(219,710)	(372,232)	0	0	(591,942)
Total Non-Operating Revenues (Expenses)	<u>(215,109)</u>	<u>(372,232)</u>	<u>0</u>	<u>0</u>	<u>(587,341)</u>
Income (Loss) before Contributions and Transfers	381,556	(27,170)	(32,077)	364,422	686,731
Capital Contributions	33,400	0	0	86,756	120,156
Transfers Out	(370)	(4,145)	0	0	(4,515)
Changes in Net Assets	414,586	(31,315)	(32,077)	451,178	802,372
Net Assets Beginning of Year	<u>6,634,549</u>	<u>1,282,486</u>	<u>307,499</u>	<u>2,347,486</u>	<u>10,572,020</u>
Net Assets End of Year	<u>\$7,049,135</u>	<u>\$1,251,171</u>	<u>\$275,422</u>	<u>\$2,798,664</u>	<u>\$11,374,392</u>

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2004

	Water	Sewer	Solid Waste	Storm Water	Total
Increases (Decreases) in Cash and Cash Equivalents					
<u>Cash Flows from Operating Activities</u>					
Cash Received from Customers	\$2,189,601	\$1,776,299	\$736,314	\$653,090	\$5,355,304
Cash Payments for Personal Services	(912,903)	(624,533)	(348,825)	(57,887)	(1,944,148)
Cash Payments for Contractual Services	(151,885)	(204,618)	(292,515)	(56,477)	(705,495)
Cash Payments to Vendors	(174,637)	(121,022)	(48,828)	(12,630)	(357,117)
Cash Payments for					
Transactions with Other Funds	(59,990)	(59,990)	(59,990)	(59,990)	(239,960)
Cash Received from Other Revenues	12,962	2,637	40	13,272	28,911
Cash Payments for Other Expenses	(882)	0	0	(47)	(929)
Cash Received from Deposits	85,295	0	0	0	85,295
Cash Payments for Deposits Refunded	(86,946)	0	0	0	(86,946)
Net Cash Provided by (Used for) Operating Activities	<u>900,615</u>	<u>768,773</u>	<u>(13,804)</u>	<u>479,331</u>	<u>2,134,915</u>
<u>Cash Flows from Noncapital Financing Activities</u>					
Transfers Out	(370)	(4,145)	0	0	(4,515)
<u>Cash Flows from Capital and Related Financing Activities</u>					
Principal Paid on Bond Anticipation Notes	0	(100,000)	0	0	(100,000)
Principal Paid on General Obligation Revenue Bonds	(170,000)	(265,000)	0	0	(435,000)
Principal Paid on Mortgage Revenue Bonds	(125,000)	0	0	0	(125,000)
Principal Paid on OWDA Loans	(360,822)	(217,411)	0	0	(578,233)
Principal Paid on OPWC Loans	(13,278)	(12,981)	0	(6,250)	(32,509)
Interest Paid on Bond Anticipation Notes	0	(4,200)	0	0	(4,200)
Interest Paid on General Obligation Revenue Bonds	(57,425)	(89,578)	0	0	(147,003)
Interest Paid on Mortgage Revenue Bonds	(38,157)	0	0	0	(38,157)
Interest Paid on OWDA Loans	(130,270)	(206,028)	0	0	(336,298)
Bond Anticipation Notes Issued	0	90,000	0	0	90,000
Acquisition of Capital Assets	(90,230)	(12,143)	0	(317,045)	(419,418)
Net Cash Used for Capital and Related Financing Activities	<u>(985,182)</u>	<u>(817,341)</u>	<u>0</u>	<u>(323,295)</u>	<u>(2,125,818)</u>
<u>Cash Flows from Investing Activities</u>					
Interest	25,073	0	0	0	25,073
Net Increase (Decrease) in Cash and Cash Equivalents	(59,864)	(52,713)	(13,804)	156,036	29,655
Cash and Cash Equivalents Beginning of Year	<u>1,772,999</u>	<u>391,105</u>	<u>209,052</u>	<u>605,891</u>	<u>2,979,047</u>
Cash and Cash Equivalents End of Year	<u>\$1,713,135</u>	<u>\$338,392</u>	<u>\$195,248</u>	<u>\$761,927</u>	<u>\$3,008,702</u>

(continued)

City of Bucyrus
Statement of Cash Flows
Enterprise Funds
For the Year Ended December 31, 2004
(continued)

	Water	Sewer	Solid Waste	Storm Water	Total
<u>Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>					
Operating (Loss) Income	\$596,665	\$345,062	(\$32,077)	\$364,422	\$1,274,072
<u>Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided by (Used for) Operating Activities</u>					
Allowance for Uncollectibles	(5,088)	(5,138)	(999)	(703)	(11,928)
Depreciation	359,997	410,584	17,547	43,391	831,519
Changes in Assets and Liabilities:					
(Increase) Decrease in Accounts Receivable	(6,472)	8,605	(9,554)	(8,594)	(16,015)
Increase in Due from Other Governments	(15,008)	0	0	0	(15,008)
Increase in Interfund Receivable	(20,476)	0	0	0	(20,476)
(Increase) Decrease in Prepaid Items	(1,012)	(347)	(197)	128	(1,428)
(Increase) Decrease in Materials and Supplies Inventory	(9,315)	1,381	0	0	(7,934)
Decrease in Accrued Wages Payable	(17,011)	(10,124)	(6,689)	0	(33,824)
Increase (Decrease) in Accounts Payable	(6,855)	3,009	18,265	44,509	58,928
Increase (Decrease) in Due to Other Governments	(1,471)	(4,848)	(21,338)	1,442	(26,215)
Increase in Interfund Payable	18,354	18,354	18,354	31,626	86,688
Decrease in Deposits Held and Due to Others	(1,651)	0	0	0	(1,651)
Increase in Compensated Absences Payable	9,958	2,235	2,884	3,110	18,187
Net Cash Provided by (Used for) Operating Activities	<u>\$900,615</u>	<u>\$768,773</u>	<u>(\$13,804)</u>	<u>\$479,331</u>	<u>\$2,134,915</u>

Non-Cash Capital Transactions

In 2004, water lines, in the amount of \$33,400, were constructed in the CDBG capital projects fund and donated to the Water enterprise fund.

In 2004, construction costs on storm water lines were paid from the Street Maintenance special revenue fund, in the amount of \$73,484. In addition, construction costs on storm water lines were paid from private contributions, in the amount of \$13,272.

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Statement of Fiduciary Assets and Liabilities
Agency Funds
December 31, 2004

<u>Assets</u>	
Equity in Pooled Cash and Cash Equivalents	\$11,907
Accounts Receivable	<u>11,685</u>
 Total Assets	 <u><u>\$23,592</u></u>
 <u>Liabilities</u>	
Deposits Held and Due to Others	<u><u>\$23,592</u></u>

See Accompanying Notes to the Basic Financial Statements

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004

NOTE 1 - DESCRIPTION OF THE CITY OF BUCYRUS AND THE REPORTING ENTITY

A. The City

The City of Bucyrus is a statutory municipal corporation operating under the laws of the State of Ohio. Bucyrus became a village in 1822 and was incorporated as a city on February 21, 1883.

The City operates under a mayor-council form of government. Legislative power is vested in a seven member council and a council president, each elected to two-year terms. The Mayor is elected to a four-year term and is the chief executive officer of the City. All City officials, with the exception of the Service-Safety Director, are elected positions. The Service-Safety Director is appointed by the Mayor.

The City of Bucyrus is divided into various departments and financial management and control systems. Services provided include police protection, fire protection, parks and recreation, airport facilities, street maintenance and repair, Access television channel, and water, sewer, sanitation, and storm water services as well as a staff to provide support (i.e., payroll processing, accounts payable, and revenue collection) to the service providers. The operation and control of these activities is provided by the City Council through the budgetary process and by the Mayor through administrative and managerial requirements and procedures.

B. Reporting Entity

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

The primary government of the City of Bucyrus consists of all funds, departments, boards, and agencies that are not legally separate from the City. For the City, this includes Access and all departments and activities that are directly operated by the elected City officials.

Access

The City Council established a local volunteer board known as the Bucyrus Access Board and charged them with the responsibility of general operation and management of all local public access facilities (known as Access); however, all corporate powers are retained by the City Council. The Board has ten members; seven, designated by the City Council, are representatives from certain community organizations, and three are appointed by the Mayor. Operations of the local public access channel are financed by a portion of a 5 percent franchise fee collected from Time Warner Communications, the local cable provider.

Component units are legally separate organizations for which the City is financially accountable. The City is financially accountable for an organization if the City appoints a voting majority of the organization's governing board and (1) the City is able to significantly influence the programs or services performed or provided by the organization; or (2) the City is legally entitled to or can otherwise access the organization's resources; the City is legally obligated or has otherwise assumed the responsibility to finance the deficits of, or provide financial support to, the organization; or the City is obligated for the debt of the organization. Component units may also include organizations for which the City approves the budget, the issuance of debt, or the levying of taxes. There were no component units of the City of Bucyrus in 2004.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 1 - DESCRIPTION OF THE CITY OF BUCYRUS AND THE REPORTING ENTITY

(continued)

The City of Bucyrus participates in two jointly governed organizations and a public entity shared risk pool. These organizations are the Central Joint Ambulance District, the Crawford County General Health District, and the Public Entities Pool of Ohio. These organizations are presented in Note 21 and Note 22 to the basic financial statements.

The City of Bucyrus is also associated with the Bucyrus Public Library to the extent that the Mayor appoints the Library's Board of Trustees. However, the City of Bucyrus is not financially accountable for the Bucyrus Public Library. The library is presented as a related organization in Note 23 to the basic financial statements.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the City of Bucyrus have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The City also applies Financial Accounting Standards Board (FASB) Statements and Interpretations issued on or before November 30, 1989, to its governmental and business-type activities and to its enterprise funds provided they do not conflict with or contradict GASB pronouncements. The City does not apply Financial Accounting Standards Board (FASB) Statements and Interpretations issued after November 30, 1989, to its business-type activities or to its enterprise funds. Following are the more significant of the City's accounting policies.

A. Basis of Presentation

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

Government-Wide Financial Statements

The statement of net assets and the statement of activities display information about the City as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The statements distinguish between those activities of the City that are governmental in nature and those that are considered business-type activities.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Fund Financial Statements

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

B. Fund Accounting

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

Governmental Funds

Governmental funds are those through which most governmental functions of the City 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 purpose 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 City's major governmental funds:

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

Street Maintenance and Repair Fund - This fund accounts for 92.5 percent of the state gasoline tax and motor vehicle registration fees as well as a .5 percent voted municipal income tax designated for maintenance of streets within the City.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

Proprietary Funds

Proprietary fund reporting focuses on the determination of operating income, changes in net assets, financial position, and cash flows.

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

Water Fund - This fund accounts for the provision of water treatment and distribution to residential and commercial users within the City.

Sewer Fund - This fund accounts for the provision of wastewater treatment service to residential and commercial users within the City.

Solid Waste Fund - This fund accounts for the operation of solid waste collection within the City.

Storm Water Fund - This fund accounts for the operation of the storm water run off system within the City.

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds, and agency funds. Trust funds are used to account for assets held by the City under a trust agreement for individuals, private organizations, or other governments and are not available to support the City's own programs. The City did not have any trust funds in 2004. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The City's agency funds account for deposits from individuals planning the excavation or requesting the vacation of a street or alley and for insurance proceeds to secure proper handling of fire damaged structures.

C. Measurement Focus

Government-Wide Financial Statements

The government-wide financial statements are prepared using a flow of economic resources measurement focus. All assets and all liabilities associated with the operation of the City are included on the statement of net assets. The statement of activities presents increases (e.g. revenues) and decreases (e.g. expenses) in total net assets.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 are generally included on the balance sheet. The statement of revenues, expenditures, and changes in fund balance reflects 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 financial statements and the fund financial statements for governmental funds.

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

D. Basis of Accounting

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

Revenues - Exchange and Nonexchange Transactions

Revenues 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 the modified accrual basis, revenue is recorded in the year in which the resources are measurable and become available. Available means the resources will be collected within the current year or are expected to be collected soon enough thereafter to be used to pay liabilities of the current year. For the City, available means expected to be received within thirty-one days after year end.

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

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Under the modified accrual basis, the following revenue sources are considered both measurable and available at year end: income taxes, charges for services, fines and forfeitures, state-levied locally shared taxes (including gasoline tax and motor vehicle license tax), grants, and interest.

Deferred Revenues

Deferred revenues arise when assets are recognized before the revenue recognition criteria have been satisfied.

Property taxes for which there was an enforceable legal claim at December 31, 2004, but were levied to finance 2005 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements were met have also been recorded as deferred revenue.

On governmental fund financial statements, receivables that were not collected within the available period are recorded as deferred revenue.

Expenses/Expenditures

On the accrual basis, expenses are recognized at the time they are incurred.

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

E. Budgetary Process

All funds, except agency funds, are required to be budgeted and appropriated. The major documents prepared are the statement of fund activities, the certificate of estimated resources, and the appropriations ordinance, all of which are prepared on the budgetary basis of accounting. The statement of fund activities indicates the projected revenues and expenditures for those funds receiving tax monies. The certificate of estimated resources establishes a limit on the amount City Council may appropriate. The appropriations ordinance is City Council's authorization to spend resources and sets annual limits on expenditures plus encumbrances at the level of control selected by City Council. The legal level of control has been established by City Council at the fund and department level for all funds.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the City Auditor. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the amended certificate of estimated resources in effect at the time final appropriations were passed by City Council.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

F. Cash and Investments

To improve cash management, cash received by the City, except cash held by a trustee or held by fiscal or escrow agents, is pooled and invested. Individual fund integrity is maintained through City records. Interest in the pool is presented as "Equity in Pooled Cash and Cash Equivalents". Monies restricted by bond covenants for renewal and replacement and held within the City's Water enterprise fund are also reflected as "Equity in Pooled Cash and Cash Equivalents".

The City utilizes financial institutions as trustees to service its mortgage revenue bonded debt as principal and interest payments come due. Money held by trustees is invested in mutual funds and is presented as "Cash and Cash Equivalents with Fiscal Agent".

Cash and cash equivalents that are held separately for the City by escrow agents for payment of retainage to contractors upon project completion are recorded as "Cash and Cash Equivalents with Escrow Agent".

During 2004, the City invested in nonnegotiable certificates of deposit, repurchase agreements, federal agency securities, mutual funds, and STAR Ohio. Investments are reported at fair value, except for nonnegotiable certificates of deposit and repurchase agreements, which are reported at cost. Fair value is based on quoted market prices or current share price for mutual funds. The City's repurchase agreements are money market investments with a maturity of less than one year at the time of purchase. STAR Ohio is an investment pool, managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on December 31, 2004.

Interest earnings are allocated to City funds according to State statutes, grant requirements, or debt related restrictions. Interest revenue credited to the General Fund during 2004 was \$75,473, which includes \$66,117 assigned from other City funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time of purchase are presented on the financial statements as cash equivalents. Investments with an initial maturity of more than three months that were not purchased from the pool are reported as investments.

G. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors, or laws of other governments, or are imposed by law through constitutional provisions or enabling legislation.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Restricted assets represent certain resources which are segregated from other resources of the City to comply with various covenants established by bond financing agreements. These assets are generally held in separate accounts of the City or by a trustee. The various covenants place restrictions on the use of these resources, require minimum balances to be maintained in certain accounts, and establish annual amounts to be accumulated for specific purposes.

Utility deposits from customers are classified as restricted assets on the statement of fund net assets because their use is limited to the payment of unpaid utility bills or refunding of the deposit to the customer.

Resources set aside in separate escrow accounts whose use is limited to the payment of retainage to contractors are also reported as restricted.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond December 31, 2004, are recorded as prepaid items using the consumption method by recording a current asset for the prepaid amount and reflecting the expenditure/expense in the year in which services are consumed.

I. Inventory

Inventory is presented at cost on a first-in, first-out basis and is expended/expensed when used. Inventory consists of expendable supplies held for consumption.

J. Unamortized Issuance Costs

For the enterprise funds, issuance costs are deferred and amortized over the term of the bonds using the bonds-outstanding method, which approximates the effective interest method. Issuance costs are recorded as deferred charges.

K. Capital Assets

General capital assets are capital assets which are associated with and generally arise from governmental activities. They generally result from expenditures in governmental funds. General capital assets are reported in the governmental activities column on the government-wide statement of net assets but are not reported on the fund financial statements. Capital assets used by the enterprise funds are reported in both the business-type activities column on the government-wide statement of net assets and in the respective funds.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and reductions during the year. Donated capital assets are recorded at their fair market value on the date donated. The City maintains a capitalization threshold of ten thousand dollars. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized. Interest incurred during the construction of enterprise fund capital assets is also capitalized.

