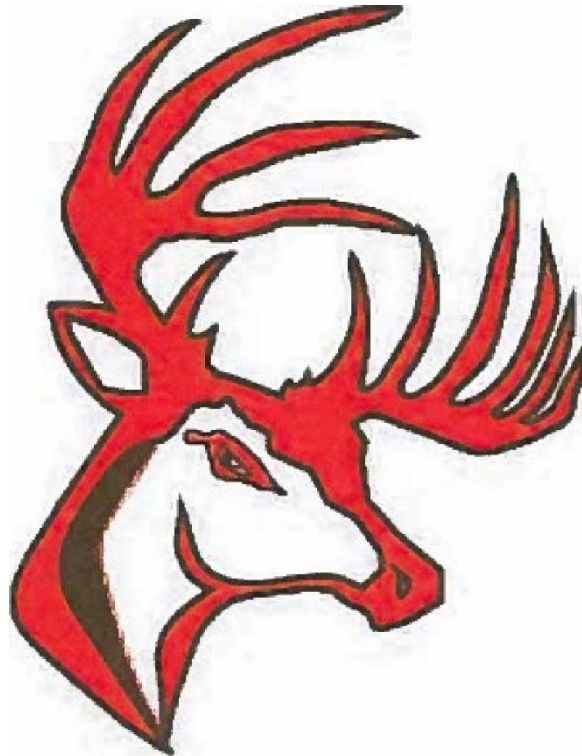


**BUCKEYE LOCAL  
SCHOOL DISTRICT**



Medina, Ohio

Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended June 30, 2018



# OHIO AUDITOR OF STATE KEITH FABER



Board of Education  
Buckeye Local School District  
3044 Columbia Road  
Medina, Ohio 44256

We have reviewed the *Independent Auditor's Report* of the Buckeye Local School District, Medina County, prepared by Julian & Grube, Inc., for the audit period July 1, 2017 through June 30, 2018. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in cursive script that reads "Keith Faber".

Keith Faber  
Auditor of State  
Columbus, Ohio

January 29, 2019

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# **BUCKEYE LOCAL SCHOOL DISTRICT**

Medina, Ohio



Prepared by:  
Treasurer's Office

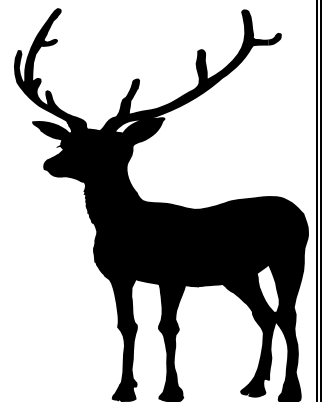
Jennifer Knapp  
Treasurer

**Comprehensive Annual Financial Report**  
For the Fiscal Year Ended June 30, 2018





# Introductory Section







**Buckeye Local School District**  
*Comprehensive Annual Financial Report*  
*For the Fiscal Year Ended June 30, 2018*  
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# BUCKEYE LOCAL SCHOOL DISTRICT

BUCKEYE LOCAL BOARD OF EDUCATION

3044 Columbia Road

Medina, Ohio 44256

Phone: 330-722-8257

December 17, 2018

Board of Education Members  
Buckeye Local School District

We are pleased to submit to you the Buckeye Local School District's 28th Comprehensive Annual Financial Report (CAFR) for fiscal year ended June 30, 2018. This report was prepared by the Treasurer's Office, conforms to generally accepted accounting principles as they apply to governmental entities and contains an opinion from Julian & Grube, Inc. Responsibility for both the accuracy of the information presented and the completeness and fairness of the presentation, including all disclosures, rests with the school district. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to fairly set forth the financial position and results of operations of the school district. This report will provide the taxpayers of Buckeye Local School District with comprehensive financial data in a format that enables them to gain an understanding of district's financial activity.

## *About Buckeye Local Schools*

### **The School District and Community**

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

On June 12, 1952, the Litchfield, Liverpool, and York Local School Districts consolidated into one school district, to be known as the Buckeye Local School District. At the time of consolidation, there were 781 pupils. Current enrollment is 2,431 with projected enrollment through 2019 to remain constant with little deviation. Buckeye has 250 employees, many of which reside within the district boundaries.

To serve all the pupils of the consolidated district, a high school was built and dedicated on November 24, 1957. In 1973, a new high school was built and the former high school was converted to the Junior High. Litchfield Elementary school was built in Litchfield township in 1978. A new administrative office was built behind the high school in 1990. In 2004, two new elementary buildings were opened to replace two elementary buildings built in the early 1900's. With the opening of the new elementary building complex, Litchfield Elementary closed to instruction in 2005.

Buckeye Local School District has a total property tax rate of 66.40 mills, of which the citizens have voted in 62.10 mills. Of that amount the District has 55.00 mills for operating funds, with an effective millage rate of 20.07 for residential/agriculture and 24.80 on business/other as of January 2017. Additional operating funds not included in the effective millage, include an Emergency levy reaffirmed in November 2016 for 6.9 mills for 10 years for operating. It was reduced from 7.9 to 7.6 to 6.90 to collect the same amount as originally approved in 2012 for \$3,201,100.00.

A bond issue for \$23.7 million was approved in March 2000, for the construction of building additions onto existing structures and the elementary complex, that houses two buildings. The effective millage of the bond issue was 4.7 mills as of June 30, 2001 and has been reduced to 3.5 mills. Effective January 2004, the Board of Education approved moving one inside mill to the permanent improvement fund.

### **Educational and Extracurricular Programming**

The Buckeye Local School District is an independent school district offering comprehensive educational, extracurricular and co-curricular programs for students preschool thru 12<sup>th</sup> grade. The academic curriculum includes language arts, world languages, mathematics, science, social studies, music, art, physical education, technology, career and technical education, and life skills. Specific programs for gifted and talented students are provided for grades three through twelve. Students have access to literacy, English as a second language and special education programs. Buckeye students can also attend the Medina County Career Center to gain additional career technical programming skills. This facility is located within the district boundaries. There are no charter, primary, or secondary schools within the district boundaries.

Our high school offers Advanced Placement and College Credit Plus (CCP) courses. CCP provides students an opportunity to earn college credit at no-cost to the student from grades 7-12. High School and Junior High students are able to participate in county led career base programming. Other educational programs include early intervention preschool programs, summer school, and an on-line learning academy for at-risk students.

### ***The Reporting Entity***

Buckeye Local School District has reviewed its reporting entity definition in order to ensure conformance with Governmental Accounting Standards Board Statement Number 14, "The Financial Reporting Entity." In evaluating how to define the District for financial reporting purposes, management has considered all funds, departments, boards, organizations, and agencies making up the Buckeye Local School District, the primary government. Numerous entities conduct their activities within the School District's boundaries but these entities have been excluded from the financial statements because they do not meet the definitions. Management has prepared the Management's Discussion and Analysis (MD&A) of the School District. This discussion follows the auditor's opinion, providing a narrative introduction, overview, and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

### **Services Provided**

The School provides a wide variety of instruction and support services as mandated by state statute or public desire. These services include regular instruction, special instruction, vocational instruction, student guidance services, and extracurricular activities. New to our district this year was the implementation of all-day kindergarten, providing an enhancement opportunity to curriculum services. Support services are necessary to complete the educational process, such as administrative, technical, and other community services. Additional services include instructional technology integration, uniform school supply sales and a food service operation. Instructional technology integration includes the implementation of advanced technologies on individual devices and the classroom setting. Uniform school supply sales consist of workbooks used by the students. Food services provide an opportunity for students to receive a nutritious and balanced meal every day.

### **Organization of the School**

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

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

## *Economic Outlook*

### **Economic Condition and Outlook**

Our tax base covers the townships of Liverpool, Litchfield, York and part of Medina City. The three townships are primarily residential and rural. However, the District is fortunate to contain two substantial industrial parks, providing a large commercial real estate tax base. The School District has not experienced significant growth from new construction in residential real estate as has happened in the past. Buckeye Local School District had been blessed with a large amount of revenue from personal property taxes in the past. In 2005, state lawmakers passed legislation that phased in the elimination of all personal property taxes on equipment except public utility personal property. This legislation was a significant reduction in revenue. It was this revenue from personal property taxes that afforded Buckeye Local the ability to stay off the ballot for additional operating funds. With the passage of this and other legislation that reduced funding to the district, Buckeye had to place an issue on the ballot. Fortunately, the Buckeye community passed ballot issues to provide operating funding to the district. The management team is working diligently to provide the services our community desires and that the state mandates in a fiscally responsible manner.

Historically, Medina county has experienced rapid residential growth in family housing and developments. Recently, the demographics of the community have been changing. District enrollment has remained constant over the last few years. Rapid rates of new construction within the district have stopped. The recent County Auditor's update of the District's valuation provided for generally increased valuations. Construction of the NEXUS pipeline is almost complete. The amount of revenue associated with the pipeline is still under consideration and unknown to the district at this time. Due to the direct correlation of district valuation to state funding support, there is concern that state funding will be reduced when the pipeline valuation is added to the district's values. The landscape of education is ever-changing and heavily influenced by state mandates for classroom size, academic offerings and special education needs. Our District will remain challenged to balance mandates and community desires with financial stability and fiscal responsibility.

### **Internal Controls**

Management is responsible for establishing and maintaining internal controls. These controls are designed to ensure the assets of the district are protected from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with GAAP. The internal controls are designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived from its implementation; and (2) the valuation of cost and benefits requires estimates and judgments by management. Management believes the school district's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Long-Term Financial Planning**

In order to make sound financial decisions now and in the future, the Buckeye Local School District has established principles for budget and financial management. These principles provide guidance for budget development, financial and debt management, and reserves. One-time surpluses may not be used for continuing expenditures. Rather, they may be used for one-time expenditures such as capital projects. The District maximizes the use of local, state and federal grants as to help preserve general revenues for other needs. The modified accrual basis fund balance in the general fund is at a deficit. The Board of Education has looked at a policy that will define the minimum level of fund balance that will require a levy to be placed on the ballot.

### **Relevant Financial Policies**

The budget must be structurally balanced so that continuing revenues support continuing expenditures. Budgetary appropriations may not exceed resources, with a balanced budget maintained in each fund.

With the recent reaffirmation of the Emergency levy, the community has provided the District with the opportunity to provide increased services to the students. Staffing levels have seen a very modest increase to allow for strategic class size reductions. The District committed to increasing Gifted services, implementing all-day kindergarten, and instructional technology integrations to provide additional avenues further providing educational services to a diverse cross section of students. Further, the District's collaboration with the Medina County Career Center has brought new opportunities to students in the areas of science, technology, engineering, arts, and mathematics.

Buckeye's leadership team works diligently to find innovative, collaborative, and cost effective methods to continue to bring programming back to the district in a sustainable manner. The team continues to evaluate the needs of our students and strives to provide opportunities to meet these needs.

#### **Certificate of Achievement**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Buckeye Local School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This was the 27th consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Comprehensive Annual Financial Report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

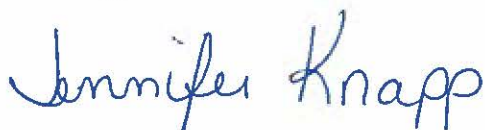
#### **Acknowledgments**

We are very proud to submit this 28th Comprehensive Annual Financial Report for the School District. This represents our continuing commitment towards professionalism in the financial reporting of the Buckeye Local School District. This report significantly increases the accountability of the School District to the taxpayers.

This report would have not been possible without the help of several people. We would like to thank the Board of Education and the Buckeye staff for their support and assistance in preparing this report. We would like to thank Rea and Associates Inc., for their expertise in making the conversion from cash basis to a modified accrual and accrual presentation.

We are especially grateful to the Treasurer's staff of Patti Weis, Alicia Shank, and Tanya Mier for their extra effort and willingness to assist in the completion of this report.