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

Description	Governmental Activities Estimated Lives	Business-Type Activities Estimated Lives
Buildings	20-45 years	10-50 years
Improvements Other Than Buildings	10-50 years	10 years
Streets	10-30 years	N/A
Bridges	50 years	N/A
Water, Sewer, and Storm Water Lines	N/A	50 years
Equipment	3-20 years	5-30 years
Furniture and Fixtures	20 years	N/A
Vehicles	3-15 years	3-10 years

L. Interfund Receivables/Payables

On fund financial statements, unpaid amounts for interfund services are reported as "Interfund Receivables/Payables". Interfund balances are eliminated on the statement of net assets, except for any net residual amounts due between governmental and business-type activities. These amounts are presented as "Internal Balances".

M. Compensated Absences

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

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the City has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employee wage rates at year end taking into consideration any limits specified in the City's manpower and union contracts. The City records a liability for accumulated unused sick leave for all employees with ten or more years of service with the City.

N. Accrued Liabilities and Long-Term Obligations

All payables, accrued liabilities, and long-term obligations are reported on the government-wide financial statements. All payables, accrued liabilities, and long-term obligations payable from the enterprise funds are reported on the enterprise 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, compensated absences that are paid from governmental funds are reported as liabilities on the fund financial statements only to the extent that they are due for payment during the current year. Special assessment bonds, police and fire pension liability, and capital leases are recognized as liabilities on the fund financial statements when due.

O. Unamortized Loss on Advance Refunding

For advance refundings resulting in the defeasance of debt reported in the enterprise funds, the difference between the reacquisition price and the net carrying amount of the old debt is deferred and amortized as a component of interest expense. This accounting loss is amortized over the remaining life of the old debt or the life of the new debt, whichever is shorter, and is presented as a reduction of the face amount of the new debt.

P. 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 balance of any borrowing used for the acquisition, construction, or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through constitutional provisions or enabling legislation adopted or through external restrictions imposed by creditors, grantors, or laws or regulations of other governments. Net assets restricted for other purposes include resources restricted for maintenance and repair of streets and highways, recreation, police and fire department activities, and Access. The City's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. As of December 31, 2004, net assets restricted by enabling legislation was \$3,385,407 for governmental activities.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Q. Fund Balance Reserves

The City reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and, therefore, are not available for appropriation or expenditure. Fund balance reserves have been established for encumbrances.

R. Operating Revenues and Expenses

Operating revenues are those revenues that are generated directly from the primary activity of the enterprise funds. For the City, these revenues are charges for services for water, sewer, solid waste, and storm water services. Operating expenses are the necessary costs incurred to provide the service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating.

S. Capital Contributions

Capital contributions on the enterprise fund financial statements arise from contributions from other funds and outside contributions of capital assets.

T. Interfund Transactions

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

Exchange transactions between funds are reported as revenues in the seller funds and as expenditures/expenses in the purchaser funds. Flows of cash or goods from one fund to another without a requirement for repayment are reported as interfund transfers. Interfund transfers are reported as other financing sources/uses in governmental funds and after nonoperating revenues/expenses in enterprise funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

U. Extraordinary and Special Items

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

V. Estimates

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

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES, CORRECTION OF AN ERROR, AND RESTATEMENT OF FUND BALANCE/NET ASSETS

A. Change in Accounting Principles

For 2004, the City has implemented GASB Statement No. 39, “Determining Whether Certain Organizations are Component Units”, GASB Statement No. 46, “Net Assets Restricted by Enabling Legislation”, and GASB Technical Bulletin 2004-2, “Recognition of Pension and Other Postemployment Benefit Expenditures/Expenses and Liabilities by Cost-Sharing Employers”.

GASB Statement No. 39 establishes additional guidance on the application of existing standards for determining whether certain organizations should be reported as component units based on the nature and significance of their relationship to the primary government. The implementation of this statement did not result in any change to the City’s financial statements.

GASB Statement No. 46 defines enabling legislation and specifies how net assets should be reported in the financial statements when there are changes in such legislation. The Statement also requires governments to disclose in the notes to the basic financial statements the amount of net assets restricted by enabling legislation.

GASB Technical Bulletin 2004-2 establishes new guidance addressing the amount that should be recognized as expenditures/expenses and as liabilities each period by employers participating in cost-sharing multiple-employer pension and other post employment benefit plans.

B. Correction of an Error

The City recorded permissive motor vehicle license taxes incorrectly in the prior year.

C. Restatement of Fund Balance/Net Assets

The restatement due to the implementation of the above Technical Bulletin and correction of an error had the following effects on fund balance of the major and nonmajor funds of the City and net assets of governmental activities as they were previously reported.

	General	Street Maintenance	Other Governmental	Total Governmental Funds
Fund Balance December 31, 2003	\$993,833	\$1,905,257	\$1,544,807	\$4,443,897
GASB Technical Bulletin 2004-2 Adjustment:				
Due to Other Governments	(4,845)	(261)	(96,536)	(101,642)
Adjusted Fund Balance	<u>\$988,988</u>	<u>\$1,904,996</u>	<u>\$1,448,271</u>	<u>\$4,342,255</u>

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 3 - CHANGE IN ACCOUNTING PRINCIPLES, CORRECTION OF AN ERROR, AND RESTATEMENT OF FUND BALANCE/NET ASSETS (continued)

	Total Governmental Activities
Net Assets, December 31, 2003	\$17,698,349
Other Local Taxes Receivable	(26,351)
Adjusted Net Assets	\$17,671,998

NOTE 4 - ACCOUNTABILITY

At December 31, 2004, the following funds had deficit fund balances:

Fund	Deficit
Nonmajor Special Revenue Funds	
Police Pension	\$44,939
Fire Pension	39,300
Nonmajor Capital Projects Funds	
Municipal Building	29,154

The deficit fund balances in the special revenue funds resulted from adjustments for accrued liabilities. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

The deficit fund balance in the Municipal Building capital projects fund was caused by the requirement to report the bond anticipation note liability in the fund receiving the note proceeds. The deficit will be alleviated when the bonds are issued or when the notes are paid.

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING

While reporting financial position, results of operations, and changes in fund balance on the basis of generally accepted accounting principles (GAAP), the budgetary basis as provided by law is based upon accounting for certain transactions on a basis of cash receipts, disbursements, and encumbrances. The Statements of Revenues, Expenditures, and Changes in Fund Balance - Budget (Non-GAAP Budgetary Basis) and Actual - for the General Fund and the Street Maintenance and Repair special revenue fund are presented on the budgetary basis to provide a meaningful comparison of actual results with the budget. The major differences between the budget basis and the GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 5 - BUDGETARY BASIS OF ACCOUNTING (continued)

2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Outstanding year end encumbrances are treated as expenditures (budget basis) rather than as a reservation of fund balance (GAAP basis).

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

Change in Fund Balance

	General	Street Maintenance and Repair
GAAP Basis	(\$268,353)	\$684,512
<u>Increases (Decreases) Due To</u>		
Revenue Accruals:		
Accrued 2003, Received in Cash 2004	681,224	117,837
Accrued 2004, Not Yet Received in Cash	(565,876)	(153,593)
Expenditure Accruals:		
Accrued 2003, Paid in Cash 2004	(247,546)	(96,191)
Accrued 2004, Not Yet Paid in Cash	151,062	19,732
Cash Adjustments:		
Unrecorded Activity 2003	1,301	6
Unrecorded Activity 2004	1,885	0
Prepaid Items	(1,916)	(589)
Materials and Supplies Inventory	1,472	11,925
Advances In	26,374	0
Advances Out	(20,000)	0
Encumbrances Outstanding at Year End (Budget Basis)	(110,598)	(1,417,906)
Budget Basis	(\$350,971)	(\$834,267)

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 6 - DEPOSITS AND INVESTMENTS

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

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

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

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

Protection of the City's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the City 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 with the institution.

Interim monies may be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided 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 the term of the agreement must not exceed thirty days;
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) 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).

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

The City may also invest any monies not required to be used for a period of six months or more in the following:

1. Bonds of the State of Ohio;
2. Bonds of any municipal corporation, village, county, township, or other political subdivision of this State as to which there is no default of principal, interest, or coupons; and
3. Obligations of the City.

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 City, and must be purchased with the expectation that it will be held to maturity.

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 City Treasurer or qualified trustee or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

At year end, the City had \$2,570 in undeposited cash on hand which is included as part of "Equity in Pooled Cash and Cash Equivalents".

The following information classifies deposits and investments by categories of risk as defined in GASB Statement No. 3, "Deposits with Financial Institutions, Investments (including Repurchase Agreements), and Reverse Repurchase Agreements".

At year end, the carrying amount of the City's deposits was \$2,327,306 and the bank balance was \$2,405,443. Of the bank balance, \$463,761 was covered by the federal depository insurance and \$1,941,682 was uninsured and uncollateralized. Although all State statutory requirements for the deposit of money had been followed, noncompliance with federal requirements could potentially subject the City to a successful claim by the FDIC.

The City's investments are categorized to give an indication of the level of risk assumed by the City at year end. Category 1 includes investments that are insured or registered for which the securities are held by the City or the City's agent in the City's name. Category 2 includes uninsured and unregistered investments for which the securities are held by the counterparty's trust department or agent in the City's name. Category 3 includes uninsured and unregistered investments for which the securities are held by the counterparty, or by its trust department or agent but not in the City's name. STAR Ohio and investments in mutual funds are unclassified investments since they are not evidenced by securities that exist in physical or book entry form.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 6 - DEPOSITS AND INVESTMENTS (continued)

	Category 3	Carrying Value	Fair Value
Repurchase Agreements	\$398,665	\$398,665	\$398,687
Federal Home Loan Bank Bonds	497,788	497,788	497,788
Federal Home Loan Mortgage Corporation Bonds	248,753	248,753	248,753
Federal Home Loan Mortgage Corporation Notes	495,696	495,696	495,696
Federal National Mortgage Association Bonds	745,999	745,999	745,999
Federal National Mortgage Association Notes	498,307	498,307	498,307
	<u>\$2,885,208</u>	<u>2,885,208</u>	<u>2,885,230</u>
Mutual Funds		389,163	389,163
STAR Ohio		1,946,557	1,946,557
		<u>\$5,220,928</u>	<u>\$5,220,950</u>

The classification of cash and cash equivalents and investments on the financial statements is based on the criteria set forth in GASB Statement No. 9, "Reporting Cash Flows of Proprietary and Nonexpendable Trust Funds and Governmental Entities That Use Proprietary Fund Accounting". A reconciliation between the classification of cash and cash equivalents and investments on the financial statements and the classification of deposits and investments according to GASB Statement No. 3 is as follows:

	Cash and Cash Equivalents/Deposits	Investments
GASB Statement No. 9	\$7,550,804	\$0
Cash on Hand	(2,570)	0
Investments:		
Repurchase Agreements	(398,665)	398,665
Federal Home Loan Bank Bonds	(497,788)	497,788
Federal Home Loan Mortgage Corporation Bonds	(248,753)	248,753
Federal Home Loan Mortgage Corporation Notes	(495,696)	495,696
Federal National Mortgage Association Bonds	(745,999)	745,999
Federal National Mortgage Association Notes	(498,307)	498,307
Mutual Funds	(389,163)	389,163
STAR Ohio	(1,946,557)	1,946,557
GASB Statement No. 3	<u>\$2,327,306</u>	<u>\$5,220,928</u>

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 7 - RECEIVABLES

Receivables at December 31, 2004, consisted of accounts (billings for user charged services, including unbilled utility services); accrued interest; intergovernmental receivables arising from grants, entitlements, and shared revenues; municipal income taxes; other local taxes; interfund; property taxes; and special assessments. All receivables are considered collectible in full and within one year, except for special assessments and the allowance for uncollectibles related to utility services. Special assessments, in the amount of \$210,459, will not be received within one year. At December 31, 2004, the amount of delinquent special assessments was \$17,583.

A summary of accounts receivable related to utility services is as follows:

	Water	Sewer	Solid Waste	Storm Water	Total Enterprise Funds
Accounts Receivable	\$417,350	\$314,833	\$140,026	\$111,668	\$983,877
Less Allowance for Uncollectibles	(34,403)	(25,953)	(11,541)	(9,205)	(81,102)
Net Accounts Receivable	<u>\$382,947</u>	<u>\$288,880</u>	<u>\$128,485</u>	<u>\$102,463</u>	<u>\$902,775</u>

A summary of the principal items of intergovernmental receivables follows:

	Amount
Governmental Activities	
Major Funds	
General Fund	
Homestead and Rollback	\$33,175
Local Government	32,665
Local Government Revenue Assistance	163,577
Beer and Liquor Permits	7,743
Cigarette Tax	321
Estate Tax	11,596
Fines and Forfeitures	1,149
Total General Fund	<u>250,226</u>
Street Maintenance and Repair	
Gasoline Tax	145,081
Motor Vehicle License Tax	49,196
Total Street Maintenance and Repair	<u>194,277</u>
Total Major Funds	<u>444,503</u>

(continued)

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 7 - RECEIVABLES (continued)

	Amount
Governmental Activities (continued)	
Nonmajor Funds	
State Highway	
Gasoline Tax	\$11,764
Motor Vehicle License Tax	3,989
Total State Highway	15,753
Enterprise Monitoring	
Fees, Licenses, and Permits	3,000
ODOT Airport Grant	
ODOT Airport Grant	769
Airport Entitlement Program	1,008
Total ODOT Airport Grant	1,777
Police Pension	
Homestead and Rollback	2,904
Fire Pension	
Homestead and Rollback	2,904
CDBG	
CDBG	35,400
Fire Levy	
Homestead and Rollback	9,923
Total Nonmajor Funds	71,661
Total Governmental Activities	\$516,164
Business-Type Activity	
Water	
Crawford County Auditor	\$15,008

NOTE 8 - MUNICIPAL INCOME TAXES

The City levies and collects an income tax of 1.5 percent based on all income earned within the City as well as on incomes of residents earned outside the City. In the latter case, the City allows a credit of 100 percent of the tax paid to another municipality, not to exceed the amount owed. Employers within the City are required to withhold income tax on employee earnings and remit the tax to the City at least quarterly. Corporations and other individual taxpayers are also required to pay their estimated tax at least quarterly and file a final return annually.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 8 - MUNICIPAL INCOME TAXES (continued)

The City's income tax rate includes 1 percent authorized by State statutes and levied by the City Council and an additional .5 percent levied with voter approval for a period of six years, expiring in 2007. The additional .5 percent is restricted solely for street repair and is recorded in the Street Maintenance and Repair special revenue fund. The remaining income tax revenues and all related expenditures for administration and collection are accounted for in the General Fund.

NOTE 9 - PROPERTY TAXES

Property taxes include amounts levied against all real property, public utility property, and tangible personal property located in the City. Real property tax revenues received in 2004 represent the collection of 2003 taxes. Real property taxes were levied in 2004 after October 1, 2004, on the assessed values as of January 1, 2004, the lien date. These taxes will be collected in and are intended to finance 2005 operations. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. All property is required to be revalued every six years. The last revaluation was completed in 2000. Real property taxes are payable annually or semiannually. The first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility real and tangible personal property taxes were levied in 2004 after October 1, 2004, on the assessed values as of December 31, 2003, the lien date. These taxes will be collected in and are intended to finance 2005 operations. Public utility real property is assessed at 35 percent of true value; tangible personal property is currently assessed at varying percentages of true value. Public utility property taxes are payable on the same dates as real property taxes described previously.

Tangible personal property tax revenues received in 2004 (other than public utility property) represent the collection of 2004 taxes. Tangible personal property taxes received in 2004 were levied after October 1, 2003, on the true value as of December 31, 2003. Tangible personal property is currently assessed at 25 percent of true value for equipment and 22 percent for inventory. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. The first payment is due April 30, with the remainder payable by September 20.

The County Treasurer collects property taxes on behalf of all taxing districts within the County, including the City of Bucyrus. The County Auditor periodically remits to the City its portion of the taxes collected.

Accrued property taxes receivable represents real property, public utility property, and tangible personal property taxes which were measurable as of December 31, 2004, and for which there was an enforceable legal claim. Although total property tax collections for the next year are measurable, amounts to be received during the available period are not subject to reasonable estimation at December 31 and are not intended to finance 2004 operations.