Sincerely,



Jennifer Knapp  
Treasurer



Kent J. Morgan  
Superintendent



# Buckeye Local School District

## List of Principal Officials

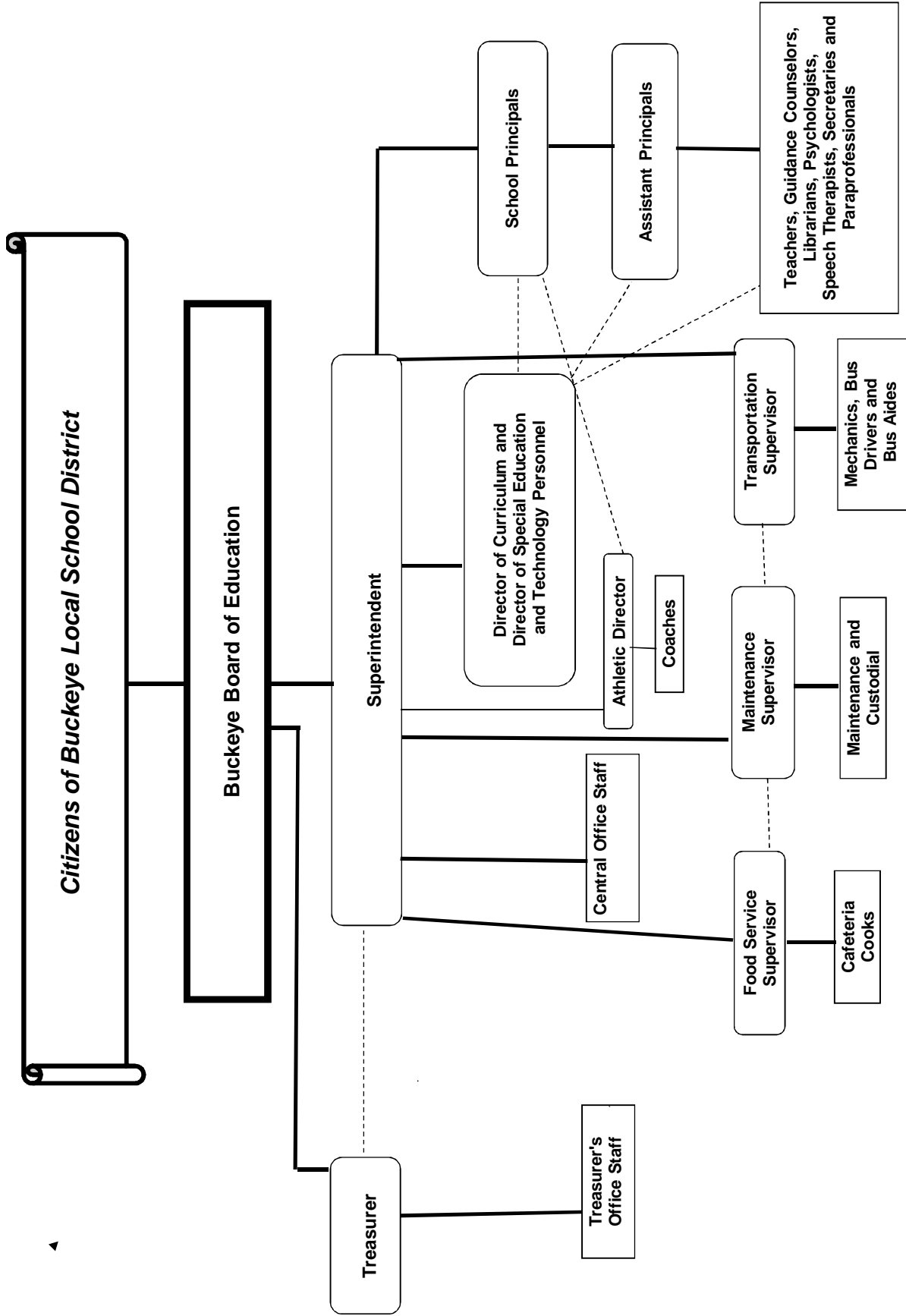
### Board of Education

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>
Barbara Gunkelman	President	1/1/16 - 12/31/19
Dennis Matson	Vice President	1/1/16 - 12/31/19
Kenneth Barco	Member	1/1/18 – 12/31/21
Denise Piovarchy	Member	1/1/18 – 12/31/21
Jon Stahl	Member	1/1/18 – 12/31/21

### Administration

<u>Name</u>	<u>Title</u>	<u>Term of Office</u>
Kent Morgan	Superintendent	8/1/16 – 7/31/19
Jennifer Knapp	Treasurer	8/1/17 – 7/31/20

*Buckeye Local Schools Organizational Chart*





Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**Buckeye Local School District  
Ohio**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

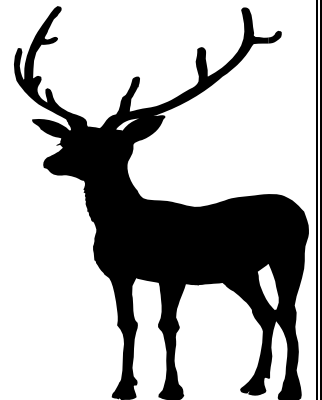
*Christopher P. Morrill*

Executive Director/CEO

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# Financial Section







**Julian & Grube, Inc.**  
*Serving Ohio Local Governments*

333 County Line Rd. West, Westerville, OH 43082 Phone: 614.846.1899 Fax: 614.846.2799

Independent Auditor's Report

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

To the Board of Education:

***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Buckeye Local School District, Medina County, Ohio, as of and for the fiscal year ended June 30, 2018 and the related notes to the financial statements, which collectively comprise the Buckeye Local School District's basic financial statements as listed in the table of contents.

***Management's Responsibility for the Financial Statements***

Management is responsible for preparing and fairly presenting these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes designing, implementing, and maintaining internal control relevant to preparing and fairly presenting financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to opine on these financial statements based on our audit. We audited in accordance with auditing standards generally accepted in the United States of America and the financial audit standards in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require us to plan and perform the audit to reasonably assure the financial statements are free from material misstatement.

An audit requires obtaining evidence about financial statement amounts and disclosures. The procedures selected depend on our judgment, including assessing the risks of material financial statement misstatement, whether due to fraud or error. In assessing those risks, we consider internal control relevant to the Buckeye Local School District's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not to the extent needed to opine on the effectiveness of the Buckeye Local School District's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of management's accounting policies and the reasonableness of their significant accounting estimates, as well as our evaluation of the overall financial statement presentation.

We believe the audit evidence we obtained is sufficient and appropriate to support our audit opinions.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Buckeye Local School District, Medina County, Ohio, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the General fund thereof for the fiscal year then ended in accordance with the accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

As discussed in Note 2 to the financial statements, during fiscal year 2018, the Buckeye Local School District adopted new accounting guidance in Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. We did not modify our opinion regarding this matter.

***Other Matters***

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require this presentation to include *management's discussion and analysis* and schedules of net pension and other postemployment benefit liabilities and pension and other postemployment benefit contributions listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, consisting of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, to the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not opine or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to opine or provide any other assurance.

***Supplementary and Other Information***

Our audit was conducted to opine on the Buckeye Local School District's basic financial statements taken as a whole.

The introductory section, the financial section's combining statements, individual fund statements and schedules and the statistical section information present additional analysis and are not a required part of the basic financial statements.

The statements and schedules are management's responsibility, and derive from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We subjected this information to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves in accordance with auditing standards generally accepted in the United States of America. 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 section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.



***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 17, 2018, on our consideration of the Buckeye Local School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. That report describes the scope of our internal control testing over financial reporting and compliance, and the results of that testing, and does not opine on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Buckeye Local School District's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Julian & Grube, Inc.".

Julian & Grube, Inc.  
December 17, 2018

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**Buckeye Local School District**  
**Medina County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*

The discussion and analysis of the Buckeye Local School District's (the "School District") financial performance provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2018. The intent of this discussion and analysis is to look at the School District's performance as a whole; readers should also review the transmittal letter, the notes to the basic financial statements and financial statements to enhance their understanding of the School District's financial performance.

***Financial Highlights***

Key financial highlights for 2018 are as follows:

- Net position increased \$16.0 million over fiscal year 2017, mainly due to an decrease in net pension liability and net OPEB liability that substantially decreased all instructional and support services expenses compared to fiscal year 2017 restated net position. See further explanation after Table 1.
- Capital assets decreased \$0.6 million during fiscal year 2017 due to depreciation and adjustments exceeding acquisitions.
- During the fiscal year, outstanding debt decreased from 15.0 million to \$13.5 million, due to principal payments made fiscal year 2018.
- The School District implemented GASB 75, which reduced beginning net position as previously reported by \$6.9 million.

***Using this Comprehensive Annual Financial 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 Buckeye Local School District as a whole entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Statement of Net Position and Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's most significant funds with all other nonmajor funds presented in total in one column. In the case of Buckeye Local School District, the general and debt service funds are the most significant funds.

***Reporting the School District as a Whole***

*Statement of Net Position and the Statement of Activities*

While the basic financial statements contain the large number of funds used by the School District to provide programs and activities, the view of the School District as a whole looks at all financial transactions and asks the question, "How did we do financially during fiscal year 2018?" The *Statement*

**Buckeye Local School District**  
**Medina County, Ohio**  
*Management's Discussion and Analysis*  
*For the Fiscal Year Ended June 30, 2018*

*of Net Position* and the *Statement of Activities* answer this question. These statements include all assets and deferred outflows of resources and liabilities and deferred inflows of resources (except fiduciary funds) using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the School District's net position and changes in net position. This change in net position is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. The causes of this change may be the result of many factors, some financial, some not. Non-financial factors include the School District's property tax base, current property tax laws in Ohio which restrict revenue growth, facility conditions, required educational programs, and other factors.

In the *Statement of Net Position* and the *Statement of Activities*, governmental activities include the School District's programs and services, including instruction, support services, food services and uniform school supplies.

***Reporting the School District's Most Significant Funds***

***Fund Financial Statements***

The fund financial statements begin on page 18. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions; however, these fund financial statements focus on the School District's most significant funds. The School District's major governmental funds are the general fund and debt service fund.

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

***Proprietary Fund*** The School District maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the School District's various functions. The School District uses an internal service fund to account for its health insurance benefits. Because this service predominately benefits governmental functions, it has been included within the governmental activities in the government-wide financial statements. The proprietary fund financial statements begin on page 23.

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***Reporting the School District's Fiduciary Responsibilities***

The School District is the trustee, or fiduciary, for some of its scholarship and foundation programs. This activity is presented as a private purpose trust fund. The School District also acts in a trustee capacity as an agent for individuals, private organizations, other governmental units and/or other funds. These activities are reported in an agency fund. The School District's fiduciary activities are reported in separate Statements of Fiduciary Net Position and Changes in Fiduciary Net Position on pages 26 and 27. These activities are excluded from the School District's other financial statements because the assets cannot be utilized by the School District to finance its operations.

**The School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the School District as a whole. Because of the discussion below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows of resources and subtracting deferred outflows of resources related to pension and the net pension liability to the reported net position. Table 1 provides a summary of the School District's net position for 2018 compared to 2017:

**Table 1**  
**Net Position**

	Governmental Activities	
	2018	Restated 2017
<b>Assets</b>		
Current and Other Assets	\$ 33,604,160	\$ 31,558,039
Capital Assets	24,339,735	24,981,958
<i>Total Assets</i>	57,943,895	56,539,997
<b>Deferred Outflows of Resources</b>		
Deferred Charges on Refunding	321,698	369,630
Pension & OPEB	9,942,325	8,217,634
<i>Deferred Outflows of Resources</i>	10,264,023	8,587,264
<b>Liabilities</b>		
Other Liabilities	2,950,134	3,802,172
Long-Term Liabilities:		
Due Within One Year	1,719,151	1,668,845
Due in More Than One Year:		
Pension & OPEB	31,565,085	42,023,028
Other Amounts	13,482,726	15,210,082
<i>Total Liabilities</i>	49,717,096	62,704,127

*(continued)*

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	Governmental Activities	
	2018	Restated 2017
<b>Deferred Inflows of Resources</b>		
Property Taxes and Other	11,268,221	12,795,109
Pension & OPEB	1,663,796	47,455
<i>Deferred Inflows of Resources</i>	12,932,017	12,842,564
<b>Net Position</b>		
Net Investment in Capital Assets	11,190,207	10,325,867
Restricted	3,549,291	2,525,225
Unrestricted	(9,180,693)	(23,270,522)
<i>Total Net Position</i>	\$ 5,558,805	\$ (10,419,430)

The net pension liability (NPL) is the largest single liability reported by the School District at June 30, 2018 and is reported pursuant to GASB Statement 68, *Accounting and Financial Reporting for Pensions—an Amendment of GASB Statement 27*. For fiscal year 2018, the School District adopted GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which significantly revises accounting for costs and liabilities related to other postemployment benefits (OPEB). For reasons discussed below, many end users of this financial statement will gain a clearer understanding of the School District's actual financial condition by adding deferred inflows related to pension and OPEB, the net pension liability and the net OPEB liability to the reported net position and subtracting deferred outflows related to pension and OPEB.