Collectible delinquent real property taxes have been recorded as a receivable and revenue on the full accrual basis. On the modified accrual basis, the entire receivable is deferred.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 9 - PROPERTY TAXES (continued)

The full tax rate for all City operations for the year ended December 31, 2004, was \$5.80 per \$1,000 of assessed value. The assessed values of real property, public utility property, and tangible personal property upon which 2004 property tax receipts were based are as follows:

Category	Amount
Real Property	
Agricultural	\$290,030
Residential	111,271,510
Commercial	26,650,920
Industrial	11,388,980
Public Utility Property	
Real	39,260
Personal	6,909,370
Tangible Personal Property	33,679,553
Total Assessed Value	<u>\$190,229,623</u>

NOTE 10 - CAPITAL ASSETS

Capital asset activity for the year ended December 31, 2004, was as follows:

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
Governmental Activities:				
Nondepreciable Capital Assets				
Land	\$691,532	\$0	\$0	\$691,532
Construction in Progress	0	28,600	0	28,600
Total Nondepreciable Capital Assets	<u>691,532</u>	<u>28,600</u>	<u>0</u>	<u>720,132</u>
Depreciable Capital Assets				
Buildings	1,454,836	11,975	0	1,466,811
Improvements Other Than Buildings	894,713	0	0	894,713
Streets	31,090,007	204,437	0	31,294,444
Bridges	900,980	0	0	900,980
Equipment	1,088,664	0	0	1,088,664
Furniture and Fixtures	16,200	0	0	16,200
Vehicles	1,543,496	0	0	1,543,496
Total Depreciable Capital Assets	<u>36,988,896</u>	<u>216,412</u>	<u>0</u>	<u>37,205,308</u>

(continued)

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 10 - CAPITAL ASSETS (continued)

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
Less Accumulated Depreciation for				
Buildings	(\$836,412)	(\$30,035)	\$0	(\$866,447)
Improvements Other Than Buildings	(596,342)	(43,712)	0	(640,054)
Streets	(20,833,299)	(1,142,642)	0	(21,975,941)
Bridges	(657,716)	(18,020)	0	(675,736)
Equipment	(773,238)	(66,178)	0	(839,416)
Furniture and Fixtures	(13,365)	(810)	0	(14,175)
Vehicles	(1,068,613)	(73,775)	0	(1,142,388)
Total Accumulated Depreciation	<u>(24,778,985)</u>	<u>(1,375,172)</u>	<u>0</u>	<u>(26,154,157)</u>
Total Depreciable Capital Assets, Net	<u>12,209,911</u>	<u>(1,158,760)</u>	<u>0</u>	<u>11,051,151</u>
Governmental Activities Capital Assets, Net	<u>\$12,901,443</u>	<u>(\$1,130,160)</u>	<u>\$0</u>	<u>\$11,771,283</u>
	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
Business-Type Activities:				
Nondepreciable Capital Assets				
Land	\$930,782	\$0	\$0	\$930,782
Construction in Progress	0	293,067	0	293,067
Total Nondepreciable Capital Assets	<u>930,782</u>	<u>293,067</u>	<u>0</u>	<u>1,223,849</u>
Depreciable Capital Assets				
Buildings	9,125,916	0	0	9,125,916
Improvements Other Than Buildings	5,238,559	0	0	5,238,559
Water, Sewer, and Storm Water Lines	12,684,559	527,431	(21,418)	13,190,572
Equipment	2,560,809	0	0	2,560,809
Vehicles	454,720	12,143	0	466,863
Total Depreciable Capital Assets	<u>30,064,563</u>	<u>539,574</u>	<u>(21,418)</u>	<u>30,582,719</u>

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 10 - CAPITAL ASSETS (continued)

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
Less Accumulated Depreciation for				
Buildings	(\$2,141,049)	(\$430,110)	\$0	(\$2,571,159)
Improvements Other Than Buildings	(2,085,572)	(103,972)	0	(2,189,544)
Water, Sewer, and Storm Water Lines	(6,415,590)	(152,610)	21,418	(6,546,782)
Equipment	(1,011,592)	(120,934)	0	(1,132,526)
Vehicles	(324,789)	(23,893)	0	(348,682)
Total Accumulated Depreciation	<u>(11,978,592)</u>	<u>(831,519)</u>	<u>21,418</u>	<u>(12,788,693)</u>
 Total Depreciable Capital Assets, Net	 <u>18,085,971</u>	 <u>(291,945)</u>	 <u>0</u>	 <u>17,794,026</u>
 Business-Type Activities Capital Assets, Net	 <u>\$19,016,753</u>	 <u>\$1,122</u>	 <u>\$0</u>	 <u>\$19,017,875</u>

Depreciation expense was charged to governmental functions as follows:

Governmental Activities	
Security of Persons and Property - Police	\$34,546
Security of Persons and Property - Fire	52,392
Leisure Time Activities	44,676
Transportation	1,214,899
General Government	28,659
Total Depreciation Expense - Governmental Activities	<u>\$1,375,172</u>

NOTE 11 - INTERFUND RECEIVABLES/PAYABLES

At December 31, 2004, the General Fund had an interfund receivable, in the amount of \$313,376 from the Water, Sewer, Solid Waste, and Storm Water enterprise funds (\$78,344 each) for services provided to those funds by the General Fund.

The Street Maintenance and Repair special revenue fund had an interfund receivable, in the amount of \$13,272, for services provided to the Storm Sewer enterprise fund.

Other governmental funds had an interfund receivable, in the amount of \$5,726, from the Water and Sewer enterprise funds, in the amount of \$1,059 and \$4,667, respectively, for special assessment revenues originally recorded to the enterprise funds in a prior year.

The Water enterprise fund has an interfund receivable, in the amount of \$20,476, from other governmental funds for services provided.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 12 - RISK MANAGEMENT

The City participates in the Public Entities Pool of Ohio, a public entity shared risk pool. The City pays an annual premium to the pool for various types of insurance coverage. Member cities agree to share in the coverage of losses and pay all premiums necessary for the specified insurance coverage. Upon withdrawal from the Pool, a participant is responsible for the payment of all liabilities accruing as a result of withdrawal. During 2004, the City had the following insurance coverage:

<u>Type of Coverage</u>	<u>Coverage</u>	<u>Deductible</u>
Property (building and contents)	\$15,112,600	\$1,000
Earthquake	1,000,000	25,000
Flood	1,000,000	25,000
Newly Acquired Property:		
Building Limit	2,000,000	1,000
Business Personal Property Limit	1,000,000	1,000
Employee Benefits Liability	1,000,000	1,000
Ohio Employers Liability	10,000,000	0
Law Enforcement Liability	10,000,000	5,000
Excess Liability	10,000,000	0
Automobile Liability	10,000,000	0
Uninsured Motorist	1,000,000	0
Crime Coverage	10,000,000	5,000
Blanket Bond	10,000,000	0
Boiler and Machinery	15,112,600	1,000

There has been no significant reduction in insurance coverage from 2003, and no insurance settlement has exceeded insurance coverage during the last three years.

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

NOTE 13 - SIGNIFICANT CONTRACTUAL COMMITMENTS

The City has several outstanding contracts for professional services. The following amounts remain on these contracts as of December 31, 2004:

<u>Vendor</u>	<u>Contract Amount</u>	<u>Amount Paid as of 12/31/04</u>	<u>Outstanding Balance</u>
Bucyrus Road Materials	\$1,685,790	\$1,243,372	\$442,418
Newcomer Concrete	1,692,162	0	1,692,162
CT Consultants	55,115	0	55,115

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 14 - DEFINED BENEFIT PENSION PLANS

A. Ohio Public Employees Retirement System

The City participates in the Ohio Public Employees Retirement System (OPERS). OPERS administers three separate pension plans. The traditional plan is a cost-sharing, multiple-employer defined benefit pension plan. The member-directed plan is a defined contribution plan in which the member invests both member and employer contributions (employer contributions vest over five years at 20 percent per year). Under the member-directed plan, members accumulate retirement assets equal to the value of the member and vested employer contributions plus any investment earnings. The combined plan is a cost-sharing, multiple-employer defined benefit pension plan that has elements of both a defined benefit and a defined contribution plan. Under the combined plan, employer contributions are invested by OPERS to provide a formula retirement benefit similar to the traditional plan benefit. Member contributions, whose investment is self-directed by the member, accumulate retirement assets in a manner similar to the member-directed plan.

OPERS provides retirement, disability, survivor and death benefits, and annual cost of living adjustments to members of the traditional and combined plans. Members of the member-directed plan do not qualify for ancillary benefits. Authority to establish and amend benefits is provided by Chapter 145 of the Ohio Revised Code. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the Ohio Public Employees Retirement System, 277 East Town Street, Columbus, Ohio 43215-4642.

For the year ended December 31, 2004, members of all three plans were required to contribute 8.5 percent of their annual covered salary to fund pension obligations. The City's contribution rate for pension benefits for 2004 was 9.55 percent. The Ohio Revised Code provides statutory authority for member and employer contributions.

The City's required contribution for pension obligations to the traditional and combined plans for the years ended December 31, 2004, 2003, and 2002 was \$230,694, \$191,883, and \$188,034, respectively; 91 percent has been contributed for 2004 and 100 percent has been contributed for 2003 and 2002. The unpaid contribution for 2004, in the amount of \$21,083, is recorded as a liability. Contributions to the member-directed plan for 2004 were \$977 made by the City and \$612 made by plan members.

B. Ohio Police and Fire Pension Fund

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

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 14 - DEFINED BENEFIT PENSION PLANS (continued)

Plan members are required to contribute 10 percent of their annual covered salary to fund pension obligations and the City is required to contribute 11.75 percent for police officers and 16.25 percent for firefighters. Contributions are authorized by State statute. The City's contribution to the OPF for the years ended December 31, 2004, 2003, and 2002 was \$225,476, \$223,977, and \$227,086, respectively; 74 percent has been contributed for 2004 and 100 percent has been contributed for 2003 and 2002. The unpaid contribution for 2004, in the amount of \$57,695, is recorded as a liability.

NOTE 15 - POSTEMPLOYMENT BENEFITS

A. Ohio Public Employees Retirement System

The Ohio Public Employees Retirement System (OPERS) provides postretirement health care coverage to age and service retirees with ten or more years of qualifying Ohio service credit with either the traditional or combined plans. Health care coverage for disability recipients and primary survivor recipients is available. Members of the member-directed plan do not qualify for postretirement health care coverage. The health care coverage provided by OPERS is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12, "Disclosure of Information on Postemployment Benefits Other Than Pension Benefits by State and Local Governmental Employers". A portion of each employer's contribution to the traditional or combined plans is set aside for the funding of postretirement health care based on authority granted by State statute. The 2004 employer contribution rate was 13.55 percent of covered payroll; 4.00 percent was the portion used to fund health care.

Benefits are advance-funded using the entry age normal actuarial cost method. Significant actuarial assumptions, based on OPERS's latest actuarial review performed as of December 31, 2003, include a rate of return on investments of 8 percent, an annual increase in active employee total payroll of 4 percent compounded annually (assuming no change in the number of active employees), and an additional increase in total payroll of between .5 percent and 6.3 percent based on additional annual pay increases. Health care premiums were assumed to increase 1 to 6 percent annually for the next eight years and 4 percent annually after eight years.

All investments are carried at market value. For actuarial valuation purposes, a smoothed market approach is used. Assets are adjusted to reflect 25 percent of unrealized market appreciation or depreciation on investment assets annually.

The number of active contributing participants in the traditional and combined plans was 369,885. Actual employer contributions for 2004 which were used to fund postemployment benefits was \$97,035. The actual contribution and the actuarial required contribution amounts are the same. OPERS's net assets available for the payment of benefits at December 31, 2003 (the latest information available), was \$10.5 billion. The actuarial accrued liability and the unfunded actuarial accrued liability were \$26.9 billion and \$16.4 billion, respectively.

In September 2004, the OPERS Retirement Board adopted a Health Care Preservation Plan (HCPP) with an effective date of January 1, 2007. The HCPP restructures OPERS' health care coverage to improve the financial solvency of the fund in response to skyrocketing health care costs.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 15 - POSTEMPLOYMENT BENEFITS (continued)

B. Ohio Police and Fire Pension Fund

The Ohio Police and Fire Pension Fund (OPF) provides postretirement health care coverage to any person who receives or is eligible to receive a monthly service, disability, or survivor benefit check, or is a spouse or eligible dependent child of such person. An eligible dependent child is any child under the age of eighteen, whether or not the child is attending school, or under the age of twenty-two if attending school full-time or on a two-thirds basis.

The health care coverage provided by OPF is considered an Other Postemployment Benefit (OPB) as described in GASB Statement No. 12. The Ohio Revised Code provides the authority allowing the Ohio Police and Fire Pension Fund's board of trustees to provide health care coverage and states that health care costs paid from OPF shall be included in the employer's contribution rate. Health care funding and accounting is on a pay-as-you-go basis. The total employer contribution rate for police is 19.5 percent of covered payroll and for firefighters is 24 percent of covered payroll; 7.75 percent was applied to the postemployment health care program during 2004. In addition, since July 1, 1992, most retirees have been required to contribute a portion of the cost of their health care coverage through a deduction from their monthly benefit payment. Beginning in 2001, all retirees and survivors have monthly health care contributions.

The City's actual contributions for 2004 that were used to fund postemployment benefits were \$70,174 for police and \$56,793 for firefighters. The OPF's total health care expense for the year ended December 31, 2003 (the latest information available), was \$150,853,148, which was net of member contributions of \$17,207,506. The number of OPF participants eligible to receive health care benefits as of December 31, 2003, was 13,662 for police and 10,474 for firefighters.

NOTE 16 - COMPENSATED ABSENCES

The criteria for determining vacation and sick leave benefits is derived from negotiated agreements and State laws.

City employees earn and accumulate vacation at varying rates depending on length of service. Current policy credits vacation leave on the employee's anniversary date. Employees are paid for 100 percent of earned unused vacation leave upon termination.

Sick leave is earned at various rates as defined by City policy and union contracts. Any employee with ten through twenty-four years of full-time service with the City, who elects to retire, is entitled to receive one-fourth of the value of their accumulated unused sick leave up to a maximum of two hundred forty or two hundred eighty hours depending on the contract. Any employee with more than twenty-four years of full-time service with the City, who elects to retire, is entitled to receive 100 percent of the value of their accumulated unused sick leave up to a maximum of 1,320 or 1,835 hours as defined by contract.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 17 - NOTES PAYABLE

The City's note transactions for the year ended December 31, 2004, were as follows:

	<u>Interest Rate</u>	<u>Balance December 31, 2003</u>	<u>Additions</u>	<u>Reductions</u>	<u>Balance December 31, 2004</u>
<u>Governmental Activities</u>					
<u>General Obligation Bond</u>					
<u>Anticipation Notes</u>					
Capital Projects Fund					
2004 Municipal Building Improvement Notes	1.95%	\$0	\$110,000	\$0	\$110,000
<u>Business-Type Activities</u>					
<u>General Obligation Bond</u>					
<u>Anticipation Notes</u>					
Enterprise Funds					
2003 Various Improvement	1.80%	\$100,000	\$0	\$100,000	\$0
2004 Various Improvement	1.95	0	90,000	0	90,000
Total Business-Type Activities		\$100,000	\$90,000	\$100,000	\$90,000

According to Ohio law, notes can be issued in anticipation of bond proceeds and levies, or for up to 50 percent of anticipated revenue collections. The liability for all notes is presented in the fund receiving the proceeds.

All of the City's bond anticipation notes are backed by the full faith and credit of the City of Bucyrus and have a maturity of one year. The municipal building notes were issued for the reconstruction of the roof on the City's municipal building. The various improvement notes were issued for the construction or repair of sewer lines.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 18 - LONG-TERM OBLIGATIONS

The City's long-term obligations activity for the year ended December 31, 2004, was as follows:

	Interest Rate	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004	Due Within One Year
<u>Governmental Activities</u>						
Special Assessment Bonds						
1999 Marion Road Sewer (Original Amount \$151,000)	5.00%	\$123,000	\$0	\$7,000	\$116,000	\$7,000
2000 State Route 4 (Original Amount \$54,000)	6.00	48,000	0	2,000	46,000	2,000
Total Special Assessment Bonds		171,000	0	9,000	162,000	9,000
Other Long-Term Obligations						
Compensated Absences Payable		341,996	43,316	0	385,312	51,991
Police Pension Liability		153,326	0	2,391	150,935	2,493
Fire Pension Liability		175,058	0	2,731	172,327	2,848
Capital Leases Payable		40,603	0	6,217	34,386	7,257
Total Other Long-Term Obligations		710,983	43,316	11,339	742,960	64,589
Total Governmental Activities		\$881,983	\$43,316	\$20,339	\$904,960	\$73,589
<u>Business-Type Activities</u>						
General Obligation Revenue Bonds						
2003 Capital Facilities Refunding (Original Amount \$4,200,000)	1.65-4.3	\$4,200,000	\$0	\$435,000	\$3,765,000	\$440,000
Accounting Loss		(672,797)	0	(69,645)	(603,152)	0
Total General Obligation Revenue Bonds		3,527,203	0	365,355	3,161,848	440,000
Mortgage Revenue Bonds						
1977 Waterworks First Mortgage (Original Amount \$2,115,000)	5.5-6.375	550,000	0	125,000	425,000	135,000
Other Long-Term Obligations						
OWDA Loans						
#0632 Water (Original Amount \$4,184,885)	11.35	1,614,283	0	341,006	1,273,277	379,710
#108DW Water (Original Amount \$506,396)	4.02	434,569	0	19,816	414,753	20,620
#509SFR Sewer (Original Amount \$5,781,547)	11.35	5,178,904	0	217,411	4,961,493	226,238
Total OWDA Loans		7,227,756	0	578,233	6,649,523	626,568

(continued)

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

	Interest Rate	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004	Due Within One Year
OPWC Loans						
#CP023 Water						
(Original Amount \$145,541)	0.00%	\$98,244	\$0	\$7,278	\$90,966	\$7,278
#CP01D Water						
(Original Amount \$120,000)	0.00	105,000	0	6,000	99,000	6,000
#CP08C Sewer						
(Original Amount \$129,810)	0.00	71,396	0	12,981	58,415	12,981
#CP26F Storm Water						
(Original Amount \$125,000)	0.00	121,875	0	6,250	115,625	6,250
Total OPWC Loans		396,515	0	32,509	364,006	32,509
Compensated Absences Payable		146,178	18,187	0	164,365	50,649
Total Other Long-Term Obligations		7,770,449	18,187	610,742	7,177,894	709,726
Total Business-Type Activities		\$11,847,652	\$18,187	\$1,101,097	\$10,764,742	\$1,284,726

Special Assessment Bonds

The special assessment bonds are backed by the full faith and credit of the City of Bucyrus. In the event that an assessed property owner fails to make payments or insufficient amounts are assessed to fund the debt, the City will be required to pay the related debt.