Governmental Accounting Standards Board standards are national and apply to all government financial reports prepared in accordance with generally accepted accounting principles. Prior accounting for pensions (GASB 27) and postemployment benefits (GASB 45) focused on a funding approach. This approach limited pension and OPEB costs to contributions annually required by law, which may or may not be sufficient to fully fund each plan's *net pension liability* or *net OPEB liability*. GASB 68 and GASB 75 take an earnings approach to pension and OPEB accounting; however, the nature of Ohio's statewide pension/OPEB plans and state law governing those systems requires additional explanation in order to properly understand the information presented in these statements.

GASB 68 and GASB 75 require the net pension liability and the net OPEB liability to equal the School District's proportionate share of each plan's collective:

1. Present value of estimated future pension/OPEB benefits attributable to active and inactive employees' past service
2. Minus plan assets available to pay these benefits

GASB notes that pension and OPEB obligations, whether funded or unfunded, are part of the "employment exchange" – that is, the employee is trading his or her labor in exchange for wages, benefits, and the promise of a future pension and other postemployment benefits. GASB noted that the unfunded portion of this promise is a present obligation of the government, part of a bargained-for benefit to the employee, and should accordingly be reported by the government as a liability since they received the benefit of the exchange. However, the School District is not responsible for certain key factors affecting the balance of these liabilities. In Ohio, the employee shares the obligation of funding pension

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benefits with the employer. Both employer and employee contribution rates are capped by State statute. A change in these caps requires action of both Houses of the General Assembly and approval of the Governor. Benefit provisions are also determined by State statute. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The employee enters the employment exchange with the knowledge that the employer's promise is limited not by contract but by law. The employer enters the exchange also knowing that there is a specific, legal limit to its contribution to the retirement system. In Ohio, there is no legal means to enforce the unfunded liability of the pension/OPEB plan *as against the public employer*. State law operates to mitigate/lessen the moral obligation of the public employer to the employee, because all parties enter the employment exchange with notice as to the law. The retirement system is responsible for the administration of the pension and OPEB plans.

Most long-term liabilities have set repayment schedules or, in the case of compensated absences (i.e. sick and vacation leave), are satisfied through paid time-off or termination payments. There is no repayment schedule for the net pension liability or the net OPEB liability. As explained above, changes in benefits, contribution rates, and return on investments affect the balance of these liabilities, but are outside the control of the local government. In the event that contributions, investment returns, and other changes are insufficient to keep up with required payments, State statute does not assign/identify the responsible party for the unfunded portion. Due to the unique nature of how the net pension liability and the net OPEB liability are satisfied, these liabilities are separately identified within the long-term liability section of the statement of net position.

In accordance with GASB 68 and GASB 75, the School District's statements prepared on an accrual basis of accounting include an annual pension expense and an annual OPEB expense for their proportionate share of each plan's *change* in net pension liability and net OPEB liability, respectively, not accounted for as deferred inflows/outflows.

As a result of implementing GASB 75, the School District is reporting a net OPEB liability and deferred inflows/outflows of resources related to OPEB on the accrual basis of accounting. This implementation also had the effect of restating net position at June 30, 2017, from a deficit of \$3.5 million to a deficit of \$10.4 million.

At year end, capital assets represented 42 percent of total assets. Capital assets include land, land improvements, buildings and improvements, furniture and equipment and vehicles. Net investment in capital assets was \$11.2 million at June 30, 2018. These capital assets are used to provide services to students and are not available for future spending. Although the School District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

A portion of the School District's net position, \$3.5 million, represents resources that are subject to external restrictions on how they may be used. The government-wide unrestricted net position is a deficit of \$9.2 million at June 30, 2018, which is primarily created by GASB 68 and GASB 75.

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Current and other assets increased \$2.0 million over fiscal year 2017. There was a \$2.1 million increase in cash, primarily due to revenues continuing to outpace expenditures in the general fund. Accounts payable showed a decrease of \$1.0 million from fiscal year 2017, mainly due to bus and HVAC equipment purchases in the prior year. Deferred inflows for property taxes decreased due to a \$1.3 million increase in taxes available for advance at year end.

The significant decrease in net pension liability is largely the result of a change in benefit terms in which STRS reduced their COLA to zero coupled by a slight reduction in COLA benefits by SERS. The significant increase in deferred outflows and inflows related to pension/OPEB are primarily from the change of assumptions and the difference in projected and actual investments earnings, respectively. All components of pension and OPEB accruals contribute to the fluctuations in deferred outflows/inflows and NPL/NOL and are described in more detail in their respective notes.

In order to further understand what makes up the changes in net position for the current year, the following table gives readers further details regarding the results of activities for 2018 and 2017.

**Table 2**  
**Changes in Net Position**

	Governmental Activities	
	2018	2017
<b>Revenues</b>		
<i>Program Revenues:</i>		
Charges for Services and Sales	\$ 1,562,847	\$ 1,247,444
Operating Grants, Contributions and Interest	1,519,211	1,419,205
<b>Total Program Revenues</b>	<b>3,082,058</b>	<b>2,666,649</b>
<i>General Revenues:</i>		
Property Taxes	16,041,945	14,527,077
Grants and Entitlements Not Restricted	9,318,485	9,924,422
Capital Grants and Entitlements Not Restricted	1,024,023	1,038,994
Payment in Lieu of Taxes	34,852	33,745
Investment Earnings	70,747	79,799
Miscellaneous	419,269	95,089
<b>Total General Revenues</b>	<b>26,909,321</b>	<b>25,699,126</b>
<b>Total Revenues</b>	<b>29,991,379</b>	<b>28,365,775</b>
<b>Program Expenses</b>		
<i>Instruction:</i>		
Regular	4,059,299	11,002,023
Special	1,233,058	2,823,744
Vocational	14,471	437,121
Student Intervention	1,155,534	1,279,620
		<i>(continued)</i>



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	Governmental Activities	
	2018	2017
Support Services:		
Pupils	474,506	1,679,437
Instructional Staff	940,347	1,430,226
Board of Education	26,584	38,152
Administration	1,234,550	2,140,574
Fiscal	621,391	758,245
Business	128,552	0
Operation and Maintenance of Plant	1,240,507	2,402,687
Pupil Transportation	1,121,569	1,517,119
Central	8,377	8,090
Operation of Non-Instructional Services:		
Food Service Operations	548,369	601,353
Community Services	36,523	39,991
Extracurricular Activities	660,079	917,773
Debt Service:		
Interest and Fiscal Charges	509,428	567,745
<i>Total Expenses</i>	14,013,144	27,643,900
<i>Increase in Net Position</i>	\$ 15,978,235	\$ 721,875

The information necessary to restate the 2017 beginning balances and the 2017 OPEB expense amounts for the effects of the initial implementation of GASB 75 is not available. Therefore, 2017 functional expenses still include OPEB expense of \$44,072 computed under GASB 45. GASB 45 required recognizing pension expense equal to the contractually required contributions to the plan. Under GASB 75, OPEB expense represents additional amounts earned, adjusted by deferred inflows/outflows. The contractually required contribution is no longer a component of OPEB expense. Under GASB 75, the 2018 statements report negative OPEB expense of \$941,094. Consequently, in order to compare 2018 total program expenses to 2017, the following adjustments are needed:

Total 2018 Program Expenses under GASB 75	\$ 14,013,144
Negative OPEB Expense under GASB 75	941,094
2018 Contractually Required Contribution	52,999
Adjusted 2018 Program Expenses	15,007,237
Total 2017 Program Expenses under GASB 45	27,643,900
Decrease in Program Expenses not Related to OPEB	\$ (12,636,663)

Property taxes showed an increase over fiscal year 2017 due to an increase in property taxes available for advance at year end.

See financial highlights for explanation of fluctuations in instructional, support services and extracurricular expenses. Business expenses mainly consist of severance payouts made during the year.

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

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**Table 3**

	Total Cost of Service		Net Cost of Service	
	2018	2017	2018	2017
Instruction:				
Regular	\$ 4,059,299	\$ 11,002,023	\$ 3,616,086	\$ 10,685,780
Special	1,233,058	2,823,744	77,907	1,914,252
Vocational	14,471	437,121	(18,204)	378,385
Student Intervention	1,155,534	1,279,620	1,155,534	1,279,620
Support Services:				
Pupils	474,506	1,679,437	474,506	1,677,303
Instructional Staff	940,347	1,430,226	745,821	1,257,218
Board of Education	26,584	38,152	17,598	31,391
Administration	1,234,550	2,140,574	1,158,763	2,140,574
Fiscal	621,391	758,245	621,391	758,245
Business	128,552	0	128,552	0
Operation and Maintenance of Plant	1,240,507	2,402,687	1,240,507	2,391,431
Pupil Transportation	1,121,569	1,517,119	1,059,759	1,489,213
Central	8,377	8,090	1,177	890
Operation of Non-Instructional Services:				
Food Service Operations	548,369	601,353	52,320	106,260
Community Services	36,523	39,991	35,823	(27,665)
Extracurricular Activities	660,079	917,773	54,118	326,609
Debt Service:				
Interest and Fiscal Charges	509,428	567,745	509,428	567,745
<i>Total Expenses</i>	<b>\$ 14,013,144</b>	<b>\$ 27,643,900</b>	<b>\$ 10,931,086</b>	<b>\$ 24,977,251</b>

The dependence upon general revenues for governmental activities is apparent. 78 percent of governmental activities are supported through taxes and other general revenues; such revenues are 90 percent of total governmental revenues. The community, as a whole, is by far the primary support for the School District students.

The total and net cost of services changes were primarily caused by the change in COLA related to NPL as previously discussed.

***Governmental Funds***

Information about the School District's major funds starts on page 18. These funds are accounted for using the modified accrual basis of accounting. The net change in fund balances for the fiscal year was an increase of \$4.3 million for all governmental funds.

The general fund's net change in fund balance for fiscal year 2018 was an increase of \$3.2 million over fiscal year 2017. Revenues increased \$1.4 million over fiscal year 2017, mainly due to the increase in taxes available for advance at year end. The overall increase in fund balance is the result of revenues outpacing expenditures.

The fund balance of the debt service fund increased \$0.4 million over fiscal year 2017 due to the timing of revenues to cover expenditures.

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***General Fund Budgeting Highlights***

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

During the course of fiscal year 2018, the School District amended its general fund budget. The School District uses site-based budgeting and budgeting systems are designed to tightly control total site budgets but provide flexibility for site management.

For the general fund, actual and final budget basis revenue was \$22.9 million for fiscal year 2018. Original budget basis revenue was \$0.9 million less than final estimates with no individually significant revenues accounting for the difference.

Final appropriations expenditures were \$1.9 million over actual budget expenditures of \$21.0 million as the School District continues cost cutting efforts. Original expenditure appropriations of \$21.8 million were \$1.1 million less than final expenditure appropriations with no individually significant line item accounting for the difference.

No significant fluctuations were noted in other financing sources and uses.

***Capital Assets and Debt Administration***

**Capital Assets**

At the end of fiscal year 2018, the School District had \$24.3 million invested in capital assets. Table 4 shows fiscal year 2018 balances compared with 2017.

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

	Governmental Activities	
	2018	2017
Land	\$ 773,495	\$ 773,495
Land Improvements	279,501	357,759
Buildings and Improvements	22,062,589	22,642,083
Furniture and Equipment	470,718	329,727
Vehicles	753,432	878,894
<i>Totals</i>	\$ 24,339,735	\$ 24,981,958

The \$0.6 million decrease in capital assets was attributable to current depreciation and adjustments exceeding acquisitions. See Note 9 for more information about the capital assets of the School District.

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**Debt**

At June 30, 2018, the School District had \$13.5 million in debt outstanding. See Note 12 and 13 for additional details. Table 5 summarizes debt outstanding.