Compensated Absences Payable

The compensated absences liability will be paid from the fund from which the employees' salaries are paid. These funds include the General Fund, Street Maintenance and Repair and Parks and Recreational Land special revenue funds and the Water, Sewer, Solid Waste, and Storm Water enterprise funds. For 2004, the City did not have any decreases in compensated absences.

Police and Fire Pension Liability

The City pays installments on the accrued liability incurred when the State of Ohio established the statewide pension system for police and fire personnel in 1967. The liability is payable semiannually from the General Fund.

Capital Leases Payable

Capital lease obligations will be paid from the fund that maintains custody of the related assets.

General Obligation Revenue Bonds

The general obligation revenue bonds are a liability of the Water and Sewer enterprise funds and pledge their respective revenues for repayment. The bonds also pledge the full faith and credit and taxing ability of the City in the event the enterprise fund's revenues are not sufficient to meet the principal and interest requirements. The bonds are reported net of the unamortized loss of \$603,152 in the Sewer Fund.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

2003 Capital Facilities Refunding Bonds

On September 15, 2003, the City issued \$4,200,000 in Capital Facilities Refunding Bonds. The bonds were issued for nine years with interest rates ranging from 1.65 percent to 4.3 percent. The bonds refunded \$2,445,000 in 1993 Sanitary Sewer Refunding Bonds as well as to partially retire bond anticipation notes, in the amount of \$1,745,000. The proceeds from the bonds were used to fully extinguish the old debt on October 15, 2003.

Mortgage Revenue Bonds

Mortgage revenue bonds are special obligations of the City secured by a mortgage upon all assets of the respective system. These bonds are payable solely from the gross revenues of the respective system after provisions for reasonable operating and maintenance expenses. The bond indentures have certain restrictive covenants and principally require that bond reserve funds be maintained and charges for services to customers be in sufficient amounts to satisfy the obligations under the indenture agreements. In addition, special provisions exist regarding covenant violations, redemptions of principal, and maintenance of properties.

1977 Waterworks First Mortgage Revenue Bonds

Fund assets, whose use is restricted under the bond indenture, are presented as restricted assets on the statement of fund net assets. Restricted assets relating to the water mortgage revenue bonds at December 31, 2004, were as follows:

Restricted Assets Held by the Trustee

Mortgage Revenue Bond Current Debt Service	\$109,475
Mortgage Revenue Bond Future Debt Service	279,688

OWDA Loans

OWDA loans consist of money owed to the Ohio Water Development Authority for the construction of an upground storage reservoir and upgrades to the City's water and sewer treatment plants. OWDA loans are payable solely from the gross revenues of the water and sewer systems.

OPWC Loans

OPWC loans consist of money owed to the Ohio Public Works Commission for the replacement of a waterline, upgrades to the City's sewer treatment plant, and the installation of storm water lines. The loans are interest free. OPWC loans are payable solely from the gross revenues of the water, sewer, and storm water systems.

The City's legal debt margin was \$19,864,110 at December 31, 2004.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

The following is a summary of the City's future annual debt service requirements for governmental activities

Year	Governmental Activities			
	Special Assessment Bonds		Police and Fire Pension	
	Principal	Interest	Principal	Interest
2005	\$9,000	\$8,560	\$5,341	\$13,682
2006	9,000	8,090	5,572	13,453
2007	10,000	7,620	5,811	13,213
2008	10,000	7,090	6,059	12,965
2009	11,000	6,560	6,320	12,704
2010-2014	55,000	24,100	35,915	59,207
2015-2019	55,000	9,600	44,319	50,803
2020-2024	3,000	180	54,689	40,433
2025-2029	0	0	67,486	27,636
2030-2034	0	0	83,282	11,840
2035	0	0	8,468	175
	\$162,000	\$71,800	\$323,262	\$256,111

The City's future annual debt service requirements, including mandatory sinking fund requirements, payable from the enterprise funds are as follows:

Year	Business-Type Activities			
	General Obligation Revenue Bonds		Mortgage Revenue Bonds	
	Principal	Interest	Principal	Interest
2005	\$440,000	\$125,517	\$135,000	\$22,790
2006	445,000	119,417	140,000	14,025
2007	450,000	108,593	150,000	4,781
2008	460,000	95,093	0	0
2009	475,000	80,143	0	0
2010-2012	1,495,000	127,190	0	0
	\$3,765,000	\$655,953	\$425,000	\$41,596

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 18 - LONG-TERM OBLIGATIONS (continued)

Year	Business-Type Activities		
	OWDA Loans		OPWC Loans
	Principal	Interest	Principal
2005	\$626,568	\$358,185	\$32,509
2006	679,689	305,066	32,509
2007	738,073	246,682	32,509
2008	278,166	182,362	32,509
2009	289,461	171,067	26,019
2010-2014	1,633,445	661,609	97,635
2015-2019	1,993,114	317,113	79,441
2020-2023	411,007	12,433	30,875
	\$6,649,523	\$2,254,517	\$364,006

NOTE 19 - CAPITAL LEASES - LESSEE DISCLOSURE

The City has entered into capitalized leases for equipment. The leases meet the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases", which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee. Capital lease payments are reflected as debt service expenditures on the statement of revenues, expenditures, and changes in fund balance for the governmental funds. Principal payments in 2004 were \$6,217.

	Governmental Activities
Property under Capital Lease	\$41,539
Less Accumulated Depreciation	(10,190)
Total	\$31,349

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 19 - CAPITAL LEASES - LESSEE DISCLOSURE (continued)

The following is a schedule of the future minimum lease payments required under the capital leases and the present value of the minimum lease payments as of December 31, 2004.

Year	Governmental Activities	
	Principal	Interest
2005	\$7,257	\$4,748
2006	8,471	3,534
2007	9,888	2,117
2008	8,770	519
Total	\$34,386	\$10,918

NOTE 20 - INTERFUND TRANSFERS

During 2004, the General Fund made transfers to other governmental funds, in the amount of \$233,711 to subsidize various programs in other funds. Nonmajor governmental funds made transfers, in the amount \$9,000 to move receipts to the debt service fund as debt payment became due.

The Water enterprise fund transferred \$370 and the Sewer enterprise fund transferred \$4,145 to other governmental funds for special assessment expenditures originally recorded in the enterprise funds.

NOTE 21 - JOINTLY GOVERNED ORGANIZATIONS

A. Central Joint Ambulance District

The City participates in the Central Joint Ambulance District, a jointly governed organization created in accordance with Ohio Revised Code Section 505.71. The Ambulance District provides ambulance services to the City of Bucyrus and ten surrounding townships. Each participant has one representative on the Ambulance District's board of directors. During 2004, the City contributed \$50,357 toward the operations of the Ambulance District. Financial information can be obtained from the Central Joint Ambulance District, Emmett Tupps, Clerk, 1543 Knauss Road, Bucyrus, Ohio 44820.

B. Crawford County General Health District

The City participates in the Crawford County General Health District, a jointly governed organization created according to the provisions of Ohio Revised Code Section 3709.07. The General Health District is governed by a Board of Health consisting of two members representing the City of Bucyrus and appointed by the Mayor and five members representing Crawford County and appointed by the District Advisory Council. During 2004, the City contributed \$165,300 toward the operations of the General Health District. Financial information can be obtained from Robin Hildebrand, Crawford County Auditor, 112 East Mansfield Street, Bucyrus, Ohio 44820.

City of Bucyrus
Notes to the Basic Financial Statements
For the Year Ended December 31, 2004
(continued)

NOTE 22 - PUBLIC ENTITY SHARED RISK POOL

The Public Entities Pool of Ohio (Pool) is a public entity shared risk pool which provides various risk management services to its members. The Pool is governed by a seven member board of directors; six are member representatives or elected officials and one is a representative of the pool administrator, American Risk Pooling Consultants, Inc. Each member has one vote on all issues addressed by the Board of Directors.

Participation in the Pool is by written application subject to the terms of the pool agreement. Members must continue membership for a full year and may withdraw from the Pool by giving a sixty day written notice prior to their annual anniversary. Financial information can be obtained from the Public Entities Pool of Ohio, 6797 North High Street, Suite 131, Worthington, Ohio 43085.

NOTE 23 - RELATED ORGANIZATION

The Bucyrus Public Library is a distinct political subdivision of the State of Ohio created under Chapter 3375 of the Ohio Revised Code. The Library is governed by a board of trustees appointed by the Mayor. The Board of Trustees possesses its own contracting and budgeting authority, hires and fires personnel, and does not depend on the City for operational subsidies. Although the City serves as the taxing authority and can issue tax related debt on behalf of the Library, its role is limited to a ministerial function. The determination to request approval of a tax, the rate, and the purpose are discretionary decisions made solely by the Board of Library Trustees. The Library is not considered part of the City and its operations are not included within the accompanying financial statements. Financial information can be obtained from the Bucyrus Public Library, Robert W. Segal, Clerk/Treasurer, 200 East Mansfield Street, Bucyrus, Ohio 44820.

NOTE 24 - CONTINGENT LIABILITIES

A. Litigation

The City of Bucyrus is a party to several legal proceedings seeking damages or injunctive relief generally incidental to its operations and pending projects. The City management is of the opinion that the ultimate disposition of various claims and legal proceedings will not have a material effect, if any, on the financial condition of the City.

B. Federal and State Grants

For the period January 1, 2004, to December 31, 2004, the City received federal and state grants for specific purposes that are subject to review and audit by the grantor agencies or their designees. Such audits could lead to a request for reimbursement to the grantor agency for expenditures disallowed under the terms of the grant. Based on prior experience, the City believes such disallowances, if any, would be immaterial.

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**COMBINING STATEMENTS AND
INDIVIDUAL FUND SCHEDULES**

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Nonmajor Special Revenue Funds

Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. Following is a description of the City's nonmajor special revenue funds:

Municipal Motor Vehicle License

To account for permissive motor vehicle registration fees levied by the City and designated for maintenance of streets within the City.

State Highway

To account for 7.5 percent of the state gasoline tax and motor vehicle registration fees designated for maintenance of state highways within the City.

Enterprise Monitoring

To account for part of the legal clerk/enterprise zone manager's salary for time spent reviewing tax abatement applications for companies.

Parks and Recreational Land

To account for the portion of the 5 percent cable franchise fee used for maintenance and improvement of park and recreation facilities within the City.

Swimming Pool

To account for license fees received from persons operating public swimming pools, public spas, or special use pools within the City.

COPS Grant

To account for federal monies to hire a full time police officer.

Assistance to Firefighters Grant

To account for federal grant monies used for the purchase of physical fitness equipment for the firefighters.

Police Department Donations

To account for donations received for the benefit of the police department.

Fire Department Donations

To account for donations received for the benefit of the fire department.

ODOT Airport Grant

To account for the Ohio Department of Transportation, Division of Aviation grant monies used for maintenance, repair, and upkeep of Port Bucyrus.

Access

To account for the portion of the 5 percent cable franchise fee that is used for operations of the local cable access channel.

(continued)

**Nonmajor Special Revenue Funds
(continued)**

Police Pension

To account for the accumulation of property taxes levied for the payment of current employer's pension contributions.

Fire Pension

To account for the accumulation of property taxes levied for the payment of current employer's pension contributions.

Philbin Trust

To account for donations received for purchasing playground equipment.

Aumiller Park Swimming Pool

To account for a grant from the Bucyrus Area Community Foundation for maintaining and improving Aumiller Park pool.

Drug Law Enforcement

To account for the proceeds from the sale of contraband and/or proceeds from property seized and forfeited as a result of a felony arrest, prosecution, and conviction by the Bucyrus Police Department and the related expenditures.

Nonmajor Debt Service Fund

Debt service funds are used to account for the accumulation of resources for, and the payment of, general and special assessment long-term obligation principal, interest, and related costs.

Special Assessment Bond Retirement

To account for special assessment monies received for the payment of principal, interest, and fiscal charges on special assessment bonds.

Nonmajor Capital Projects Funds

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

Community Development Block Grant (CDBG)

To account for grant monies received for various infrastructure improvements and certain expenditures required for compliance with the grant program.

Issue II

To account for grant monies received for various infrastructure improvements in the City.

Municipal Building

To account for various improvements to the municipal building.

(continued)

City of Bucyrus
Combining Statements - Nonmajor Governmental Funds

Nonmajor Capital Projects Funds
(continued)

Fire Levy

To account for the proceeds of a five year, 1.5 mill tax levy used for acquiring fire apparatus and related equipment.

Marion Road Assessment

To finance and account for the construction of improvements which are to be paid for, in part, from special assessments levied against the benefited property owners.

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City of Bucyrus
Combining Balance Sheet
Nonmajor Governmental Funds
December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$783,075	\$44,745	\$973,474	\$1,801,294
Accounts Receivable	35,457	0	0	35,457
Due from Other Governments	26,338	0	45,323	71,661
Other Local Taxes Receivable	4,369	0	0	4,369
Interfund Receivable	0	5,726	0	5,726
Property Taxes Receivable	124,188	0	222,841	347,029
Special Assessments Receivable	0	87,884	136,430	224,314
Total Assets	<u>\$973,427</u>	<u>\$138,355</u>	<u>\$1,378,068</u>	<u>\$2,489,850</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$516	\$0	\$0	\$516
Accounts Payable	7,859	0	5,931	13,790
Due to Other Governments	86,811	0	0	86,811
Interfund Payable	0	0	20,476	20,476
Accrued Interest Payable	0	0	554	554
Notes Payable	0	0	110,000	110,000
Deferred Revenue	144,535	87,884	369,194	601,613
Total Liabilities	<u>239,721</u>	<u>87,884</u>	<u>506,155</u>	<u>833,760</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	173,829	0	893,087	1,066,916
Unreserved, Reported in				
Special Revenue Funds	559,877	0	0	559,877
Debt Service Fund	0	50,471	0	50,471
Capital Projects Funds (Deficit)	0	0	(21,174)	(21,174)
Total Fund Balance	<u>733,706</u>	<u>50,471</u>	<u>871,913</u>	<u>1,656,090</u>
Total Liabilities and Fund Balance	<u>\$973,427</u>	<u>\$138,355</u>	<u>\$1,378,068</u>	<u>\$2,489,850</u>

City of Bucyrus
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2004

	Municipal Motor Vehicle License	State Highway	Enterprise Monitoring	Parks and Recreational Land
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$513,307	\$38,443	\$661	\$80,218
Accounts Receivable	0	0	0	18,132
Due from Other Governments	0	15,753	3,000	0
Other Local Taxes Receivable	4,369	0	0	0
Property Taxes Receivable	0	0	0	0
Total Assets	<u>\$517,676</u>	<u>\$54,196</u>	<u>\$3,661</u>	<u>\$98,350</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$0	\$0	\$0	\$0
Accounts Payable	0	7,448	0	0
Due to Other Governments	0	0	126	1,543
Deferred Revenue	0	12,762	0	0
Total Liabilities	<u>0</u>	<u>20,210</u>	<u>126</u>	<u>1,543</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	0	316	0	1,821
Unreserved (Deficit)	517,676	33,670	3,535	94,986
Total Fund Balance (Deficit)	<u>517,676</u>	<u>33,986</u>	<u>3,535</u>	<u>96,807</u>
Total Liabilities and Fund Balance	<u>\$517,676</u>	<u>\$54,196</u>	<u>\$3,661</u>	<u>\$98,350</u>