**Table 5**  
**Outstanding Debt at June 30**

	Governmental Activities	
	2018	2017
<i>General Obligation Bonds:</i>		
2007 School Facilities Refunding		
Refunding	\$ 4,820,000	\$ 5,310,000
Unamortized Bond Premiums	225,379	255,430
2010 School Facilities Refunding		
Refunding	4,600,000	5,075,000
Unamortized Bond Premiums	234,437	267,928
2013 School Facilities Refunding		
Refunding	1,670,000	1,855,000
Unamortized Bond Premiums	79,926	91,344
Certificates of Participation	1,760,000	2,010,000
Capital Leases	81,484	161,019
Totals	\$ 13,471,226	\$ 15,025,721

In fiscal year 2018, the School District made principal payments of \$1.2 million in general obligation bonds, \$0.3 million in certificates of participation and \$79,535 in capital leases.

On October 22, 2018, the School District's credit rating was upgraded to Aa3.

***For the Future***

Life in the Buckeye Local School District is a reflection of Medina County with its agricultural roots, increased commercial and industrial expansion and residential migration from more populated areas. Contributing to the growth and prosperity of the School District is the 1,400-acre industrial park located in Liverpool Township. The Liverpool Industrial Park is Medina County's largest industrial park and is home to several corporate headquarters. Shiloh Industries, Inc., located in the industrial park, is the County's 10th largest employer. Additionally, MTD Products, Sandridge Food Corporation and Discount Drug Mart are also part of the County's top ten employers listing located within the School District.

While the School District's agricultural history of farming is still an important part of the County's economy, it has steadily decreased. Over the last decade nearly four thousand farm acres have been lost in the County and this trend continues.

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As the agricultural growth has decreased, residential growth has increased. Housing developments continue to receive approval by the townships. Prices of new homes are in the \$180,000 to over \$500,000 price range. The new developments are attracting retirees, empty nesters, as well as young families to the area. Residential/Agricultural property contributes 80 percent of the School District's real estate valuation.

With the recent reaffirmation of the Emergency levy, the community has provided the School District with the opportunity to provide increased services to the students. The School District continued its commitment to technology initiatives. Currently the School District is in year three of a five-year Instructional Technology Plan. Year three saw additional grades receiving a Chromebook in the 1:1 initiative, additional Chromebook carts were placed throughout the School District, and MacBook devices were purchased for teachers. The School District strategically includes a Technology Integration Specialist, who is responsible for assisting staff/students in implementing technology initiatives. Additionally, the School District is making great strides in increasing and improving gifted services for high achieving students and co-teaching situations for struggling students. Administration continually evaluates instruction and innovative improvements to instructional delivery and the educational process as a whole. In partnership with local colleges and universities, the College Credit Plus enrollment continues to rise. Many students and families are excited to receive college credit for no additional costs to them.

Staffing levels have seen a very modest increase to allow for strategic class size reductions. Additionally, there has been an increase in Gifted services to provide another avenue to further provide educational services to a diverse cross section of students. The School District's collaboration with the Medina County Career Center has brought new opportunities to students in the areas of science, technology, engineering, arts, and mathematics.

Buckeye's leadership team works diligently to find innovative, collaborative, and cost effective methods to continue to bring programming back to the district in a sustainable manner. The team continues to evaluate the needs of our students and strives to provide opportunities to meet these needs.

The School District is also committed to continued maintenance of our campus. Significant improvements were completed to aging HVAC systems and roofs throughout the District. Additionally there were structural repairs and cosmetic improvements completed to all buildings on campus. Paving projects took place all throughout School District parking lots. Additionally, one new bus and one new passenger van were added to the fleet, allowing aging vehicles to come off.

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

### **Contacting the School District's Financial Management**

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

**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Net Position*  
*June 30, 2018*

	Governmental Activities
<b>Assets</b>	
Equity in Pooled Cash and Investments	\$ 18,191,372
Receivables:	
Intergovernmental	1,177,159
Taxes	14,209,513
Prepaid Items	26,116
Nondepreciable Capital Assets	773,495
Depreciable Capital Assets (Net)	23,566,240
<i>Total Assets</i>	57,943,895
<b>Deferred Outflows of Resources</b>	
Deferred Charges on Debt Refunding	321,698
Pension	9,586,674
OPEB	355,651
<i>Total Deferred Outflows of Resources</i>	10,264,023
<b>Liabilities</b>	
Accounts Payable	72,929
Accrued Wages and Benefits	2,270,831
Intergovernmental Payable	514,138
Matured Compensated Absences	40,019
Accrued Interest Payable	35,603
Claims Payable	16,614
Long Term Liabilities:	
Due Within One Year	1,719,151
Due In More Than One Year:	
Net Pension Liability	25,928,821
Net OPEB Liability	5,636,264
Other Amounts Due in More than One Year	13,482,726
<i>Total Liabilities</i>	49,717,096
<b>Deferred Inflows of Resources</b>	
Property Taxes Levied for the Next Year	11,268,221
Pension	998,115
OPEB	665,681
<i>Total Deferred Inflows of Resources</i>	12,932,017
<b>Net Position</b>	
Net Investment in Capital Assets	11,190,207
Restricted for:	
Capital Outlay	1,475,336
Debt Service	1,912,695
Local Grants	44,181
Special Trust	41,920
Other Purposes	75,159
Unrestricted	(9,180,693)
<i>Total Net Position</i>	\$ 5,558,805

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Activities*  
For the Fiscal Year Ended June 30, 2018

	Program Revenues			Net (Expense)
	Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Revenue and Changes in Net Position
<b>Governmental Activities</b>				
Instruction:				
Regular	\$ 4,059,299	\$ 282,704	\$ 160,509	\$ (3,616,086)
Special	1,233,058	396,801	758,350	(77,907)
Vocational	14,471	0	32,675	18,204
Student Intervention	1,155,534	0	0	(1,155,534)
Support Services:				
Pupils	474,506	0	0	(474,506)
Instructional Staff	940,347	0	194,526	(745,821)
Board of Education	26,584	0	8,986	(17,598)
Administration	1,234,550	0	75,787	(1,158,763)
Fiscal	621,391	0	0	(621,391)
Business	128,552	0	0	(128,552)
Operation and Maintenance of Plant	1,240,507	0	0	(1,240,507)
Pupil Transportation	1,121,569	0	61,810	(1,059,759)
Central	8,377	0	7,200	(1,177)
Operation of Non-Instructional Services:				
Food Service Operations	548,369	287,142	208,907	(52,320)
Community Services	36,523	0	700	(35,823)
Extracurricular Activities	660,079	596,200	9,761	(54,118)
Debt Service:				
Interest and Fiscal Charges	509,428	0	0	(509,428)
<b>Total Governmental Activities</b>	<u>\$ 14,013,144</u>	<u>\$ 1,562,847</u>	<u>\$ 1,519,211</u>	<u>(10,931,086)</u>

**General Revenues**

Property Taxes Levied for:	
General Purposes	13,848,034
Debt Service	1,722,586
Capital Outlay	471,325
Grants and Entitlements not Restricted to Specific Programs	9,318,485
Capital Grants not Restricted to Specific Programs	1,024,023
Payments in Lieu of Taxes	34,852
Investment Earnings	70,747
Miscellaneous	419,269
<b>Total General Revenues</b>	<u>26,909,321</u>
<i>Change in Net Position</i>	15,978,235
<i>Net Position Beginning of Year, Restated (See Note 2)</i>	<u>(10,419,430)</u>
<i>Net Position End of Year</i>	<u>\$ 5,558,805</u>

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Balance Sheet*  
*Governmental Funds*  
*June 30, 2018*

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 15,445,844	\$ 1,627,527	\$ 861,376	\$ 17,934,747
Receivables:				
Interfund	134,757	0	0	134,757
Intergovernmental	279,170	0	897,989	1,177,159
Taxes	12,320,356	1,469,165	419,992	14,209,513
Prepaid Items	26,116	0	0	26,116
<i>Total Assets</i>	<u>\$ 28,206,243</u>	<u>\$ 3,096,692</u>	<u>\$ 2,179,357</u>	<u>\$ 33,482,292</u>
<b>Liabilities</b>				
Accounts Payable	\$ 45,651	\$ 0	\$ 27,278	\$ 72,929
Accrued Wages and Benefits	2,199,502	0	71,329	2,270,831
Intergovernmental Payable	477,773	0	36,365	514,138
Matured Compensated Absences Payable	40,019	0	0	40,019
Interfund Payable	0	0	134,757	134,757
<i>Total Liabilities</i>	<u>2,762,945</u>	<u>0</u>	<u>269,729</u>	<u>3,032,674</u>
<b>Deferred Inflows of Resources</b>				
Property Taxes Levied for the Next Fiscal Year	9,791,481	1,148,394	328,346	11,268,221
Unavailable Revenue - Delinquent Property Taxes	63,845	8,141	2,326	74,312
Unavailable Revenue - Other	189,282	0	660,939	850,221
<i>Total Deferred Inflows of Resources</i>	<u>10,044,608</u>	<u>1,156,535</u>	<u>991,611</u>	<u>12,192,754</u>
<b>Fund Balances</b>				
Nonspendable	26,116	0	0	26,116
Restricted	0	1,940,157	1,053,489	2,993,646
Committed	1,101	0	0	1,101
Assigned	487,710	0	0	487,710
Unassigned	14,883,763	0	(135,472)	14,748,291
<i>Total Fund Balances</i>	<u>15,398,690</u>	<u>1,940,157</u>	<u>918,017</u>	<u>18,256,864</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances</i>	<u>\$ 28,206,243</u>	<u>\$ 3,096,692</u>	<u>\$ 2,179,357</u>	<u>\$ 33,482,292</u>

See accompanying notes to the basic financial statements.



**Buckeye Local School District**  
**Medina County, Ohio**

*Reconciliation of Total Governmental Fund Balances to  
Net Position of Governmental Activities  
June 30, 2018*

Total Governmental Fund Balances \$ 18,256,864

***Amounts reported for governmental activities in the statement of net position are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. 24,339,735

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.

Grants	\$	134,511	
Delinquent Property Taxes		74,312	
County Sales Tax		526,428	
Other		189,282	924,533

An internal service fund is used by management to charge the costs of insurance to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position. 240,011

In the statement of activities, interest is accrued on outstanding bonds, whereas in the governmental funds, an interest expenditure is not reported. (35,603)

In the statement of activities, a gain/loss on refunding is amortized over the term of the bonds, whereas in governmental funds a refunding gain/loss is reported when bonds are issued. 321,698

The net pension and OPEB liabilities are not due and payable in the current period; therefore, the liabilities and related deferred inflows/outflows are not reported in the funds. reported in governmental funds:

Deferred Outflows - Pension	9,586,674		
Deferred Outflows - OPEB	355,651		
Net Pension Liability	(25,928,821)		
Net OPEB Liability	(5,636,264)		
Deferred Inflows - Pension	(998,115)		
Deferred Inflows - OPEB	(665,681)		(23,286,556)

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

General Obligation Bonds	(11,090,000)		
Unamortized Premium	(539,742)		
Certificates of Participation	(1,760,000)		
Capital Lease Payable	(81,484)		
Compensated Absences	(1,730,651)		(15,201,877)

Net Position of Governmental Activities \$ 5,558,805

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Governmental Funds*  
*For the Fiscal Year Ended June 30, 2018*

	General	Debt Service	Other Governmental Funds	Total Governmental Funds
<b>Revenues:</b>				
Property and Other Local Taxes	\$ 13,856,426	\$ 1,724,401	\$ 471,488	\$ 16,052,315
Intergovernmental	9,337,105	294,402	2,027,996	11,659,503
Investment Income	70,747	0	266	71,013
Tuition and Fees	543,319	0	0	543,319
Extracurricular Activities	284,014	0	312,186	596,200
Rentals	11,098	0	0	11,098
Charges for Services	142,246	0	286,904	429,150
Contributions and Donations	700	0	18,909	19,609
Payment in Lieu of Taxes	34,852	0	0	34,852
Miscellaneous	357,444	33,144	9,470	400,058
<i>Total Revenues</i>	<u>24,637,951</u>	<u>2,051,947</u>	<u>3,127,219</u>	<u>29,817,117</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	9,878,016	0	316,990	10,195,006
Special	2,138,573	0	368,692	2,507,265
Vocational	327,182	0	0	327,182
Student Intervention Services	1,155,534	0	0	1,155,534
Support Services:				
Pupils	1,095,968	0	69,479	1,165,447
Instructional Staff	924,279	0	185,128	1,109,407
Board of Education	26,584	0	0	26,584
Administration	1,900,631	0	65,881	1,966,512
Fiscal	677,941	24,444	1,250	703,635
Business	128,552	0	0	128,552
Operation and Maintenance of Plant	1,424,572	0	215,182	1,639,754
Pupil Transportation	1,106,101	0	0	1,106,101
Central	1,177	0	7,200	8,377
Extracurricular Activities	378,319	0	501,716	880,035
Operation of Non-Instructional Services:				
Food Service Operations	0	0	511,558	511,558
Community Services	40,920	0	0	40,920
Capital Outlay	0	0	69,499	69,499
Debt Service:				
Principal Retirement	0	1,150,000	329,535	1,479,535
Interest and Fiscal Charges	0	452,371	88,274	540,645
<i>Total Expenditures</i>	<u>21,204,349</u>	<u>1,626,815</u>	<u>2,730,384</u>	<u>25,561,548</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>3,433,602</u>	<u>425,132</u>	<u>396,835</u>	<u>4,255,569</u>
<b>Other Financing Sources (Uses):</b>				
Proceeds from Sale of Assets	8,258	0	0	8,258
Transfers In	0	0	192,500	192,500
Transfers Out	(192,500)	0	0	(192,500)
<i>Total Other Financing Sources (Uses)</i>	<u>(184,242)</u>	<u>0</u>	<u>192,500</u>	<u>8,258</u>
<i>Net Change in Fund Balance</i>	3,249,360	425,132	589,335	4,263,827
<i>Fund Balances Beginning of Year</i>	<u>12,149,330</u>	<u>1,515,025</u>	<u>328,682</u>	<u>13,993,037</u>
<i>Fund Balances End of Year</i>	<u>\$ 15,398,690</u>	<u>\$ 1,940,157</u>	<u>\$ 918,017</u>	<u>\$ 18,256,864</u>

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**

*Reconciliation of the Changes  
in Fund Balances of Governmental Funds to the Statement of Activities  
For the Fiscal Year Ended June 30, 2018*

Net Change in Fund Balances - Total Governmental Funds	\$	4,263,827
 <i>Amounts reported for governmental activities in the statement of activities are different because:</i>		
Governmental funds report capital outlays as expenditures, however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation.		
Capital Asset Additions	\$ 473,226	
Current Year Depreciation	<u>(1,115,449)</u>	(642,223)
 Revenues in the statement of activities that do not provide current financial resources and are not reported as revenues in the funds.		
Grants	20,338	
Delinquent Property Taxes	(10,371)	
County Sales Tax	(8,027)	
Other	<u>172,322</u>	174,262
 Repayment of bond and capital lease principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Bond Principal	1,150,000	
Certificates of Participation	250,000	
Capital Leases	<u>79,535</u>	1,479,535
 Contractually required contributions are reported as expenditures in governmental funds; however, the statement of net position reports these amounts as deferred outflows.		
Pension	1,822,623	
OPEB	<u>52,999</u>	1,875,622
 Except for amount reported as deferred inflows/outflows, changes in the net pension liability are reported as pension expense in the statement of activities.		
Pension	7,749,577	
OPEB	<u>941,094</u>	8,690,671
 In the statement of activities, interest is accrued on outstanding bonds, and bond premium and gain/loss on refunding are amortized over the term of the bonds, whereas in governmental funds, an interest expenditure is reported when bonds are issued.		
Accrued Interest Payable	4,189	
Amortization of Premium on Bonds	74,960	
Amortization of Refunding Loss	<u>(47,932)</u>	31,217
 The internal service fund used by management to charge the costs of insurance to individual funds is not reported in the district-wide statement of activities. The net revenue (expense) of internal service funds is reported with governmental activities.		
		(17,231)
 Some expenses reported in the statement of activities do not use the current financial resources and therefore are not reported as expenditures in governmental funds.		
Compensated Absences		122,555
		<hr/>
Change in Net Position of Governmental Activities	\$	<u>15,978,235</u>

See accompanying notes to the basic financial statements.

**Buckeye Local School District  
Medina County, Ohio**

*Statement of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
General Fund  
For the Fiscal Year Ended June 30, 2018*

	Budgeted Amounts		Actual	Variance
	Original	Final		
<b>Revenues</b>				
Property and Other Local Taxes	\$ 12,306,322	\$ 12,736,496	\$ 12,736,496	\$ 0
Intergovernmental	9,397,119	9,414,195	9,414,195	0
Investment Income	92,341	185,521	185,521	0
Tuition and Fees	170,783	370,291	370,291	0
Rentals	5,000	11,098	11,098	0
Charges for Services	25,000	142,246	142,246	0
Miscellaneous	8,800	32,435	35,015	2,580
<i>Total Revenues</i>	<u>22,005,365</u>	<u>22,892,282</u>	<u>22,894,862</u>	<u>2,580</u>
<b>Expenditures</b>				
Current:				
Instruction:				
Regular	9,853,687	10,166,981	9,704,407	462,574
Special	2,361,138	2,414,393	2,088,437	325,956
Vocational	316,620	323,469	330,118	(6,649)
Student Intervention Services	1,228,514	1,425,364	1,225,932	199,432
Support Services:				
Pupils	1,203,781	1,231,799	1,101,919	129,880
Instructional Staff	1,115,772	1,168,635	954,147	214,488
Board of Education	33,659	34,280	28,261	6,019
Administration	2,032,841	2,196,246	1,934,342	261,904
Fiscal	859,103	841,598	683,334	158,264
Business	69,827	107,166	91,195	15,971
Operation and Maintenance of Plant	1,505,589	1,689,264	1,537,248	152,016
Pupil Transportation	1,051,274	1,158,903	1,157,025	1,878
Central	1,625	1,650	1,352	298
Extracurricular Activities	137,036	141,374	127,979	13,395
<i>Total Expenditures</i>	<u>21,770,466</u>	<u>22,901,122</u>	<u>20,965,696</u>	<u>1,935,426</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>234,899</u>	<u>(8,840)</u>	<u>1,929,166</u>	<u>1,938,006</u>
<b>Other Financing Sources (Uses)</b>				
Proceeds from Sale of Capital Assets	2,000	8,258	8,258	0
Refund of Prior Year Expenditures	1,500	306,760	306,760	0
Advances In	5,000	4,068	4,068	0
Advances Out	(134,757)	(134,757)	(134,757)	0
Transfers Out	(200,000)	(192,500)	(192,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(326,257)</u>	<u>(8,171)</u>	<u>(8,171)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>(91,358)</u>	<u>(17,011)</u>	<u>1,920,995</u>	<u>1,938,006</u>
<i>Fund Balance Beginning of Year</i>	<u>12,061,526</u>	<u>12,061,526</u>	<u>12,061,526</u>	<u>0</u>
Prior Year Encumbrances Appropriated	<u>615,190</u>	<u>615,190</u>	<u>615,190</u>	<u>0</u>
<i>Fund Balance End of Year</i>	<u>\$ 12,585,358</u>	<u>\$ 12,659,705</u>	<u>\$ 14,597,711</u>	<u>\$ 1,938,006</u>

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Fund Net Position*  
*Proprietary Fund*  
*June 30, 2018*

	Governmental Activities - Internal Service Fund
	<u>                    </u>
<b>Assets</b>	
<i>Current Assets</i>	
Equity in Pooled Cash and Investments	\$ <u>256,625</u>
<i>Total Assets</i>	<u>256,625</u>
<b>Liabilities</b>	
<i>Current Liabilities</i>	
Claims Payable	<u>16,614</u>
<i>Total Liabilities</i>	<u>16,614</u>
<b>Net Position</b>	
Unrestricted	<u>240,011</u>
<i>Total Net Position</i>	<u><u>\$ 240,011</u></u>

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Revenues, Expenses, and Changes in Fund Net Position*  
*Proprietary Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Governmental Activities - Internal Service Fund
<b>Operating Revenue</b>	
Charges for Services	\$ 177,746
<i>Total Operating Revenues</i>	<i>177,746</i>
<b>Operating Expenses</b>	
Purchased Services	16,315
Claims	178,662
<i>Total Operating Expenses</i>	<i>194,977</i>
<i>Operating Income (Loss)</i>	<i>(17,231)</i>
<i>Net Position Beginning of Year</i>	<i>257,242</i>
<i>Net Position End of Year</i>	<i>\$ 240,011</i>

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Cash Flows*  
*Proprietary Fund*  
For the Fiscal Year Ended June 30, 2018

	Governmental Activities
	Internal Service Fund
<b>Cash Flows From Operating Activities:</b>	
Cash Received from Charges for Services	\$ 177,746
Cash Paid for Goods and Services	(16,315)
Cash Paid for Claims	(178,713)
<i>Net Increase (Decrease) in Pooled Cash and Investments</i>	(17,282)
<i>Pooled Cash and Investments at Beginning of Year</i>	273,907
<i>Pooled Cash and Investments at End of Year</i>	\$ 256,625
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided By (Used For) Operating Activities:</b>	
Operating Income (Loss)	\$ (17,231)
Adjustments:	
Increase (Decrease) in Liabilities	
Claims Payable	(51)
<i>Total Adjustments</i>	(51)
<i>Net Cash Provided By (Used For) Operating Activities</i>	\$ (17,282)

See accompanying notes to the basic financial statements.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Fiduciary Net Position*  
*Fiduciary Funds*  
*June 30, 2018*

	Private Purpose Trust	Agency
<b>Assets</b>		
Equity in Pooled Cash and Investments	\$ 86,193	\$ 69,101
<b>Liabilities</b>		
Undistributed Monies	0	2,235
Due to Students	0	66,866
<i>Total Liabilities</i>	0	\$ 69,101
<b>Net Position</b>		
Held in Trust for Scholarships	\$ 86,193	

See accompanying notes to the basic financial statements.



**Buckeye Local School District**  
**Medina County, Ohio**  
*Statement of Changes in Fiduciary Net Position*  
*Private Purpose Trust Fund*  
For the Fiscal Year Ended June 30, 2018

	<u>Private Purpose Trust</u>
<b>Additions</b>	
Investment Earnings	\$ 715
<b>Deductions</b>	
Payments in Accordance with Trust Agreements	<u>7,084</u>
<i>Change in Net Position</i>	(6,369)
<i>Net Position Beginning of Year</i>	<u>92,562</u>
<i>Net Position End of Year</i>	<u><u>\$ 86,193</u></u>

See accompanying notes to the basic financial statements.

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**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**Note 1 - Description of the School District**

The Buckeye Local School District (the "School District") is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio. The School District operates under an elected Board of Education consisting of five members and is responsible for providing public education to residents of the School District.

***Reporting Entity***

A reporting entity is comprised of the primary government, component units and other organizations that are included to ensure that financial statements of the School District are not misleading. The primary government of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Buckeye Local School District, this includes general operations, food service and student related activities of the School District.

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

The School District participates in three jointly governed organizations and two public entity risk pools. These organizations are the Northeast Ohio Network for Educational Technology, the Ohio Schools' Council, Medina County Career Center, the Schools of Ohio Risk Sharing Authority and the Ohio Association of School Business Officials Workers' Compensation Group Rating Program. These organizations are presented in Notes 14, 15 and 16 to the basic financial statements.

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

The financial statements of the School District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to local governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

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

***Basis of Presentation***

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

**Buckeye Local School District**  
**Medina County, Ohio**

*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**Government-wide Financial Statements** The statement of net position and the statement of activities display information about the School District as a whole. These statements include the financial activities of the primary government, except for fiduciary funds. The internal activities within “activity” types are eliminated to avoid “doubling up” revenues and expenses.

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

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

**Fund Accounting**

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

**Governmental Funds** Governmental funds are those through which most governmental functions typically are financed. Governmental fund reporting focuses on the sources, uses and balances of current financial resources. Expendable assets are assigned to the various governmental funds according to the purposes for which they may or must be used. Current liabilities are assigned to the fund from which they will be paid. The difference between governmental fund assets and deferred outflows of resources and liabilities and deferred inflows of resources is reported as fund balance. The following are the School District'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 School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

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

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

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

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

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

**Fiduciary Funds** Fiduciary fund reporting focuses on net position and changes in net position. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's private purpose trust fund accounts for scholarships specified in trust agreements. The School District's agency funds account for the OHSAA tournaments and student activity programs.