Swimming Pool	Police Department Donations	Fire Department Donations	ODOT Airport Grant	Access	Police Pension
\$1,870	\$17,737	\$3,746	\$18,204	\$81,947	\$0
0	0	0	0	10,000	0
0	0	0	1,777	0	2,904
0	0	0	0	0	0
0	0	0	0	0	62,094
<u>\$1,870</u>	<u>\$17,737</u>	<u>\$3,746</u>	<u>\$19,981</u>	<u>\$91,947</u>	<u>\$64,998</u>
\$0	\$0	\$0	\$0	\$516	\$0
0	0	0	411	0	0
0	0	0	0	903	44,939
0	0	0	1,777	0	64,998
<u>0</u>	<u>0</u>	<u>0</u>	<u>2,188</u>	<u>1,419</u>	<u>109,937</u>
0	0	2,588	168,280	824	0
1,870	17,737	1,158	(150,487)	89,704	(44,939)
<u>1,870</u>	<u>17,737</u>	<u>3,746</u>	<u>17,793</u>	<u>90,528</u>	<u>(44,939)</u>
<u>\$1,870</u>	<u>\$17,737</u>	<u>\$3,746</u>	<u>\$19,981</u>	<u>\$91,947</u>	<u>\$64,998</u>

(continued)

City of Bucyrus
Combining Balance Sheet
Nonmajor Special Revenue Funds
December 31, 2004
(continued)

	Fire Pension	Philbin Trust	Aumiller Park Swimming Pool	Drug Law Enforcement
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$0	\$21,393	\$1,469	\$4,080
Accounts Receivable	0	7,325	0	0
Due from Other Governments	2,904	0	0	0
Other Local Taxes Receivable	0	0	0	0
Property Taxes Receivable	62,094	0	0	0
Total Assets	<u>\$64,998</u>	<u>\$28,718</u>	<u>\$1,469</u>	<u>\$4,080</u>
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accrued Wages Payable	\$0	\$0	\$0	\$0
Accounts Payable	0	0	0	0
Due to Other Governments	39,300	0	0	0
Deferred Revenue	64,998	0	0	0
Total Liabilities	<u>104,298</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>Fund Balance</u>				
Reserved for Encumbrances	0	0	0	0
Unreserved (Deficit)	(39,300)	28,718	1,469	4,080
Total Fund Balance (Deficit)	<u>(39,300)</u>	<u>28,718</u>	<u>1,469</u>	<u>4,080</u>
Total Liabilities and Fund Balance	<u>\$64,998</u>	<u>\$28,718</u>	<u>\$1,469</u>	<u>\$4,080</u>

Total

\$783,075
35,457
26,338
4,369
124,188

\$973,427

\$516
7,859
86,811
144,535

239,721

173,829
559,877

733,706

\$973,427

City of Bucyrus
Combining Balance Sheet
Nonmajor Capital Projects Funds
December 31, 2004

	CDBG	Issue II	Municipal Building	Fire Levy
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$2,607	\$0	\$81,400	\$888,763
Due from Other Governments	35,400	0	0	9,923
Property Taxes Receivable	0	0	0	222,841
Special Assessments Receivable	0	0	0	0
Total Assets	\$38,007	\$0	\$81,400	\$1,121,527
<u>Liabilities and Fund Balance</u>				
<u>Liabilities</u>				
Accounts Payable	\$5,931	\$0	\$0	\$0
Interfund Payable	20,476	0	0	0
Accrued Interest Payable	0	0	554	0
Notes Payable	0	0	110,000	0
Deferred Revenue	0	0	0	232,764
Total Liabilities	26,407	0	110,554	232,764
<u>Fund Balance</u>				
Reserved for Encumbrances	24,100	30,440	28,600	809,947
Unreserved (Deficit)	(12,500)	(30,440)	(57,754)	78,816
Total Fund Balance (Deficit)	11,600	0	(29,154)	888,763
Total Liabilities and Fund Balance	\$38,007	\$0	\$81,400	\$1,121,527

Marion Road Assessment	Total
\$704	\$973,474
0	45,323
0	222,841
<u>136,430</u>	<u>136,430</u>
<u>\$137,134</u>	<u>\$1,378,068</u>
\$0	\$5,931
0	20,476
0	554
0	110,000
<u>136,430</u>	<u>369,194</u>
<u>136,430</u>	<u>506,155</u>
0	893,087
<u>704</u>	<u>(21,174)</u>
<u>704</u>	<u>871,913</u>
<u>\$137,134</u>	<u>\$1,378,068</u>

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City of Bucyrus
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Governmental Funds
For the Year Ended December 31, 2004

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
<u>Revenues</u>				
Property Taxes	\$102,175	\$0	\$196,925	\$299,100
Other Local Taxes	63,062	0	0	63,062
Special Assessments	0	238	9,101	9,339
Fees, Licenses, and Permits	118,792	0	0	118,792
Fines and Forfeitures	806	0	0	806
Intergovernmental	55,215	0	97,809	153,024
Interest	5,184	0	0	5,184
Other	34,862	0		34,862
Total Revenues	380,096	238	303,835	684,169
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	171,854	0	0	171,854
Fire	189,701	0	6,337	196,038
Public Health	1,900	0	23,500	25,400
Leisure Time Activities	126,378	0	0	126,378
Basic Utility Services	0	0	33,400	33,400
Transportation	54,185	0	0	54,185
General Government	52,212	0	36,525	88,737
Debt Service:				
Principal Retirement	0	9,000	0	9,000
Interest and Fiscal Charges	0	9,030	554	9,584
Total Expenditures	596,230	18,030	100,316	714,576
Excess of Revenues Over (Under) Expenditures	(216,134)	(17,792)	203,519	(30,407)
<u>Other Financing Sources (Uses)</u>				
Transfers In	233,711	13,515	0	247,226
Transfers Out	0	0	(9,000)	(9,000)
Total Other Financing Sources (Uses)	233,711	13,515	(9,000)	238,226
Changes in Fund Balance	17,577	(4,277)	194,519	207,819
Fund Balance Beginning of Year	716,129	54,748	677,394	1,448,271
Fund Balance End of Year	\$733,706	\$50,471	\$871,913	\$1,656,090

City of Bucyrus
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2004

	Municipal Motor Vehicle License	State Highway	Enterprise Monitoring	Parks and Recreational Land
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$0	\$0
Other Local Taxes	63,062	0	0	0
Fees, Licenses, and Permits	0	0	5,500	73,292
Fines and Forfeitures	0	0	0	0
Intergovernmental	0	36,020	0	0
Interest	4,901	283	0	0
Other	0	0	0	0
Total Revenues	67,963	36,303	5,500	73,292
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	0	0	0	0
Fire	0	0	0	0
Public Health	0	0	0	0
Leisure Time Activities	0	0	0	112,665
Transportation	11,206	38,550	0	0
General Government	0	0	6,650	5,586
Total Expenditures	11,206	38,550	6,650	118,251
Excess of Revenues Over (Under) Expenditures	56,757	(2,247)	(1,150)	(44,959)
<u>Other Financing Sources</u>				
Transfers In	0	0	0	0
Changes in Fund Balance	56,757	(2,247)	(1,150)	(44,959)
Fund Balance (Deficit) Beginning of Year	460,919	36,233	4,685	141,766
Fund Balance (Deficit) End of Year	<u>\$517,676</u>	<u>\$33,986</u>	<u>\$3,535</u>	<u>\$96,807</u>

Swimming Pool	Police Department Donations	Fire Department Donations	ODOT Airport Grant	Access	Police Pension
\$0	\$0	\$0	\$0	\$0	\$51,088
0	0	0	0	0	0
0	0	0	0	40,000	0
0	0	0	0	0	0
0	0	0	5,351	0	6,922
0	0	0	0	0	0
0	2,030	0	0	0	0
0	2,030	0	5,351	40,000	58,010
0	1,939	0	0	0	169,915
0	0	21,254	0	0	0
1,900	0	0	0	0	0
0	0	0	0	0	0
0	0	0	4,429	0	0
0	0	0	0	36,776	0
1,900	1,939	21,254	4,429	36,776	169,915
(1,900)	91	(21,254)	922	3,224	(111,905)
0	0	0	0	0	116,446
(1,900)	91	(21,254)	922	3,224	4,541
3,770	17,646	25,000	16,871	87,304	(49,480)
\$1,870	\$17,737	\$3,746	\$17,793	\$90,528	(\$44,939)

(continued)

City of Bucyrus
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Year Ended December 31, 2004
(continued)

	Fire Pension	Philbin Trust	Aumiller Park Swimming Pool	Drug Law Enforcement
<u>Revenues</u>				
Property Taxes	\$51,087	\$0	\$0	\$0
Other Local Taxes	0	0	0	0
Fees, Licenses, and Permits	0	0	0	0
Fines and Forfeitures	0	0	0	806
Intergovernmental	6,922	0	0	0
Interest	0	0	0	0
Other	0	17,650	15,182	0
Total Revenues	58,009	17,650	15,182	806
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police	0	0	0	0
Fire	168,447	0	0	0
Public Health	0	0	0	0
Leisure Time Activities	0	0	13,713	0
Transportation	0	0	0	0
General Government	0	3,200	0	0
Total Expenditures	168,447	3,200	13,713	0
Excess of Revenues Over (Under) Expenditures	(110,438)	14,450	1,469	806
<u>Other Financing Sources</u>				
Transfers In	117,265	0	0	0
Changes in Fund Balance	6,827	14,450	1,469	806
Fund Balance (Deficit) Beginning of Year	(46,127)	14,268	0	3,274
Fund Balance (Deficit) End of Year	(\$39,300)	\$28,718	\$1,469	\$4,080

<u>Total</u>
\$102,175
63,062
118,792
806
55,215
5,184
<u>34,862</u>
<u>380,096</u>
171,854
189,701
1,900
126,378
54,185
<u>52,212</u>
<u>596,230</u>
(216,134)
<u>233,711</u>
17,577
<u>716,129</u>
<u><u>\$733,706</u></u>

City of Bucyrus
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balance
Nonmajor Capital Projects Funds
For the Year Ended December 31, 2004

	CDBG	Municipal Building	Fire Levy	Marion Road Assessment
<u>Revenues</u>				
Property Taxes	\$0	\$0	\$196,925	\$0
Special Assessments	0	0	0	9,101
Intergovernmental	72,350	0	25,459	0
Total Revenues	72,350	0	222,384	9,101
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Fire	0	0	6,337	0
Public Health	23,500	0	0	0
Basic Utility Services	33,400	0	0	0
General Government	7,925	28,600	0	0
Debt Service:				
Interest and Fiscal Charges	0	554	0	0
Total Expenditures	64,825	29,154	6,337	0
Excess of Revenues Over (Under) Expenditures	7,525	(29,154)	216,047	9,101
<u>Other Financing Uses</u>				
Transfers Out	0	0	0	(9,000)
Changes in Fund Balance	7,525	(29,154)	216,047	101
Fund Balance Beginning of Year	4,075	0	672,716	603
Fund Balance (Deficit) End of Year	\$11,600	(\$29,154)	\$888,763	\$704

<u>Total</u>
\$196,925
9,101
<u>97,809</u>
<u>303,835</u>
6,337
23,500
33,400
36,525
<u>554</u>
<u>100,316</u>
203,519
<u>(9,000)</u>
194,519
<u>677,394</u>
<u><u>\$871,913</u></u>

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City of Bucyrus
Combining Statements - Fiduciary Funds

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds.

Agency Funds

Street and Alley Vacating

To account for \$50 deposits received by the Clerk of Council from persons requesting the vacation of a street or alley in the City.

Street and Sewer Opening

To account for \$100 deposits received by the service department from persons planning the excavation of a street or alley in the City.

Derelict Building

To account for insurance proceeds in which a fire occurred under Ohio Revised Code Section 3929.86, divisions (C) and (D). These proceeds are released to the insured after removal or repair of the structure and an inspection by the Fire Chief.

City of Bucyrus
Combining Statement of Assets and Liabilities
Agency Funds
December 31, 2004

	<u>Street and Alley Vacating</u>	<u>Street and Sewer Opening</u>	<u>Derelict Building</u>	<u>Total</u>
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$1,226	\$875	\$9,806	\$11,907
Accounts Receivable	0	0	11,685	11,685
Total Assets	<u>\$1,226</u>	<u>\$875</u>	<u>\$21,491</u>	<u>\$23,592</u>
<u>Liabilities</u>				
Deposits Held and Due to Others	<u>\$1,226</u>	<u>\$875</u>	<u>\$21,491</u>	<u>\$23,592</u>

City of Bucyrus
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Year Ended December 31, 2004

	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
<u>Street and Alley Vacating</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$926	\$300	\$0	\$1,226
<u>Liabilities</u>				
Deposits Held and Due to Others	\$926	\$300	\$0	\$1,226
<u>Street and Sewer Opening</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$875	\$0	\$0	\$875
<u>Liabilities</u>				
Deposits Held and Due to Others	\$875	\$0	\$0	\$875
<u>Derelict Building</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$3,806	\$6,000	\$0	\$9,806
Accounts Receivable	0	11,685	0	11,685
Total Assets	\$3,806	\$17,685	\$0	\$21,491
<u>Liabilities</u>				
Deposits Held and Due to Others	\$3,806	\$17,685	\$0	\$21,491
<u>Total - All Funds</u>				
<u>Assets</u>				
Equity in Pooled Cash and Cash Equivalents	\$5,607	\$6,300	\$0	\$11,907
Accounts Receivable	0	11,685	0	11,685
Total Assets	\$5,607	\$17,985	\$0	\$23,592
<u>Liabilities</u>				
Deposits Held and Due to Others	\$5,607	\$17,985	\$0	\$23,592

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

City of Bucyrus
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Property Taxes	\$601,000	\$601,000	\$568,446	(\$32,554)
Municipal Income Taxes	2,626,000	2,626,000	2,445,736	(180,264)
Other Local Taxes	32,000	32,000	34,160	2,160
Charges for Services	279,000	279,000	305,584	26,584
Fees, Licenses, and Permits	19,400	19,400	14,818	(4,582)
Fines and Forfeitures	23,000	23,000	25,649	2,649
Intergovernmental	758,050	758,050	851,198	93,148
Interest	100,000	100,000	76,387	(23,613)
Other	55,531	86,797	72,410	(14,387)
Total Revenues	4,493,981	4,525,247	4,394,388	(130,859)
<u>Expenditures</u>				
Current:				
Security of Persons and Property				
Police Department				
Personal Services	1,625,123	1,620,913	1,595,085	25,828
Travel and Transportation	1,000	1,000	289	711
Contractual Services	81,380	79,492	67,447	12,045
Materials and Supplies	66,300	57,122	53,470	3,652
Capital Outlay	28,000	3,281	2,751	530
Total Police Department	1,801,803	1,761,808	1,719,042	42,766
Fire Department				
Personal Services	1,035,450	1,032,875	997,973	34,902
Travel and Transportation	300	70	0	70
Contractual Services	28,600	20,215	17,851	2,364
Materials and Supplies	21,400	11,612	10,243	1,369
Capital Outlay	500	400	400	0
Total Fire Department	1,086,250	1,065,172	1,026,467	38,705
Other				
Contractual Services	100,000	119,365	117,806	1,559
Total Security of Persons and Property	2,988,053	2,946,345	2,863,315	83,030
Public Health				
Health Department				
Contractual Services	165,300	165,300	165,300	0
Materials and Supplies	0	27	0	27
Total Health Department	165,300	165,327	165,300	27

(continued)

City of Bucyrus
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Vector Control Services				
Materials and Supplies	\$3,500	\$3,200	\$3,091	\$109
Other Public Health Services				
Contractual Services	61,197	54,857	54,642	215
Materials and Supplies	1,000	500	455	45
Total Other Public Health Services	62,197	55,357	55,097	260
Total Public Health	230,997	223,884	223,488	396
Leisure Time Activities				
Parks and Playgrounds				
Personal Services	0	410	410	0
Contractual Services	700	860	807	53
Materials and Supplies	3,000	3,391	2,978	413
Total Parks and Playgrounds	3,700	4,661	4,195	466
Pool				
Contractual Services	11,100	10,507	9,987	520
Materials and Supplies	18,000	14,030	13,853	177
Total Pool	29,100	24,537	23,840	697
Recreation				
Personal Services	2,790	2,803	2,803	0
Contractual Services	5,000	4,940	4,571	369
Total Recreation	7,790	7,743	7,374	369
Total Leisure Time Activities	40,590	36,941	35,409	1,532
Basic Utility Services				
Hydrants				
Materials and Supplies	600	250	250	0
Capital Outlay	5,000	5,000	4,912	88
Total Basic Utility Services	5,600	5,250	5,162	88
Transportation				
Airport				
Contractual Services	24,400	34,732	34,569	163
Materials and Supplies	10,800	5,743	4,934	809
Capital Outlay	1,000	25,453	25,369	84
Total Transportation	36,200	65,928	64,872	1,056

(continued)