**Measurement Focus**

**Government-wide Financial Statements** The government-wide financial statements are prepared using the economic resources measurement focus. All nonfiduciary assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of the School District are included on the statement of net position.

**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 deferred outflows of resources and current liabilities and deferred inflows of resources generally are included on the balance sheet. The statement of revenues, expenditures and changes in fund balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

Like the government-wide statements, the internal service fund is accounted for on a flow of economic resources measurement focus. All assets and deferred outflows of resources and all liabilities and deferred inflows of resources associated with the operation of this fund are included on the statement of net position. The statement of changes in fund net position presents increases (i.e., revenues) and decreases (i.e., expenses) in net position. The statement of cash flows provides information about how the School District finances and meets the cash flow needs of its proprietary activities. The private purpose trust fund uses the economic resources measurement focus. Agency funds do not report a measurement focus as they do not report operations.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

***Basis of Accounting***

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

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

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (See Note 6). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the year when use is first permitted, matching requirements, in which the School District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at year-end: property tax advances, grants, fees and other reimbursements.

***Deferred Outflows/Inflows of Resources*** In addition to assets, the statements of financial position will sometimes report a separate section for deferred outflows of resources. Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense/expenditure) until then. For the School District, deferred outflows of resources are reported on the government-wide statement of net position for deferred charges on refunding, for pension and OPEB. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pension and OPEB plans are explained in Notes 10 and 11.

In addition to liabilities, the statements of financial position report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized until that time. For the School District, deferred inflows of resources include property taxes, payments in lieu of taxes, pension, OPEB and unavailable revenue. Property taxes represent amounts for which there is an enforceable legal claim as of June 30, 2018, but which were levied to finance fiscal year 2019 operations. These amounts have been recorded as a deferred inflow on

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both the government-wide statement of net position and governmental fund financial statements. Unavailable revenue is reported only on the governmental funds balance sheet, and represents receivables which will not be collected within the available period. For the School District, unavailable revenue may include delinquent property taxes, grants and entitlements and miscellaneous revenues. These amounts are deferred and recognized as an inflow of resources in the period the amounts become available. The details of these unavailable revenues are identified on the Reconciliation of Total Governmental Fund Balances to Net Position of Governmental Activities. Deferred inflows of resources related to pension and OPEB plans are reported on the government-wide statement of net position. (See Notes 10 and 11).

***Expenses/Expenditures*** On the accrual basis of accounting, expenses are recognized at the time they are incurred. The entitlement value of donated commodities used during the year is reported in the operating statement as an expense with a like amount reported as intergovernmental revenue.

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

***Budgetary Data***

All funds, other than agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. Although the legal level of budgetary control was established at the fund level of expenditures, the School District has elected to present budgetary statement comparisons at the fund and function level of expenditures. The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original revenue budgeted amounts in the budgetary statement reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported as the final revenue budgeted amounts in the budgetary statement reflect the amounts in the final amended certificate issued during fiscal year 2018.

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

***Cash and Investments***

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

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During fiscal year 2018, investments were limited to the State Treasurer's Investment Pool, (STAR Ohio), Federal Home Loan Mortgage, Federal Home Loan Bank, First American Government Obligations Money Market, U.S. Treasury Notes, negotiable certificates of deposit and repurchase agreements.

STAR Ohio (the State Treasury Asset Reserve of 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 has adopted Governmental Accounting Standards Board (GASB), Statement No. 79, *Certain External Investment Pools and Pool Participants*. The School District measures their investment in STAR Ohio at the net asset value (NAV) per share provided by STAR Ohio. The NAV per share is calculated on an amortized cost basis that provides an NAV per share that approximates fair value.

For the fiscal year 2018, there were no limitations or restrictions on any participant withdrawals due to redemption notice periods, liquidity fees, or redemption gates. However, notice must be given 24 hours in advance of all deposits and withdrawals exceeding \$25 million. STAR Ohio reserves the right to limit the transaction to \$100 million, requiring the excess amount to be transacted the following business day(s), but only to the \$100 million limit. All accounts of the participant will be combined for these purposes.

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

Investments of the cash management pool and investments with a maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as "equity in pooled cash and investments." Investments with an original maturity of more than three months that are not made from the pool are reported as "investments."

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the general fund was \$70,747, which includes \$35,325 assigned from other School District funds. The private purpose scholarship trust fund had investment earnings of \$715.

***Prepaid Items***

Payments made to vendors for services that will benefit periods beyond June 30, 2018 are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of purchase and an expenditure/expense is reported in the year in which services are consumed.

***Capital Assets***

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



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All capital assets are capitalized at cost (or estimated historical cost) and are updated for additions and retirements during the year. Donated capital assets are recorded at acquisition value. The School District maintains a capitalization threshold of \$5,000. The School District does not possess any infrastructure. Improvements are capitalized; the cost of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not.

All reported capital assets except land and construction in progress are depreciated. Improvements are depreciated over the remaining useful lives of the related capital assets. Depreciation is computed using the straight-line method over the following useful lives:

Description	Governmental Activities Estimated Lives
Land	N/A
Construction in Progress	N/A
Land Improvements	10 - 20 Years
Buildings and Improvements	10 - 50 Years
Furniture and Equipment	5 - 20 Years
Vehicles	5 - 10 Years

***Interfund Balances***

On fund financial statements, receivables and payables resulting from short-term interfund loans are classified as "interfund receivables/payables." These amounts are eliminated in the governmental activities column of the statement of net position.

***Compensated Absences***

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

Sick leave benefits are accrued as a liability using the termination method. An accrual for earned sick leave is made to the extent that it is probable that benefits will result in termination payments. The liability is an estimate based on the School District's past experience of making termination payments.

The entire compensated absence liability is reported on the government-wide financial statements. In governmental funds, the liability for unpaid compensated absences is the unused reimbursable leave still outstanding following an employee's resignation or retirement.

In governmental funds, the liability for unpaid compensated absences is the unused reimbursable leave still outstanding following an employee's resignation or retirement. These amounts are recorded in the account "matured compensated absences payable" in the fund from which the employees who have accumulated leave are paid.

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***Pensions and Other Postemployment Benefits (OPEB)***

For purposes of measuring the net pension/OPEB liability, deferred outflows of resources and deferred inflows of resources related to pension/OPEB, and pension/OPEB expense; information about the fiduciary net position of the pension/OPEB plans and additions to/deductions from their fiduciary net position have been determined on the same basis as they are reported by the pension/OPEB plan. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The pension/OPEB plans report investments at fair value.

***Accrued Liabilities and Long-term Obligations***

All payables, accrued liabilities, and long-term obligations are reported in the government-wide financial statements, and all payables, accrued liabilities and long-term obligations payable from the proprietary fund are reported on the proprietary fund financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the funds. However, claims and judgments, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment during the current fiscal year. Net pension/OPEB liability should be recognized in the governmental funds to the extent that benefit payments are due and payable and the pension/OPEB plan's fiduciary net position is not sufficient for payment of those benefits.

***Net Position***

Net position represents the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction or improvement of those assets or related debt also should be included in this component of net position. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. The amount restricted for other purposes represents amounts restricted for food service. At June 30, 2018, there was no net position restricted by enabling legislation.

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

***Fund Balance***

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

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

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

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

*Assigned* – Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the general fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the general fund, assigned amounts represent intended uses established by policies of the School District Board of Education. The School District Board of Education has, by resolution, authorized the Treasurer to assign fund balance. The School District Board of Education may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s appropriated budget.

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

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

***Operating Revenues and Expenses***

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

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***Interfund Activity***

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 proprietary funds. Repayments from funds responsible for particular expenditures/expenses to the funds that initially paid for them are not presented on the financial statements.

***Estimates***

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

***Implementation of New Accounting Principles and Restatement of Net Position***

For the fiscal year ended June 30, 2018, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial reporting for Postemployment Benefits other than Pensions*, GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, GASB Statement No. 85, *Omnibus 2017* and GASB Statement No. 86, *Certain Debt Extinguishments*.

GASB Statement No. 75 requires recognition of the entire net postemployment benefits other than pensions (other postemployment benefits or OPEB) liability and a more comprehensive measure of postemployment benefits expense for OPEB provided to the employees of state and local governmental employers through OPEB plans that are administered through trusts or equivalent arrangements. The implementation of GASB Statement No. 75 resulted in the inclusion of net OPEB liability and OPEB expense components on the accrual financial statements. See below for the effect on net position as previously reported.

GASB Statement No. 81 requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, it requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement also requires that a government recognize revenue when the resources become applicable to the reporting period. The implementation of GASB Statement No. 81 did not have an effect on the financial statements of the School District.

GASB Statement No. 85 addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits. These changes were incorporated in the School District's fiscal year 2018 financial statements; however, there was no effect on beginning net position/fund balance.

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GASB Statement No. 86 addresses the reporting and disclosure requirements of certain debt extinguishments including in-substance defeasance transactions and prepaid insurance associated with debt that is extinguished. The implementation of GASB Statement No. 86 did not have an effect on the financial statements of the School District.

Net Position, June 30, 2017	\$ (3,479,043)
Adjustments:	
Net OPEB Liability	(6,984,459)
Deferred Outflow-Payments Subsequent to Measurement Date	44,072
Restated Net Position, July 1, 2017	<u>\$ (10,419,430)</u>

Other than employer contributions subsequent to the measurement date, the School District made no restatement for deferred inflows/outflows of resources as the information needed to generate these restatements was not available.

**Note 3 – Fund Balance**

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

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

Fund Balance	General Fund	Debt Service Fund	Other Governmental Funds	Total
Nonspendable:				
Prepays	\$ 26,116	\$ 0	\$ 0	\$ 26,116
Restricted for:				
Debt Service	0	1,940,157	0	1,940,157
Capital Outlay	0	0	946,582	946,582
Special Trust	0	0	41,920	41,920
Other Purposes	0	0	64,987	64,987
Total Restricted	0	1,940,157	1,053,489	2,993,646
Committed to:				
Other Purposes	1,101	0	0	1,101
Assigned for:				
Student and Staff Support	142,434	0	0	142,434
Preschool Program	264,419	0	0	264,419
Encumbrances:				
Instruction	18,877	0	0	18,877
Support Services	61,980	0	0	61,980
Total Assigned	487,710	0	0	487,710
Unassigned (Deficit)	14,883,763	0	(135,472) *	14,748,291
Total Fund Balance	<u>\$ 15,398,690</u>	<u>\$ 1,940,157</u>	<u>\$ 918,017</u>	<u>\$ 18,256,864</u>

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\* Unassigned fund balance included the following individual fund deficits:

		Deficit Fund Balance
Nonmajor Governmental Funds:		
Food Service Fund	\$	32,888
Athletic Fund		22,426
Title VI-B Fund		56,277
Title I Fund		22,164
Miscellaneous Federal Grants		1,717

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

**Note 4 - Budgetary Basis of Accounting**

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

1. Revenues are recorded when received in cash (budget) as opposed to when susceptible to accrual (GAAP).
2. Expenditures/expenses are recorded when paid in cash (budget) as opposed to when the liability is incurred (GAAP).
3. Encumbrances are treated as expenditures (budget) rather than as an assignment or commitment of fund balance (GAAP).
4. Some funds are included in the general fund (GAAP), but have separate legally adopted budgets (budget).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statement to the budgetary basis statement for the general fund.

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GAAP Basis	\$ 3,249,360
Net Adjustment for Revenue Accruals	(932,167)
Net Adjustment for Expenditure Accruals	(66,489)
Funds Budgeted Elsewhere	(177,313)
Adjustment for Encumbrances	<u>(152,396)</u>
Budget Basis	<u>\$ 1,920,995</u>

\*\* As part of Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, certain funds that are legally budgeted in separate special revenue funds are considered part of the general fund on a GAAP basis. This includes the public school support fund, the uniform school supplies fund, the creative tax abatement fund and the miscellaneous activities fund.

**Note 5 - Deposits and Investments**

State statutes classify monies held by the School District into three categories.

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

Inactive deposits are public deposits that the Board of Education 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.