City of Bucyrus
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
General Government				
Mayor				
Personal Services	\$55,829	\$58,529	\$58,000	\$529
Materials and Supplies	6,000	4,539	4,291	248
Capital Outlay	500	0	0	0
Total Mayor	62,329	63,068	62,291	777
Administration				
Personal Services	28,500	27,500	26,923	577
Travel and Transportation	200	0	0	0
Contractual Services	40,600	34,519	32,367	2,152
Materials and Supplies	14,000	12,384	11,071	1,313
Capital Outlay	4,300	500	195	305
Other	5,000	4,000	3,895	105
Total Administration	92,600	78,903	74,451	4,452
Auditor				
Personal Services	141,191	142,084	139,519	2,565
Contractual Services	40,600	44,877	44,290	587
Materials and Supplies	10,800	9,210	8,933	277
Capital Outlay	1,000	1,000	1,000	0
Total Auditor	193,591	197,171	193,742	3,429
Treasurer				
Personal Services	9,518	10,018	9,823	195
Contractual Services	100	100	0	100
Materials and Supplies	500	635	437	198
Total Treasurer	10,118	10,753	10,260	493
Law Director				
Personal Services	121,316	124,067	122,451	1,616
Contractual Services	38,800	28,101	24,731	3,370
Materials and Supplies	10,900	11,528	11,088	440
Capital Outlay	2,500	1,500	1,311	189
Total Law Director	173,516	165,196	159,581	5,615
Service Safety Director				
Personal Services	27,200	19,640	19,177	463
Council				
Personal Services	104,975	112,175	109,576	2,599
Contractual Services	14,650	18,495	14,155	4,340
Materials and Supplies	8,800	8,312	7,174	1,138
Capital Outlay	1,500	0	0	0
Total Council	129,925	138,982	130,905	8,077

(continued)

City of Bucyrus
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Civil Service				
Personal Services	\$4,600	\$4,800	\$4,585	\$215
Contractual Services	0	7,200	5,943	1,257
Materials and Supplies	5,000	5,352	3,729	1,623
Capital Outlay	500	300	0	300
Total Civil Service	10,100	17,652	14,257	3,395
Electrician				
Personal Services	37,730	37,730	28,678	9,052
Janitor				
Personal Services	48,455	51,265	50,573	692
Engineer				
Personal Services	7,670	8,170	7,524	646
Contractual Services	5,700	4,918	4,199	719
Materials and Supplies	1,450	1,404	1,240	164
Capital Outlay	1,500	0	0	0
Total Engineer	16,320	14,492	12,963	1,529
Zoning				
Personal Services	10,545	10,545	9,727	818
Travel and Transportation	100	0	0	0
Contractual Services	2,500	2,595	597	1,998
Materials and Supplies	1,100	1,133	339	794
Capital Outlay	1,350	250	0	250
Total Zoning	15,595	14,523	10,663	3,860
Lands and Buildings				
Contractual Services	87,300	116,352	104,357	11,995
Materials and Supplies	12,000	12,796	10,495	2,301
Capital Outlay	15,000	3,795	3,256	539
Total Lands and Buildings	114,300	132,943	118,108	14,835
Other General Government				
Personal Services	32,550	32,550	31,548	1,002
Contractual Services	52,450	82,801	80,675	2,126
Materials and Supplies	6,695	5,212	5,085	127
Capital Outlay	2,000	0	0	0
Other	52,000	73,000	72,939	61
Total Other General Government	145,695	193,563	190,247	3,316

(continued)

City of Bucyrus
General Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004
(continued)

	Original Budget	Revised Budget	Actual	Variance Over (Under)
Income Tax				
Personal Services	\$138,500	\$141,550	\$140,424	\$1,126
Contractual Services	20,700	21,703	21,482	221
Materials and Supplies	10,420	8,978	8,046	932
Capital Outlay	4,300	2,700	1,600	1,100
Other	100,000	100,000	77,839	22,161
	<u>273,920</u>	<u>274,931</u>	<u>249,391</u>	<u>25,540</u>
Total Income Tax				
	<u>1,351,394</u>	<u>1,410,812</u>	<u>1,325,287</u>	<u>85,525</u>
Total General Government				
Debt Service:				
Debt Retirement	2,400	2,400	2,400	0
	<u>4,655,234</u>	<u>4,691,560</u>	<u>4,519,933</u>	<u>171,627</u>
Total Expenditures				
Excess of Revenues Under Expenditures	<u>(161,253)</u>	<u>(166,313)</u>	<u>(125,545)</u>	<u>40,768</u>
<u>Other Financing Sources (Uses)</u>				
Other Financing Sources	40,400	40,400	1,911	(38,489)
Advances In	0	0	26,374	26,374
Advances Out	0	0	(20,000)	(20,000)
Transfers Out	(217,000)	(233,800)	(233,711)	89
	<u>(176,600)</u>	<u>(193,400)</u>	<u>(225,426)</u>	<u>(32,026)</u>
Total Other Financing Sources (Uses)				
Changes in Fund Balance	(337,853)	(359,713)	(350,971)	8,742
Fund Balance Beginning of Year	394,456	394,456	394,456	0
Prior Year Encumbrances Appropriated	111,194	111,194	111,194	0
Fund Balance End of Year	<u>\$167,797</u>	<u>\$145,937</u>	<u>\$154,679</u>	<u>\$8,742</u>

City of Bucyrus
Street Maintenance and Repair Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Original Budget	Revised Budget	Actual	Variance Over (Under)
<u>Revenues</u>				
Municipal Income Taxes	\$1,201,500	\$1,201,500	\$1,222,868	\$21,368
Intergovernmental	330,000	330,000	439,292	109,292
Interest	15,000	15,000	18,450	3,450
Other	0	0	5,288	5,288
Total Revenues	1,546,500	1,546,500	1,685,898	139,398
<u>Expenditures</u>				
Current:				
Transportation				
Street Maintenance				
Personal Services	350,800	350,800	328,426	22,374
Contractual Services	100,900	108,841	93,614	15,227
Materials and Supplies	118,900	134,964	85,852	49,112
Capital Outlay	1,560,800	2,299,172	2,005,884	293,288
Other	0	35,000	6,389	28,611
Total Expenditures	2,131,400	2,928,777	2,520,165	408,612
Changes in Fund Balance	(584,900)	(1,382,277)	(834,267)	548,010
Fund Balance Beginning of Year	1,703,525	1,703,525	1,703,525	0
Prior Year Encumbrances Appropriated	133,677	133,677	133,677	0
Fund Balance End of Year	\$1,252,302	\$454,925	\$1,002,935	\$548,010

City of Bucyrus
Water Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$2,157,000	\$2,189,601	\$32,601
Interest	2,000	2,063	63
Other	51,700	98,257	46,557
Total Revenues	2,210,700	2,289,921	79,221
<u>Expenses</u>			
Personal Services			
Waterworks Office	38,015	37,249	766
Waterworks Filtration	525,063	484,391	40,672
Waterworks Distribution	459,000	391,263	67,737
Total Personal Services	1,022,078	912,903	109,175
Contractual Services			
Waterworks Office	18,878	16,876	2,002
Waterworks Filtration	191,121	124,509	66,612
Waterworks Distribution	26,214	15,835	10,379
Waterworks Lands and Buildings	119,939	49,679	70,260
Total Contractual Services	356,152	206,899	149,253
Travel and Transportation			
Waterworks Filtration	500	15	485
Materials and Supplies			
Waterworks Office	11,496	6,689	4,807
Waterworks Filtration	181,301	119,982	61,319
Waterworks Distribution	121,938	158,749	(36,811)
Waterworks Lands and Buildings	75,763	23,469	52,294
Total Materials and Supplies	390,498	308,889	81,609
Capital Outlay			
Waterworks Office	3,000	1,241	1,759
Waterworks Filtration	104,398	46,363	58,035
Waterworks Distribution	38,000	9,485	28,515
Waterworks Lands and Buildings	72,500	32,500	40,000
Total Capital Outlay	217,898	89,589	128,309

(continued)

City of Bucyrus
Water Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004
(continued)

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
Other			
Waterworks Office	\$65,500	\$60,872	\$4,628
Other Government	90,500	86,946	3,554
	<u>156,000</u>	<u>147,818</u>	<u>8,182</u>
Total Other			
Debt Service:			
Debt Retirement	898,947	894,952	3,995
	<u>898,947</u>	<u>894,952</u>	<u>3,995</u>
Total Expenses	<u>3,042,073</u>	<u>2,561,065</u>	<u>481,008</u>
Excess of Revenues Under Expenses	(831,373)	(271,144)	560,229
Transfers Out	<u>(370)</u>	<u>(370)</u>	<u>0</u>
Changes in Fund Balance	(831,743)	(271,514)	560,229
Fund Balance Beginning of Year	1,237,708	1,237,708	0
Prior Year Encumbrances Appropriated	<u>132,882</u>	<u>132,882</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$538,847</u></u>	<u><u>\$1,099,076</u></u>	<u><u>\$560,229</u></u>

City of Bucyrus
Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Charges for Services	\$1,772,000	\$1,776,299	\$4,299
Proceeds of Notes	90,000	90,000	0
Other	1,000	2,637	1,637
Total Revenues	1,863,000	1,868,936	5,936
<u>Expenses</u>			
Personal Services			
Sewage Disposal	410,702	398,722	11,980
Sewer and Drains	226,200	225,811	389
Total Personal Services	636,902	624,533	12,369
Contractual Services			
Sewage Disposal	197,249	183,430	13,819
Sewer and Drains	44,300	42,385	1,915
Total Contractual Services	241,549	225,815	15,734
Materials and Supplies			
Sewage Disposal	114,576	95,313	19,263
Sewer and Drains	52,269	28,908	23,361
Total Materials and Supplies	166,845	124,221	42,624
Capital Outlay			
Sewage Disposal	58,455	20,938	37,517
Sewer and Drains	23,600	2,869	20,731
Total Capital Outlay	82,055	23,807	58,248
Other			
Sewage Disposal	61,500	59,990	1,510
Sanitary Sewers	100	0	100
Total Other	61,600	59,990	1,610
Debt Service:			
Debt Retirement	896,220	895,198	1,022
Total Expenses	2,085,171	1,953,564	131,607

(continued)

City of Bucyrus
Sewer Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004
(continued)

	Budget	Actual	Variance Over (Under)
Excess of Revenues Under Expenses	(\$222,171)	(\$84,628)	\$137,543
Transfers Out	(4,150)	(4,145)	5
Changes in Fund Balance	(226,321)	(88,773)	137,548
Fund Balance Beginning of Year	325,586	325,586	0
Prior Year Encumbrances Appropriated	65,519	65,519	0
Fund Balance End of Year	\$164,784	\$302,332	\$137,548

City of Bucyrus
Solid Waste Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$745,000	\$736,314	(\$8,686)
Other	800	40	(760)
	<u>745,800</u>	<u>736,354</u>	<u>(9,446)</u>
<u>Expenses</u>			
Personal Services			
Solid Waste Management	426,515	348,825	77,690
Contractual Services			
Solid Waste Management	344,359	310,881	33,478
Materials and Supplies			
Solid Waste Management	59,572	48,599	10,973
Capital Outlay			
Solid Waste Management	11,150	1,708	9,442
Other			
Solid Waste Management	60,500	59,990	510
Debt Service:			
Debt Retirement	1,000	0	1,000
	<u>903,096</u>	<u>770,003</u>	<u>133,093</u>
Changes in Fund Balance	(157,296)	(33,649)	123,647
Fund Balance Beginning of Year	171,396	171,396	0
Prior Year Encumbrances Appropriated	37,656	37,656	0
Fund Balance End of Year	<u>\$51,756</u>	<u>\$175,403</u>	<u>\$123,647</u>

City of Bucyrus
Storm Water Enterprise Fund

Schedule of Revenues, Expenses,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Charges for Services	\$630,000	\$653,090	\$23,090
Other	0	13,272	13,272
	<u>630,000</u>	<u>666,362</u>	<u>36,362</u>
<u>Expenses</u>			
Personal Services			
Storm Water Utility	67,515	57,887	9,628
Contractual Services			
Storm Water Utility	188,842	183,113	5,729
Materials and Supplies			
Storm Water Utility	13,857	9,109	4,748
Capital Outlay			
Storm Water Utility	895,525	726,183	169,342
Other			
Storm Water Utility	60,100	60,037	63
Debt Service:			
Debt Retirement	8,250	6,250	2,000
	<u>1,234,089</u>	<u>1,042,579</u>	<u>191,510</u>
Total Expenses			
Changes in Fund Balance	(604,089)	(376,217)	227,872
Fund Balance Beginning of Year	594,567	594,567	0
Prior Year Encumbrances Appropriated	<u>11,324</u>	<u>11,324</u>	<u>0</u>
Fund Balance End of Year	<u>\$1,802</u>	<u>\$229,674</u>	<u>\$227,872</u>

City of Bucyrus
Municipal Motor Vehicle License Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Other Local Taxes	\$57,000	\$63,312	\$6,312
Interest	4,000	4,901	901
	<u>61,000</u>	<u>68,213</u>	<u>7,213</u>
<u>Expenditures</u>			
Current:			
Transportation			
Street Maintenance			
Contractual Services	100,000	850	99,150
Materials and Supplies	20,000	10,356	9,644
Capital Outlay	3,000	0	3,000
	<u>123,000</u>	<u>11,206</u>	<u>111,794</u>
Changes in Fund Balance	(62,000)	57,007	119,007
Fund Balance Beginning of Year	<u>456,300</u>	<u>456,300</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$394,300</u></u>	<u><u>\$513,307</u></u>	<u><u>\$119,007</u></u>

City of Bucyrus
State Highway Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$27,400	\$35,618	\$8,218
Interest	150	283	133
	<hr/>	<hr/>	<hr/>
Total Revenues	27,550	35,901	8,351
<u>Expenditures</u>			
Current:			
Transportation			
Street Maintenance			
Materials and Supplies	35,258	35,202	56
	<hr/>	<hr/>	<hr/>
Changes in Fund Balance	(7,708)	699	8,407
Fund Balance Beginning of Year	33,386	33,386	0
Prior Year Encumbrances Appropriated	258	258	0
	<hr/>	<hr/>	<hr/>
Fund Balance End of Year	<u>\$25,936</u>	<u>\$34,343</u>	<u>\$8,407</u>

City of Bucyrus
Enterprise Monitoring Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fees, Licenses, and Permits	\$5,500	\$5,500	\$0
<u>Expenditures</u>			
Current:			
General Government			
Other General Government			
Personal Services	5,850	5,558	292
Contractual Services	950	673	277
Materials and Supplies	400	347	53
Total Expenditures	7,200	6,578	622
Changes in Fund Balance	(1,700)	(1,078)	622
Fund Balance Beginning of Year	1,739	1,739	0
Fund Balance End of Year	\$39	\$661	\$622

City of Bucyrus
Parks and Recreational Land Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Fees, Licenses, and Permits	\$60,000	\$72,196	\$12,196
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Parks and Playgrounds			
Personal Services	91,650	68,134	23,516
Pools			
Personal Services	46,000	44,593	1,407
Total Leisure Time Activities	<u>137,650</u>	<u>112,727</u>	<u>24,923</u>
General Government			
Lands and Buildings			
Contractual Services	2,000	525	1,475
Materials and Supplies	11,422	6,882	4,540
Capital Outlay	17,000	0	17,000
Total General Government	<u>30,422</u>	<u>7,407</u>	<u>23,015</u>
Total Expenditures	<u>168,072</u>	<u>120,134</u>	<u>47,938</u>
Changes in Fund Balance	(108,072)	(47,938)	60,134
Fund Balance Beginning of Year	125,913	125,913	0
Prior Year Encumbrances Appropriated	<u>422</u>	<u>422</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$18,263</u></u>	<u><u>\$78,397</u></u>	<u><u>\$60,134</u></u>

City of Bucyrus
Swimming Pool Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Public Health			
Health Department			
Materials and Supplies	1,100	806	294
Capital Outlay	1,400	1,094	306
Total Expenditures	2,500	1,900	600
Changes in Fund Balance	(2,500)	(1,900)	600
Fund Balance Beginning of Year	3,770	3,770	0
Fund Balance End of Year	\$1,270	\$1,870	\$600

City of Bucyrus
COPS Grant Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Intergovernmental	\$41,965	\$0	(\$41,965)
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police Department			
Personal Services	41,965	0	41,965
Changes in Fund Balance	0	0	0
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

City of Bucyrus
Assistance to Firefighters Grant Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$6,374	\$6,374	\$0
<u>Expenditures</u>			
	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenue Over Expenditures	6,374	6,374	0
<u>Other Financing Uses</u>			
Advances Out	<u>0</u>	<u>(6,374)</u>	<u>(6,374)</u>
Changes in Fund Balance	6,374	0	(6,374)
Fund Balance Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$6,374</u></u>	<u><u>\$0</u></u>	<u><u>(\$6,374)</u></u>

City of Bucyrus
Police Department Donations Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Other	\$0	\$2,030	\$2,030
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police Department			
Capital Outlay	17,646	1,939	15,707
Changes in Fund Balance	(17,646)	91	17,737
Fund Balance Beginning of Year	17,646	17,646	0
Fund Balance End of Year	\$0	\$17,737	\$17,737

City of Bucyrus
Fire Department Donations Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Fire Department			
Capital Outlay	<u>25,000</u>	<u>23,842</u>	<u>1,158</u>
Changes in Fund Balance	(25,000)	(23,842)	1,158
Fund Balance Beginning of Year	18,137	18,137	0
Prior Year Encumbrances Appropriated	<u>6,863</u>	<u>6,863</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$0</u></u>	<u><u>\$1,158</u></u>	<u><u>\$1,158</u></u>

City of Bucyrus
 ODOT Airport Grant Special Revenue Fund

Schedule of Revenues, Expenditures,
 and Changes in Fund Balance
 Budget (Non-GAAP Budgetary Basis) and Actual
 For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$241,000	\$8,363	(\$232,637)
<u>Expenditures</u>			
Current:			
Transportation			
Airport			
Contractual Services	25,038	10,038	15,000
Capital Outlay	171,259	165,597	5,662
Total Expenditures	196,297	175,635	20,662
Changes in Fund Balance	44,703	(167,272)	(211,975)
Fund Balance Beginning of Year	6,747	6,747	0
Prior Year Encumbrances Appropriated	10,038	10,038	0
Fund Balance (Deficit) End of Year	<u>\$61,488</u>	<u>(\$150,487)</u>	<u>(\$211,975)</u>

City of Bucyrus
Access Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Fees, Licenses, and Permits	\$40,000	\$40,000	\$0
<u>Expenditures</u>			
Current:			
General Government			
Other Government			
Personal Services	35,910	34,336	1,574
Contractual Services	2,833	1,975	858
Materials and Supplies	4,749	2,169	2,580
Capital Outlay	12,100	0	12,100
Total Expenditures	<u>55,592</u>	<u>38,480</u>	<u>17,112</u>
Changes in Fund Balance	(15,592)	1,520	17,112
Fund Balance Beginning of Year	77,521	77,521	0
Prior Year Encumbrances Appropriated	<u>2,082</u>	<u>2,082</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$64,011</u></u>	<u><u>\$81,123</u></u>	<u><u>\$17,112</u></u>

City of Bucyrus
Police Pension Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	Variance Over (Under)
<u>Revenues</u>			
Property Taxes	\$56,520	\$51,088	(\$5,432)
Intergovernmental	5,000	6,922	1,922
Total Revenues	61,520	58,010	(3,510)
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police Department			
Personal Services	177,520	173,657	3,863
Contractual Services	2,000	1,243	757
Total Expenditures	179,520	174,900	4,620
Excess of Revenues Under Expenditures	(118,000)	(116,890)	1,110
<u>Other Financing Sources</u>			
Transfers In	118,000	116,446	(1,554)
Changes in Fund Balance	0	(444)	(444)
Fund Balance Beginning of Year	444	444	0
Fund Balance End of Year	\$444	\$0	(\$444)

City of Bucyrus
Fire Pension Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Property Taxes	\$56,520	\$51,087	(\$5,433)
Intergovernmental	5,000	6,922	1,922
Total Revenues	61,520	58,009	(3,511)
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Fire Department			
Personal Services	189,520	174,475	15,045
Contractual Services	2,000	1,243	757
Total Expenditures	191,520	175,718	15,802
Excess of Revenues Under Expenditures	(130,000)	(117,709)	12,291
<u>Other Financing Sources</u>			
Transfers In	130,000	117,265	(12,735)
Changes in Fund Balance	0	(444)	(444)
Fund Balance Beginning of Year	444	444	0
Fund Balance End of Year	\$444	\$0	(\$444)

City of Bucyrus
Philbin Trust Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Other	\$8,000	\$12,223	\$4,223
<u>Expenditures</u>			
Current:			
General Government			
Lands and Buildings			
Capital Outlay	10,000	3,200	6,800
Changes in Fund Balance	(2,000)	9,023	11,023
Fund Balance Beginning of Year	12,370	12,370	0
Fund Balance End of Year	\$10,370	\$21,393	\$11,023

City of Bucyrus
Aumiller Park Swimming Pool Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Other	\$15,032	\$15,182	\$150
<u>Expenditures</u>			
Current:			
Leisure Time Activities			
Pools			
Materials and Supplies	4,150	2,831	1,319
Capital Outlay	10,882	10,882	0
Total Expenditures	15,032	13,713	1,319
Changes in Fund Balance	0	1,469	1,469
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$1,469	\$1,469

City of Bucyrus
Drug Law Enforcement Special Revenue Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Fines and Forfeitures	\$600	\$806	\$206
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Police Department			
Materials and Supplies	2,000	0	2,000
Changes in Fund Balance	(1,400)	806	2,206
Fund Balance Beginning of Year	3,274	3,274	0
Fund Balance End of Year	\$1,874	\$4,080	\$2,206

City of Bucyrus
Special Assessment Bond Retirement Debt Service Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>			
Special Assessments	\$0	\$238	\$238
<u>Expenditures</u>			
Debt Service:			
Debt Retirement	18,030	18,030	0
Excess of Revenues Under Expenditures	(18,030)	(17,792)	238
<u>Other Financing Sources</u>			
Transfers In	13,150	13,515	365
Changes in Fund Balance	(4,880)	(4,277)	603
Fund Balance Beginning of Year	49,022	49,022	0
Fund Balance End of Year	\$44,142	\$44,745	\$603

City of Bucyrus
CDBG Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$87,600	\$39,700	(\$47,900)
<u>Expenditures</u>			
Current:			
Public Health			
Health Department			
Other	23,500	23,500	0
Basic Utility Services			
Waterworks Lands and Buildings			
Capital Outlay	33,400	12,924	20,476
General Government			
Other Government			
Contractual Services	34,239	34,239	0
Total Expenditures	91,139	70,663	20,476
Excess of Revenues Under Expenditures	(3,539)	(30,963)	(27,424)
<u>Other Financing Sources (Uses)</u>			
Advances In	0	20,000	20,000
Advances Out	0	(20,000)	(20,000)
Total Other Financing Sources (Uses)	0	0	0
Changes in Fund Balance	(3,539)	(30,963)	(27,424)
Fund Balance (Deficit) Beginning of Year	(6,600)	(6,600)	0
Prior Year Encumbrances Appropriated	10,139	10,139	0
Fund Balance (Deficit) End of Year	\$0	(\$27,424)	(\$27,424)

City of Bucyrus
Issue II Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Intergovernmental	\$305,000	\$0	(\$305,000)
<u>Expenditures</u>			
Current:			
Basic Utility Services			
Storm Water Utility			
Capital Outlay	395,000	30,440	364,560
Excess of Revenues			
Under Expenditures	(90,000)	(30,440)	59,560
<u>Other Financing Sources</u>			
Proceeds of OPWC Loans	90,000	0	(90,000)
Changes in Fund Balance	0	(30,440)	(30,440)
Fund Balance Beginning of Year	0	0	0
Fund Balance (Deficit) End of Year	<u>\$0</u>	<u>(\$30,440)</u>	<u>(\$30,440)</u>

City of Bucyrus
Municipal Building Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	Budget	Actual	Variance Over (Under)
<u>Revenues</u>	\$0	\$0	\$0
<u>Expenditures</u>			
Current:			
General Government			
Lands and Buildings	110,000	57,200	52,800
Excess of Revenue			
Under Expenditures	(110,000)	(57,200)	52,800
<u>Other Financing Sources</u>			
Proceeds of Notes	110,000	110,000	0
Changes in Fund Balance	0	52,800	52,800
Fund Balance Beginning of Year	0	0	0
Fund Balance End of Year	\$0	\$52,800	\$52,800

City of Bucyrus
Fire Levy Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Property Taxes	\$185,500	\$196,925	\$11,425
Intergovernmental	18,000	25,466	7,466
Interest	4,500	0	(4,500)
	<u>208,000</u>	<u>222,391</u>	<u>14,391</u>
<u>Expenditures</u>			
Current:			
Security of Persons and Property			
Fire Department			
Contractual Services	8,000	4,811	3,189
Capital Outlay	845,107	811,473	33,634
	<u>853,107</u>	<u>816,284</u>	<u>36,823</u>
Total Expenditures	<u>853,107</u>	<u>816,284</u>	<u>36,823</u>
Changes in Fund Balance	(645,107)	(593,893)	51,214
Fund Balance Beginning of Year	672,549	672,549	0
Prior Year Encumbrances Appropriated	<u>160</u>	<u>160</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$27,602</u></u>	<u><u>\$78,816</u></u>	<u><u>\$51,214</u></u>

City of Bucyrus
Marion Road Assessment Capital Projects Fund

Schedule of Revenues, Expenditures,
and Changes in Fund Balance
Budget (Non-GAAP Budgetary Basis) and Actual
For the Year Ended December 31, 2004

	<u>Budget</u>	<u>Actual</u>	<u>Variance Over (Under)</u>
<u>Revenues</u>			
Special Assessments	\$9,000	\$9,101	\$101
<u>Expenditures</u>			
Current:			
General Government			
Other Government			
Contractual Services	25	0	25
Excess of Revenues Over Expenditures	8,975	9,101	126
<u>Other Financing Uses</u>			
Transfers Out	(9,000)	(9,000)	0
Changes in Fund Balance	(25)	101	126
Fund Balance Beginning of Year	603	603	0
Fund Balance End of Year	<u>\$578</u>	<u>\$704</u>	<u>\$126</u>

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SCHEDULES OF CAPITAL ASSETS
USED IN THE OPERATION OF GOVERNMENTAL FUNDS

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City of Bucyrus
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Program and Department
For the Year Ended December 31, 2004

Program/Department	Balance December 31, 2003	Additions	Reductions	Balance December 31, 2004
Security of Persons and Property				
Police Department	\$369,520	\$0	\$0	\$369,520
Fire Department	1,288,705	0	0	1,288,705
Total Security of Persons and Property	1,658,225	0	0	1,658,225
Leisure Time Activities				
Parks and Playgrounds	327,525	0	0	327,525
Pool	524,500	11,975	0	536,475
Total Leisure Time Activities	852,025	11,975	0	864,000
Transportation				
Street Department	33,409,023	204,437	0	33,613,460
Airport	364,233	0	0	364,233
Total Transportation	33,773,256	204,437	0	33,977,693
General Government				
General Administration	53,018	0	0	53,018
Mayor	23,222	0	0	23,222
Lands and Buildings	1,320,682	28,600	0	1,349,282
Total General Government	1,396,922	28,600	0	1,425,522
Total General Capital Assets Allocated to Programs	\$37,680,428	\$245,012	\$0	\$37,925,440

City of Bucyrus
Capital Assets Used in the Operation of Governmental Funds
Schedule by Program and Department
December 31, 2004

Program/Department	Total	Land	Construction in Progress	Buildings
Security of Persons and Property				
Police Department	\$369,520	\$0	\$0	\$0
Fire Department	1,288,705	0	0	199,120
Total Security of Persons and Property	1,658,225	0	0	199,120
Leisure Time Activities				
Parks and Playgrounds	327,525	0	0	28,557
Pool	536,475	0	0	38,475
Total Leisure Time Activities	864,000	0	0	67,032
Transportation				
Street Department	33,613,460	56,500	0	402,759
Airport	364,233	165,000	0	38,000
Total Transportation	33,977,693	221,500	0	440,759
General Government				
General Administration	53,018	0	0	0
Mayor	23,222	0	0	0
Lands and Buildings	1,349,282	470,032	28,600	759,900
Total General Government	1,425,522	470,032	28,600	759,900
Total General Capital Assets Allocated to Programs	\$37,925,440	\$691,532	\$28,600	\$1,466,811

Improvements Other Than Buildings	Streets	Bridges	Equipment	Furniture and Fixtures	Vehicles
\$0	\$0	\$0	\$147,711	\$0	\$221,809
0	0	0	108,754	16,200	964,631
0	0	0	256,465	16,200	1,186,440
189,000	0	0	93,871	0	16,097
498,000	0	0	0	0	0
687,000	0	0	93,871	0	16,097
0	31,294,444	900,980	652,519	0	306,258
161,233	0	0	0	0	0
161,233	31,294,444	900,980	652,519	0	306,258
0	0	0	41,539	0	11,479
0	0	0	0	0	23,222
46,480	0	0	44,270	0	0
46,480	0	0	85,809	0	34,701
<u>\$894,713</u>	<u>\$31,294,444</u>	<u>\$900,980</u>	<u>\$1,088,664</u>	<u>\$16,200</u>	<u>\$1,543,496</u>

City of Bucyrus
 Capital Assets Used in the Operation of Governmental Funds
 Schedule by Source
 December 31, 2004

	Amounts
<u>Governmental Funds Capital Assets</u>	
Land	\$691,532
Construction in Progress	28,600
Buildings	1,466,811
Improvements Other Than Buildings	894,713
Streets	31,294,444
Bridges	900,980
Equipment	1,088,664
Furniture and Fixtures	16,200
Vehicles	1,543,496
	\$37,925,440
Total Capital Assets	\$37,925,440
 <u>Investment in Governmental Funds Capital Assets</u>	
General Fund Resources	\$1,774,244
Special Revenue Fund Resources	5,859,243
General Capital Assets Accumulated Prior to December 31, 1991	30,291,953
	\$37,925,440
Total Investment in Capital Assets	\$37,925,440

Statistical Section

**THE FOLLOWING UNAUDITED STATISTICAL TABLES
REFLECT SOCIAL AND ECONOMIC DATA,
FINANCIAL TRENDS, AND FISCAL CAPACITY OF THE CITY**

City of Bucyrus
 Governmental Activities Expenses by Program
 Last Four Years

Year	Security of Persons and Property	Public Health	Leisure Time Activities	Basic Utility Services	Transportation
2001	\$3,301,137	\$380,504	\$175,524	\$74,159	\$1,646,819
2002	3,414,596	299,572	257,596	136,448	1,584,573
2003	3,451,852	259,838	184,237	24,871	1,704,048
2004	3,251,134	247,195	193,875	4,977	2,063,731

Source: City Records

<u>General Government</u>	<u>Interest and Fiscal Charges</u>	<u>Total</u>
\$1,516,909	\$46,823	\$7,141,875
1,312,833	31,355	7,036,973
1,317,313	27,505	6,969,664
1,317,786	34,789	7,113,487

City of Bucyrus
 Governmental Activities Revenues by Source
 Last Four Years

Year	Program Revenues			General Revenues	
	Charges for Services	Operating Grants, Contributions, and Interest	Capital Grants, Contributions, and Interest	Property Taxes	Municipal Income Taxes
2001	\$460,755	\$590,637	\$169,892	\$841,792	\$3,918,705
2002	598,982	532,825	335,084	903,276	3,509,347
2003	575,577	601,648	411,463	814,059	3,985,159
2004	493,491	610,129	84,763	872,520	3,773,691

Source: City Records

Other Local Taxes	Intergovernmental	Franchise Fees	Interest	Other	Total
\$92,910	\$1,000,148	\$100,492	\$198,478	\$68,333	\$7,442,142
34,627	633,610	107,109	97,887	102,972	6,855,719
32,493	819,233	109,784	97,639	80,903	7,527,958
34,486	557,274	113,292	75,602	79,484	6,694,732

City of Bucyrus
 Governmental Fund Type Expenditures by Program
 Last Ten Years

Year	Security of Persons and Property	Public Health	Leisure Time Activities	Basic Utility Services	Transportation
1995	\$2,368,643	\$317,886	\$57,965	\$37,818	\$1,234,845
1996	2,434,820	290,690	97,410	38,613	1,373,613
1997	2,522,225	306,269	77,602	42,509	1,500,976
1998	2,676,319	330,947	104,251	42,071	1,750,415
1999	2,879,048	353,750	108,796	44,493	2,634,648
2000	3,148,684	365,233	138,921	45,042	1,415,130
2001	3,178,794	414,808	207,331	74,159	2,031,649
2002	3,423,512	299,686	208,484	136,448	2,514,418
2003	3,303,582	259,838	139,327	475,271	1,663,383
2004	3,120,689	248,288	159,531	38,377	1,124,714

Source: City Records

General Government	Capital Outlay	Debt Service	Total
\$842,965	\$250,028	\$31,966	\$5,142,116
831,460	933,013	50,106	6,049,725
1,060,729	470,019	80,660	6,060,989
1,155,428	912,966	74,676	7,047,073
1,282,211	468,150	236,078	8,007,174
1,417,083	308,314	116,405	6,954,812
1,487,147	0	66,906	7,460,794
1,399,245	0	52,810	8,034,603
1,345,153	0	48,009	7,234,563
1,320,507	0	55,168	6,067,274

City of Bucyrus
 Governmental Fund Type Revenues by Source
 Last Ten Years

Year	Property Taxes	Municipal Income Taxes	Other Local Taxes	Special Assessments	Charges for Services
1995	\$469,709	\$3,033,417	\$83,310	\$1,267	\$182,210
1996	498,462	3,389,476	86,501	1,489	316,379
1997	673,060	3,418,806	85,643	0	339,574
1998	742,412	3,547,269	25,536	121	320,675
1999	715,255	3,577,599	86,224	6,080	346,125
2000	823,051	3,961,371	97,260	9,102	271,133
2001	836,562	3,932,402	94,376	14,840	313,013
2002	898,023	3,733,501	98,723	9,113	428,653
2003	813,989	3,717,756	96,194	9,113	453,344
2004	867,546	3,721,210	97,548	9,339	379,000

Source: City Records

Fees, Licenses, Permits, Fines, and Forfeitures	Intergovernmental	Interest	Other	Total
\$218,826	\$1,076,394	\$321,915	\$136,467	\$5,523,515
203,393	1,392,245	332,098	180,687	6,400,730
230,310	1,678,091	443,557	78,182	6,947,223
217,206	1,313,526	460,412	179,694	6,806,851
204,063	2,219,458	366,253	49,789	7,570,846
164,955	1,993,270	438,959	165,058	7,924,159
189,275	1,499,796	328,310	200,795	7,409,369
169,885	1,214,177	146,249	172,362	6,870,686
154,338	1,918,225	117,002	233,622	7,513,583
159,874	1,227,796	99,101	125,323	6,686,737

City of Bucyrus
Real Property Tax Levies and Collections
Last Ten Years

Collection Year	Current Tax Levy (1)	Delinquent Tax Levy (2)	Total Tax Levy	Current Tax Collections (1)	Percentage of Current Tax Collections to Current Tax Levy
1995	\$408,798	\$23,729	\$432,527	\$392,846	96.10%
1996	411,929	27,608	439,537	398,044	96.63
1997	496,632	23,921	520,553	470,802	94.80
1998	624,564	28,210	652,774	606,154	97.05
1999	560,812	29,816	590,628	542,380	96.71
2000	643,920	30,307	674,227	620,501	96.36
2001	640,447	30,007	670,454	612,929	95.70
2002	629,422	35,235	664,657	603,054	95.81
2003	735,003	40,488	775,491	707,191	96.22
2004	795,582	42,921	838,503	766,548	96.35

Source: Crawford County Auditor

(1) State reimbursement of rollback and homestead exemptions are included.