Protection of the School District's deposits is provided by the Federal Deposit Insurance Corporation (FDIC), by eligible securities pledged by the financial institution as security for repayment, or by the financial institutions participation in the Ohio Pooled Collateral System (OPCS), a collateral pool of eligible securities deposited with a qualified trustee and pledged to the Treasurer of State to secure the repayment of all public monies deposited in the financial institution.

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

1. United States Treasury Notes, Bills, Bonds, or any other obligation or security issued by the United States Treasury or any other obligation guaranteed as to principal and interest by the United States;

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2. Bonds, notes, debentures, or any other obligations or securities issued by any federal government agency or instrumentality, including but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above provided that the market value of the securities subject to the repurchase agreement must exceed the principal value of the agreement by at least two percent and be marked to market daily, and that the term of the agreement must not exceed thirty days;
4. Bonds and other obligations of the State of Ohio;
5. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions;
6. The State Treasurer's investment pool (STAR Ohio);
7. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts.
8. Under limited circumstances, corporate debt interests rated in either of the two highest classifications by at least two nationally recognized rating agencies.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the School District, 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 Treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

**Deposits:** The carrying value of the School District's deposits was a deficit balance of \$305,859 and the bank balances of the deposits totaled \$50,027. This amount is not shown as a liability due to the nature of the School District bank accounts. The entire bank balance was covered by federal depository insurance.



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**Investments:** As of June 30, 2018, the School District had the following investments:

Rating	Investment	Measurement Amount	Level	Investment Maturities in Months			% Total
				0 - 12	13 - 36	Over 36	
	Amortized Cost:						
AAAm	STAR Ohio	\$ 6,059,120	N/A	\$ 6,059,120	\$ 0	\$ 0	32.5%
	Fair Value:						
N/A	Repurchase Agreement	4,059,583	2	4,059,583	0	0	21.7%
Aaa	First American Government Obligation	13,724	1	13,724	0	0	0.1%
Aaa	Federal Home Loan Mortgage	4,341,631	2	546,469	3,447,240	347,922	23.3%
N/A	U.S. Treasury Notes	1,019,465	2	278,541	0	740,924	5.5%
Aaa	Federal Home Loan Bank	1,031,252	2	1,031,252	0	0	5.5%
***	Negotiable Certificates of Deposit	2,127,750	2	524,264	984,169	619,317	11.4%
		<u>\$18,652,525</u>		<u>\$12,512,953</u>	<u>\$4,431,409</u>	<u>\$1,708,163</u>	<u>100.0%</u>

\*\*\* Fully insured under FDIC

The School District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets. Level 2 inputs are significant other observable inputs. Level 3 inputs are significant unobservable inputs. The above table identifies the School District's recurring fair value measurements as of June 30, 2018. The School District's investments measured at fair value are valued using methodologies that incorporate market inputs such as benchmark yields, reported trades, broker/dealer quotes, issuer spreads, two-sided markets, benchmark securities, bids, offers, and reference data including market research publications. Market indicators and industry and economic events are also monitored which could require the need to acquire further market data (Level 2 inputs).

**Interest Rate Risk:** The Ohio Revised Code generally limits security purchases to those that mature within five years of the settlement date. The School District's policy manages its exposure to fair value losses arising from increasing interest rates by limiting the modified duration of its investment portfolio.

**Credit Risk:** The School District's investments at June 30, 2018 are rated as shown above by S&P Global Ratings. US Treasury Notes are exempt from ratings since they are explicitly guaranteed by a U.S. Government Agency and the School District's investments in the federal agency securities that underlie the School District's repurchase agreement were rated Aaa by Moody's Investor Services. The School District's policy on Credit Risk allows only for those investments as stated within the Ohio Revised Code.

STAR Ohio is an investment pool operated by the Ohio State Treasurer. It is unclassified since it is not evidenced by securities that exist in physical or book entry form. Ohio law requires STAR Ohio maintain the highest rating provided by at least one nationally recognized standard rating service. The weighted average of maturity of the portfolio held by STAR Ohio as of June 30, 2018, is 49 days.

**Concentration of Credit Risk:** The School District places no limit on the amount the School District may invest in any one issuer.

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**Note 6 – Property Taxes**

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2018 represents collections of calendar year 2017 taxes. Real property taxes received in calendar year 2018 were levied after April 1, 2017, on the assessed value listed as of January 1, 2017, the lien date. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid 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 property tax revenue received in calendar year 2018 represents collections of calendar year 2017 taxes. Public utility real and tangible personal property taxes received in calendar year 2018 became a lien December 31, 2016, were levied after April 1, 2017 and are collected in 2018 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Medina County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2018, are available to finance fiscal year 2019 operations. The amount available as an advance at June 30, 2018 in the general, debt service and permanent improvement funds were \$2,465,030, \$312,650, and \$89,320, respectively. The amount available for advance at June 30, 2017, in the general, debt service and permanent improvement funds were \$1,345,100, \$183,750, and \$45,930, respectively. The amount of second-half real property taxes available for advance at fiscal year-end can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and delinquent tangible personal property taxes which are measurable as of June 30, 2018, and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred inflows of resources.

On the accrual basis of accounting, collectible delinquent property taxes have been recorded as a receivable and revenue, while on a modified accrual basis of accounting the revenue has been reported as a deferred inflow of resources.

The assessed values upon which the fiscal year 2018 taxes were collected are:

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	2017 Second Half Collections		2018 First Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$ 452,050,000	96.13%	\$ 461,822,260	96.02%
Public Utility Personal Property	18,183,600	3.87%	19,147,790	3.98%
	<u>\$ 470,233,600</u>	<u>100.00%</u>	<u>\$ 480,970,050</u>	<u>100.00%</u>
Tax rate per \$1,000 assessed valuation	\$ 67.90		\$ 66.40	

**Note 7 - Receivables**

Receivables at June 30, 2018, consisted of taxes, interfund and intergovernmental. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

During 2007, the voters of Medina County passed a one-half percent sales tax to be used for capital improvements at all school districts within Medina County. Collection began in October 2007 for a period of 30 years. Vendor collections of the tax are paid to the State Treasurer by the twenty-third day of the month following collection. Sales tax is distributed to the school districts of Medina County based on what is essentially a per pupil distribution formula. A receivable is recognized at year end for an estimated amount to be received based on calendar year 2018 County appropriations yet to be received as of June 30, 2018.

**Note 8 - Interfund Activity**

*Transfers*

During the year, the general fund transferred \$12,500 to the food service fund and \$180,000 to the athletics fund to cover deficits in the funds.

*Advances*

The general fund advanced \$134,757 to other nonmajor governmental funds to cover expenditures until expected revenues were received. All interfund loans will be repaid in fiscal year 2019 with monies to be received from reimbursable expenditures incurred during fiscal year 2018. Interfund balances between governmental funds are eliminated on the government-wide statement of net position.

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**Note 9 - Capital Assets**

Capital asset activity for the fiscal year ended June 30, 2018, was as follows:

	Balance 7/1/2017	Additions	Reductions	Balance 6/30/2018
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$ 773,495	\$ 0	\$ 0	\$ 773,495
<i>Capital Assets, being depreciated:</i>				
Land Improvements	1,971,782	0	0	1,971,782
Buildings and Improvements	35,988,213	159,450	0	36,147,663
Furniture and Equipment	2,385,364	308,776	(568,788)	2,125,352
Vehicles	2,442,529	5,000	(283,479)	2,164,050
Total Capital Assets, being depreciated	<u>42,787,888</u>	<u>473,226</u>	<u>(852,267)</u>	<u>42,408,847</u>
Less Accumulated Depreciation:				
Land Improvements	(1,614,023)	(78,258)	0	(1,692,281)
Buildings and Improvements	(13,346,130)	(738,944)	0	(14,085,074)
Furniture and Equipment	(2,055,637)	(167,785)	568,788	(1,654,634)
Vehicles	(1,563,635)	(130,462)	283,479	(1,410,618)
Total Accumulated Depreciation	<u>(18,579,425)</u>	<u>(1,115,449)</u>	<u>852,267</u>	<u>(18,842,607)</u>
Total Capital Assets being depreciated, net	<u>24,208,463</u>	<u>(642,223)</u>	<u>0</u>	<u>23,566,240</u>
Governmental Activities Capital Assets, Net	<u>\$ 24,981,958</u>	<u>\$ (642,223)</u>	<u>\$ 0</u>	<u>\$ 24,339,735</u>

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Depreciation expense was charged as follows:

<i>Governmental Activities:</i>	
Instruction:	
Regular	\$ 456,999
Special	169,549
Vocational	15,282
Support Services:	
Pupil	32,013
Instructional Staff	94,255
Administration	76,185
Fiscal	15,282
Operation and Maintenance of Plant	62,131
Pupil Transportation	121,472
Food Service Operations	64,696
Extracurricular Activities	7,585
Total Depreciation	\$ 1,115,449

**Note 10 – Defined Benefit Pension Plans**

***Net Pension Liability***

The net pension liability reported on the statement of net position represents a liability to employees for pensions. Pensions are a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. Pensions are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for pensions is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net pension liability represents the School District’s proportionate share of each pension plan’s collective actuarial present value of projected benefit payments attributable to past periods of service, net of each pension plan’s fiduciary net position. The net pension liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting this estimate annually.

Ohio Revised Code limits the School District’s obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which pensions are financed; however, the School District does receive the benefit of employees’ services in exchange for compensation including pension.

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GASB 68 assumes the liability is solely the obligation of the employer, because (1) they benefit from employee services; and (2) State statute requires all funding to come from these employers. All contributions to date have come solely from these employers (which also includes costs paid in the form of withholdings from employees). State statute requires the pension plans to amortize unfunded liabilities within 30 years. If the amortization period exceeds 30 years, each pension plan’s board must propose corrective action to the State legislature. Any resulting legislative change to benefits or funding could significantly affect the net pension liability. Resulting adjustments to the net pension liability would be effective when the changes are legally enforceable.

The proportionate share of each plan’s unfunded benefits is presented as a long-term *net pension liability* on the accrual basis of accounting. Any liability for the contractually-required pension contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Plan Description – School District non-teaching employees participate in SERS, a statewide, cost-sharing multiple-employer defined benefit pension plan administered by SERS. SERS provides retirement, disability and survivor benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements, required supplementary information and detailed information about SERS’ fiduciary net position. That report can be obtained by visiting the SERS website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Age and service requirements for retirement are as follows:

	Eligible to Retire on or before August 1, 2017*	Eligible to Retire on or after August 1, 2017
Full Benefits	Any age with 30 years of service credit	Age 67 with 10 years of service credit; or Age 57 with 30 years of service credit
Actuarially Reduced Benefits	Age 60 with 5 years of service credit Age 55 with 25 years of service credit	Age 62 with 10 years of service credit; or Age 60 with 25 years of service credit

\*Members with 25 years of service credit as of August 1, 2017, will be included in this plan.

Annual retirement benefits are calculated based on final average salary multiplied by a percentage that varies based on year of service; 2.2 percent for the first 30 years of service and 2.5 percent for years of service credit over 30. Final average salary is the average of the highest three years of salary.

When a benefit recipient has received benefits for 12 months, an annual COLA is provided. This COLA is calculated on the base retirement benefit at the date of retirement and is not compounded. For those retiring prior to January 7, 2013, the COLA will continue to be a three percent simple annual COLA. For those retiring after January 7, 2013, beginning in calendar year 2019, the COLA will be based on the average percentage increase in the Consumer Price Index, capped at three percent.

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Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2018, the allocation to pension, death benefits, and Medicare B was 14 percent. SERS allocated 0.5 percent of employer contributions to the Health Care Fund for fiscal year 2018.

The School District's contractually required contribution to SERS was \$327,545 for fiscal year 2018. Of this amount, \$35,401 is reported as an intergovernmental payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description – School District licensed teachers and other faculty members participate in STRS Ohio, a cost-sharing multiple-employer public employee retirement system administered by STRS. STRS provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS issues a stand-alone financial report that includes financial statements, required supplementary information and detailed information about STRS' fiduciary net position. That report can be obtained by writing to STRS, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Web site at [www.strsoh.org](http://www.strsoh.org).

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. Benefits are established by Ohio Revised Code Chapter 3307. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service. Effective August 1, 2015, the calculation was 2.2 percent of final average salary for the five highest years of earnings multiplied by all years of service. Members are eligible to retire at age 60 with five years of qualifying service credit, or at age 55 with 26 years of service, or 31 years of service regardless of age. Eligibility changes will be phased in until August 1, 2026, when retirement eligibility for unreduced benefits will be five years of service credit and age 65, or 35 years of service credit and at least age 60.