(2) Amounts listed include penalties and interest.

Delinquent Tax Collections (2)	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes (2)	Percentage of Outstanding Delinquent Taxes to Total Tax Levy
\$12,415	\$405,261	93.70%	\$27,608	6.38%
21,182	419,226	95.38	23,921	5.44
14,071	484,873	93.15	28,210	5.42
17,097	623,251	95.48	29,816	4.57
21,420	563,800	95.46	30,308	5.13
23,341	643,842	95.49	30,007	4.45
23,958	636,887	94.99	35,235	5.26
26,098	629,152	94.66	40,488	6.09
27,597	734,788	94.75	40,555	5.23
28,944	795,492	94.87	45,538	5.43

City of Bucyrus
Tangible Personal Property Tax Levies and Collections
Last Ten Years

Collection Year	Current Tax Levy (1)	Delinquent Tax Levy	Total Tax Levy	Current Tax Collections	Percentage of Current Tax Collections to Current Tax Levy
1995	\$119,179	\$17,031	\$136,210	\$114,102	95.74%
1996	124,694	14,321	139,015	130,671	104.79
1997	177,020	44,380	221,400	181,548	102.56
1998	195,376	57,161	252,537	175,712	89.94
1999	150,189	58,177	208,366	125,976	83.88
2000	188,418	80,078	268,496	181,735	96.45
2001	202,248	51,113	253,361	185,190	91.56
2002	278,302	44,304	322,606	187,326	67.31
2003	163,442	30,164	193,606	165,350	101.17
2004	166,905	21,063	187,968	171,444	102.72

Source: Crawford County Auditor

(1) The current tax levy is adjusted throughout the year as data is received from the State Department of Taxation, with taxpayers given sixty days to pay. Collections can occur in the subsequent calendar year.

Delinquent Tax Collections	Total Tax Collections	Percentage of Total Tax Collections to Total Tax Levy	Outstanding Delinquent Taxes	Percentage of Outstanding Delinquent Taxes to Total Tax Levy
\$2,073	\$116,175	85.29%	\$27,215	19.98%
30,620	161,291	116.02	32,855	23.63
2,345	183,893	83.06	49,257	22.25
5,119	180,831	71.61	60,651	24.02
22,810	148,786	71.41	43,309	20.79
83,197	264,932	98.67	35,841	13.35
14,193	199,383	78.69	37,381	14.75
88,229	275,555	85.42	30,056	9.32
5,785	171,135	88.39	19,863	10.26
4,948	176,392	93.84	138,367	73.61

City of Bucyrus
Assessed and Estimated Actual
Value of Taxable Property
Last Ten Years

Collection Year	Real Property		Public Utility Property	
	Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value
1995	\$90,026,320	\$257,218,057	\$9,769,890	\$11,102,148
1996	90,656,620	259,018,914	9,586,820	10,894,114
1997	92,214,730	263,470,657	9,367,280	10,644,636
1998	106,111,880	303,176,800	9,393,460	10,674,386
1999	109,163,720	311,896,343	9,407,940	10,690,841
2000	110,496,860	315,705,314	9,138,790	10,384,989
2001	131,068,790	374,482,257	8,852,280	10,059,409
2002	131,803,550	376,581,571	6,514,300	7,402,613
2003	134,415,960	384,045,600	6,930,180	7,832,318
2004	149,601,440	427,432,686	6,948,630	7,851,557

Source: Crawford County Auditor

Tangible Personal Property		Total		Percentage of Total Assessed Value to Total Est. Actual Value
Assessed Value	Est. Actual Value	Assessed Value	Est. Actual Value	
\$28,194,841	\$112,779,364	\$127,991,051	\$381,099,569	33.58%
29,608,621	118,434,484	129,852,061	388,347,512	33.44
31,195,995	124,783,980	132,778,005	398,899,274	33.29
32,802,069	131,208,276	148,307,409	445,059,462	33.32
35,624,025	142,496,100	154,195,685	465,083,284	33.15
30,850,433	123,401,732	150,486,083	449,492,035	33.48
36,052,970	144,211,880	175,974,040	528,753,546	33.28
39,683,924	158,735,696	178,001,774	542,719,880	32.80
37,660,298	150,641,192	179,006,438	542,519,110	33.00
33,679,553	134,718,212	190,229,623	570,002,455	33.37

City of Bucyrus
Property Tax Rates - Direct and Overlapping Governments
Per \$1,000 of Assessed Valuation
Last Ten Years

Year	City of Bucyrus			Crawford County	Bucyrus City School District	Other Special Taxing Districts (2)	Total Tax Levy
	General Fund	Special Funds (1)	Total Levy				
1995	\$3.70	\$0.60	\$4.30	\$6.20	\$53.82	\$4.70	\$69.02
1996	3.70	0.60	4.30	7.30	53.15	4.70	69.45
1997	3.70	2.10	5.80	8.80	53.15	4.70	72.45
1998	3.70	2.10	5.80	8.80	51.85	4.70	71.15
1999	3.70	2.10	5.80	8.80	52.10	4.70	71.40
2000	3.70	2.10	5.80	8.80	50.35	4.70	69.65
2001	3.70	2.10	5.80	8.80	50.30	4.70	69.60
2002	3.70	2.10	5.80	8.80	50.12	4.70	69.42
2003	3.70	2.10	5.80	8.80	50.12	4.70	69.42
2004	3.70	2.10	5.80	8.80	49.25	4.70	68.55

Source: Crawford County Auditor

(1) Police and Fire Pension Funds and Fire Levy '96 Fund (1997 - 2001); Fire Levy Fund (2000 - 2005)

(2) Pioneer Joint Vocational School District

City of Bucyrus
Principal Taxpayers
December 31, 2004

Taxpayer	Type of Business	Real/Public Utility Property Assessed Valuation	Tangible Personal Property Assessed Valuation	Total Assessed Valuation	Percentage of Total City Assessed Valuation (2004 Collection Year)
TPI Acquisition Subsidiary, Inc.	Manufacturing	\$2,079,640	\$6,749,180	\$8,828,820	4.64%
General Electric	Manufacturing	1,900,710	3,882,370	5,783,080	3.04
Precision Tech	Manufacturing	692,920	3,885,440	4,578,360	2.41
Brunswick Corp.	Manufacturing	1,433,070	2,073,430	3,506,500	1.84
Bucyrus Blades, Inc.	Manufacturing	1,034,440	2,198,170	3,232,610	1.70
Walmart	Retail	1,509,660	1,091,980	2,601,640	1.37
Imasen Bucyrus Tech, Inc.	Manufacturing	755,650	1,463,210	2,218,860	1.17
Eagle Crusher	Manufacturing	59,550	2,016,790	2,076,340	1.09
Mathews Walston	Retail	201,150	1,071,110	1,272,260	0.67
Mennel Milling	Manufacturing	238,210	911,370	1,149,580	0.60
Total Top Ten Taxpayers		\$9,905,000	\$25,343,050	\$35,248,050	18.53%
Total City		\$156,550,070	\$33,679,553	\$190,229,623	

Source: Crawford County Auditor

City of Bucyrus
Special Assessment Billings
and Collections
Last Ten Years

Collection Year	Special Assessments Billings	Total Assessment Collected (1)	Amount Delinquent	Percentage of Collections to Amount Billed
1995	\$141	\$1,267	\$1,028	898.58%
1996	687	2,210	430	321.69
1997	585	0	585	0.00
1998	641	121	520	18.88
1999	9,348	6,080	3,268	65.04
2000	13,072	9,696	3,376	74.17
2001	17,109	17,121	0	100.00
2002	20,162	9,165	9,100	45.46
2003	39,400	24,395	15,005	61.92
2004	59,008	36,461	22,547	61.79

Source: Crawford County Auditor

(1) Includes delinquent utility charges.

City of Bucyrus
 Legal Debt Margin
 December 31, 2004

Total Assessed Valuation		\$190,229,623
Overall Debt Limitation - 10.5% Assessed Valuation		19,974,110
Gross Indebtedness	11,565,529	
Less Debt Outside Limitation		
Bond Anticipation Notes	90,000	
Special Assessment Bonds	162,000	
General Obligation Revenue Bonds	3,765,000	
Mortgage Revenue Bonds	425,000	
OWDA Loans	6,649,523	
OPWC Loans	364,006	
	110,000	
Net Indebtedness	110,000	
Net Debt Margin Within 10.5% Limitation		110,000
Legal Debt Margin Within 10.5% Limitation		\$19,864,110

Unvoted Debt Limitation - 5.5% of Assessed Value		\$10,462,629
Gross Indebtedness	11,565,529	
Less Debt Outside Limitation		
Bond Anticipation Notes	90,000	
Special Assessment Bonds	162,000	
General Obligation Revenue Bonds	3,765,000	
Mortgage Revenue Bonds	425,000	
OWDA Loans	6,649,523	
OPWC Loans	364,006	
	110,000	
Net Indebtedness	110,000	
Net Debt Margin Within 5.5% Limitation		110,000
Legal Debt Margin Within 5.5% Limitation		\$10,352,629

City of Bucyrus
Bonded Debt
December 31, 2004

All of the general obligation bonded debt of the City of Bucyrus is to be paid from enterprise fund revenues. The City does not have any net general bonded debt; therefore, no ratio of net general bonded debt per capita and ratio of annual debt service for general bonded debt to governmental expenditures are presented in the City's statistical tables.

City of Bucyrus
 Computation of Overlapping General Obligation Bonded Debt
 December 31, 2004

Political Subdivision	Debt Outstanding (1)	Percentage Applicable to City (2)	Amount Applicable to City
Wynford Local School District	<u>\$6,703,461</u>	17.20%	<u>\$1,152,995</u>

Source: Crawford County Auditor

(1) Includes only general obligation bonded debt payable from property taxes.

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

City of Bucyrus
Mortgage Revenue Bond Coverage
Water Enterprise Fund
Last Ten Years

Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenue Available for Debt Service
1995	\$2,003,177	\$1,098,069	\$905,108
1996	2,060,873	1,197,693	863,180
1997	2,148,078	1,097,828	1,050,250
1998	2,224,365	1,235,566	988,799
1999	2,279,980	1,152,604	1,127,376
2000	2,376,482	1,068,850	1,307,632
2001	2,292,553	1,171,352	1,121,201
2002	2,387,762	1,317,285	1,070,477
2003	2,294,536	1,358,861	935,675
2004	2,233,732	1,272,469	961,263

Source: City Records

(1) Total revenues (including interest).

(2) Total operating expenses exclusive of depreciation.

(3) Includes principal and interest of mortgage revenue bonds only.

It does not include the general obligation bonds, OWDA loans, or OPWC loans.

(3) Debt Service Requirements

Principal	Interest	Total	Coverage
\$70,000	\$84,657	\$154,657	5.85
75,000	78,537	153,537	5.62
80,000	74,132	154,132	6.81
85,000	70,433	155,433	6.36
90,000	66,890	156,890	7.19
95,000	62,119	157,119	8.32
105,000	49,406	154,406	7.26
110,000	48,612	158,612	6.75
115,000	45,449	160,449	5.83
125,000	38,157	163,157	5.89

City of Bucyrus
Demographic Statistics
Last Ten Years

Year	Population (1)	School Enrollment (2)	Crawford County Unemployment Rate (3)
1995	13,496	2,036	5.90%
1996	13,496	2,086	6.30
1997	13,496	2,031	5.94
1998	13,496	1,967	5.79
1999	13,496	2,161	4.40
2000	13,224	2,109	5.20
2001	13,224	2,126	6.90
2002	13,224	2,131	7.90
2003	13,224	2,084	8.90
2004	13,224	1,889	8.70

Source: (1) City Directory

(2) Bucyrus City School District and Holy Trinity Catholic School

(3) Ohio Bureau of Employment Services,
Labor Market Division

City of Bucyrus
Property Value, Construction,
and Bank Deposits
Last Ten Years

Collection Year	Real Property Value (1)			Construction Value (1)			Bank Deposits in County (2)
	Agricultural/ Residential Value	Commercial/ Industrial Value	Total Value	Residential	Commercial	Industrial	
1995	\$63,471,840	\$26,554,480	\$90,026,320	\$433,750	\$54,090	\$56,960	\$292,566,000
1996	63,848,250	26,808,370	90,656,620	504,770	418,860	135,620	312,590,000
1997	64,505,540	27,709,190	92,214,730	527,420	495,250	360,560	319,122,000
1998	77,298,310	28,813,570	106,111,880	413,630	582,690	630,430	377,042,000
1999	78,324,380	30,839,340	109,163,720	797,310	111,340	1,714,560	386,864,000
2000	78,799,370	31,697,490	110,496,860	768,040	620,770	820,840	352,135,000
2001	98,240,970	32,827,820	131,068,790	1,813,950	366,850	0	362,545,000
2002	98,362,160	33,441,390	131,803,550	737,330	510,430	0	371,996,000
2003	99,107,820	35,308,140	134,415,960	794,590	1,654,640	626,000	392,393,000
2004	111,561,540	38,039,900	149,601,440	1,368,760	1,436,990	183,330	545,770,000

Source: (1) Crawford County Auditor

(2) Federal Reserve Bank of Cleveland

City of Bucyrus
Miscellaneous Statistics
December 31, 2004

Date of Incorporation:	February 21, 1883	Education:	
Form of Government:	Mayor-Council	Public	
Area:	7.49 sq. miles	Pre-Schools	1
Miles of Streets:	89.4 miles	Elementary Schools	5
		Middle Schools	1
Number of Street Lights:	1,269	Secondary Schools	1
Number of Traffic Signs:	7,700	Parochial Schools	
Number of Traffic Lights:	142	Pre-Schools	2
Miles of Sewer Lines:	81 miles	Elementary/Middle Schools	<u>1</u>
Miles of Water Lines:	81.9 miles		
Miles of Storm Water Lines:	19.6 miles	Total Schools	<u><u>11</u></u>
Fire Protection:		Number of Teachers	
Number of Stations	1	Public	
Number of Firemen and Officers (P\FT)	16	Pre-School Instructors	3
Number of Firemen (PT)	2	Elementary Instructors	53
Number of Certified EMTA's	15	Middle School Instructors	32
		Secondary Instructors	40
Police Protection:		Parochial	
Number of Stations	1	Pre-School Instructors	1
Number of Police and Officers	20	Elementary/Middle School Instructors	<u>10</u>
City Employees:		Total Teachers	<u><u>139</u></u>
Number of Full Time Employees	101	2003/2004 Student Enrollment	
Number of Part Time Employees	11	Public	
		Pre-Schools	73
Recreation and Culture:		Elementary Schools	793
Number of Parks	5	Middle Schools	431
Number of Playgrounds	3	Secondary Schools	605
Number of Swimming Pools	1	Parochial Schools	
Number of Tennis Courts	4	Pre-Schools	35
Acreage of Parks	90	Elementary/Middle Schools	<u>98</u>
Public Libraries	1	Total Enrollment	<u><u>2,035</u></u>



**Auditor of State
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**CITY OF BUCYRUS
CRAWFORD 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
JULY 18, 2005**