The DC Plan allows members to place all their member contributions and 9.5 percent of the 14 percent employer contributions into an investment account. Investment allocation decisions are determined by the member. The remaining 4.5 percent of the 14 percent employer rate is allocated to the defined benefit unfunded liability. A member is eligible to receive a retirement benefit at age 50 and termination of employment. The member may elect to receive a lifetime monthly annuity or a lump sum withdrawal.

The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 12 percent of the 14 percent member rate goes to the DC Plan and the remaining 2 percent is applied to the DB Plan. Member contributions to the DC Plan are allocated among investment choices by the member, and contributions to the DB Plan from the employer and the member are used to fund the defined benefit payment at a reduced level from the regular DB Plan. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60 with five years of service. The defined contribution portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity after termination of employment at age 50 or later.

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New members who choose the DC plan or Combined Plan will have another opportunity to reselect a permanent plan during their fifth year of membership. Members may remain in the same plan or transfer to another STRS plan. The optional annuitization of a member's defined contribution account or the defined contribution portion of a member's Combined Plan account to a lifetime benefit results in STRS bearing the risk of investment gain or loss on the account. STRS has therefore included all three plan options as one defined benefit plan for GASB 68 reporting purposes.

A DB or Combined Plan member with five or more years of credited service who is determined to be disabled may qualify for a disability benefit. Eligible survivors of members who die before service retirement may qualify for monthly benefits. New members on or after July 1, 2013, must have at least ten years of qualifying service credit to apply for disability benefits. Members in the DC Plan who become disabled are entitled only to their account balance. If a member of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Employer and member contribution rates are established by the State Teachers Retirement Board and limited by Chapter 3307 of the Ohio Revised Code. For the fiscal year ended June 30, 2018, plan members were required to contribute 14 percent of their annual covered salary. The School District was required to contribute 14 percent; the entire 14 percent was the portion used to fund pension obligations. The fiscal year 2018 contribution rates were equal to the statutory maximum rates.

The School District's contractually required contribution to STRS was \$1,495,078 for fiscal year 2018. Of this amount, \$278,256 is reported as an intergovernmental payable.

***Pension Liabilities, Pension Expense, and Deferred Outflows/Inflows of Resources Related to Pensions***

The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an independent actuarial valuation as of that date. The School District's employer allocation percentage of the net pension liability was based on the employer's share of employer contributions in the pension plan relative to the total employer contributions of all participating employers. Following is information related to the proportionate share and pension expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net Pension Liability:			
Current Measurement Date	0.07896140%	0.08929009%	
Prior Measurement Date	<u>0.08050180%</u>	<u>0.08707486%</u>	
Change in Proportionate Share	<u>-0.00154040%</u>	<u>0.00221523%</u>	
Proportionate Share of the Net			
Pension Liability	\$ 4,717,769	\$ 21,211,052	\$ 25,928,821
Pension Expense	\$ (167,991)	\$ (7,581,586)	\$ (7,749,577)



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Deferred outflows/inflows of resources represent the effect of changes in the net pension liability due to the difference between projected and actual investment earnings, differences between expected and actual actuarial experience, changes in assumptions and changes in the School District's proportion of the collective net pension liability. The deferred outflows and deferred inflows are to be included in pension expense over current and future periods. The difference between projected and actual investment earnings is recognized in pension expense using a straight line method over a five year period beginning in the current year. Deferred outflows and deferred inflows resulting from changes in sources other than differences between projected and actual investment earnings are amortized over the average expected remaining service lives of all members (both active and inactive) using the straight line method. Employer contributions to the pension plan subsequent to the measurement date are also required to be reported as a deferred outflow of resources.

At June 30, 2018 the School District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 203,037	\$ 819,071	\$ 1,022,108
Changes of Assumptions	243,959	4,639,090	4,883,049
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	101,634	1,757,260	1,858,894
School District Contributions Subsequent to the Measurement Date	<u>327,545</u>	<u>1,495,078</u>	<u>1,822,623</u>
<b>Total Deferred Outflows of Resources</b>	<b><u>\$ 876,175</u></b>	<b><u>\$ 8,710,499</u></b>	<b><u>\$ 9,586,674</u></b>
<b>Deferred Inflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 0	\$ 170,953	\$ 170,953
Net Difference between Projected and Actual Earnings on Pension Plan Investments	22,396	699,992	722,388
Changes in Proportion and Differences between School District Contributions and Proportionate Share of Contributions	<u>104,774</u>	<u>0</u>	<u>104,774</u>
<b>Total Deferred Inflows of Resources</b>	<b><u>\$ 127,170</u></b>	<b><u>\$ 870,945</u></b>	<b><u>\$ 998,115</u></b>

\$1,822,623 reported as deferred outflows of resources related to pension resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

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Fiscal Year Ending June 30:	SERS	STRS	Total
2019	\$ 190,736	\$ 1,563,058	\$ 1,753,794
2020	291,678	2,515,285	2,806,963
2021	49,027	1,768,137	1,817,164
2022	(109,981)	497,996	388,015
	\$ 421,460	\$ 6,344,476	\$ 6,765,936

***Actuarial Assumptions - SERS***

SERS' total pension liability was determined by their actuaries in accordance with GASB Statement No. 67, as part of their annual actuarial valuation for each defined benefit retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total pension liability in the latest actuarial valuation, prepared as of June 30, 2017, are presented below:

Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
COLA or Ad Hoc COLA	2.50 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Actuarial Cost Method	Entry Age Normal (Level Percent of Payroll)

Mortality rates among active members were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females. Mortality among service retired members and beneficiaries were based upon the RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates and 110 percent of female rates. Mortality among disabled members were based upon the RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

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The actuarial assumptions used in the June 30, 2017 valuation were based on the results of an actuarial experience study for the period ending July 1, 2010 to June 30, 2015. The assumed rate of inflation, payroll growth assumption and assumed real wage growth were reduced in the most recent actuarial valuation. The rates of withdrawal, retirement and disability updated to reflect recent experience and mortality rates were also updated.

The long-term return expectation for the Pension Plan Investments has been determined by using a building-block approach and assumes a time horizon, as defined in SERS' *Statement of Investment Policy*. A forecasted rate of inflation serves as the baseline for the return expectation. Various real return premiums over the baseline inflation rate have been established for each asset class. The long-term expected nominal rate of return has been determined by calculating an arithmetic weighted average of the expected real return premiums for each asset class, adding the projected inflation rate, and adding the expected return from rebalancing uncorrelated asset classes. The target allocation and best estimates of arithmetic real rates of return for each major assets class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	<u>10.00</u>	3.00
Total	<u>100.00 %</u>	

**Discount Rate** The total pension liability was calculated using the discount rate of 7.50 percent. The projection of cash flows used to determine the discount rate assumed the contributions from employers and from the members would be computed based on contribution requirements as stipulated by State statute. Projected inflows from investment earnings were calculated using the long-term assumed investment rate of return (7.50 percent). Based on those assumptions, the plan's fiduciary net position was projected to be available to make all future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefits to determine the total pension liability.

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** Net pension liability is sensitive to changes in the discount rate, and to illustrate the potential impact the following table presents the School District's proportionate share of the net pension liability calculated using the discount rate of 7.50 percent, as well as what each plan's net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.50 percent), or one percentage point higher (8.50 percent) than the current rate.

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	1% Decrease (6.50%)	Current Discount Rate (7.50%)	1% Increase (8.50%)
School District's Proportionate Share of the Net Pension Liability	\$ 6,547,038	\$ 4,717,769	\$ 3,185,384

***Actuarial Assumptions - STRS***

The total pension liability in the June 30, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Cost-of-Living Adjustments	0.00 percent effective July 1, 2017

Post-retirement mortality rates for healthy retirees are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. Post-retirement disabled mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016. Pre-retirement mortality rates are based on RP-2014 Employee Mortality Table, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the July 1, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

Asset Class	Target Allocation*	Long Term Expected Real Rate of Return**
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
Total	100.00 %	

\*The target allocation percentage is effective as of July 1, 2017. Target weights will be phased in over a 24-month period concluding on July 1, 2019.

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\*\*Ten year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actuarial rate of return, without net value added by management.

**Discount Rate** The discount rate used to measure the total pension liability was 7.45 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes member and employer contributions will be made at the statutory contribution rates in accordance with rate increases described above. For this purpose, only employer contributions that are intended to fund benefits of current plan members and their beneficiaries are included. Based on those assumptions, STRS' fiduciary net position was projected to be available to make all projected future benefit payments to current plan members as of June 30, 2017. Therefore, the long-term expected rate of return on pension plan investments of 7.45 percent was applied to all periods of projected benefit payments to determine the total pension liability as of June 30, 2017.

**Sensitivity of the School District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** The following table presents the School District's proportionate share of the net pension liability as of June 30, 2017, calculated using the current period discount rate assumption of 7.45 percent, as well as what the School District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (6.45 percent) or one-percentage-point higher (8.45 percent) than the current assumption:

	1% Decrease (6.45%)	Current Discount Rate (7.45%)	1% Increase (8.45%)
School District's Proportionate Share of the Net Pension Liability	\$ 30,405,322	\$ 21,211,052	\$ 13,466,259

**Assumption Changes since the Prior Measurement Date**

The Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75 percent to 7.45 percent, the inflation assumption was lowered from 2.75 percent to 2.50 percent, the payroll growth assumption was lowered to 3.00 percent, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25 percent due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

**Benefit Term Changes since the Prior Measurement Date**

Effective July 1, 2017, the COLA was reduced to zero.

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**Note 11 - Defined Benefit OPEB Plans**

***Net OPEB Liability***

The net OPEB liability reported on the statement of net position represents a liability to employees for OPEB. OPEB is a component of exchange transactions—between an employer and its employees—of salaries and benefits for employee services. OPEB are provided to an employee—on a deferred-payment basis—as part of the total compensation package offered by an employer for employee services each financial period. The obligation to sacrifice resources for OPEB is a present obligation because it was created as a result of employment exchanges that already have occurred.

The net OPEB liability represents the School District's proportionate share of each OPEB plan's collective actuarial present value of projected benefit payments attributable to past periods of service, net of each OPEB plan's fiduciary net position. The net OPEB liability calculation is dependent on critical long-term variables, including estimated average life expectancies, earnings on investments, cost of living adjustments and others. While these estimates use the best information available, unknowable future events require adjusting these estimates annually.

Ohio Revised Code limits the School District's obligation for this liability to annually required payments. The School District cannot control benefit terms or the manner in which OPEB are financed; however, the School District does receive the benefit of employees' services in exchange for compensation including OPEB.

GASB 75 assumes the liability is solely the obligation of the employer, because they benefit from employee services. OPEB contributions come from these employers and health care plan enrollees which pay a portion of the health care costs in the form of a monthly premium. The Ohio revised Code permits, but does not require the retirement systems to provide healthcare to eligible benefit recipients. Any change to benefits or funding could significantly affect the net OPEB liability. Resulting adjustments to the net OPEB liability would be effective when the changes are legally enforceable. The retirement systems may allocate a portion of the employer contributions to provide for these OPEB benefits.

The proportionate share of each plan's unfunded benefits is presented as a long-term *net OPEB liability* on the accrual basis of accounting. Any liability for the contractually-required OPEB contribution outstanding at the end of the year is included in *intergovernmental payable* on both the accrual and modified accrual bases of accounting.

***Plan Description - School Employees Retirement System (SERS)***

Health Care Plan Description - The School District contributes to the SERS Health Care Fund, administered by SERS for non-certificated retirees and their beneficiaries. For GASB 75 purposes, this plan is considered a cost-sharing other postemployment benefit (OPEB) plan. SERS' Health Care Plan provides healthcare benefits to eligible individuals receiving retirement, disability, and survivor benefits, and to their eligible dependents. Members who retire after June 1, 1986, need 10 years of service credit, exclusive of most types of purchased credit, to qualify to participate in SERS' health care coverage. In addition to age and service retirees, disability benefit recipients and beneficiaries who are receiving monthly benefits due to the death of a member or retiree, are eligible for SERS' health care coverage. Most retirees and dependents choosing SERS' health care coverage are over the age of 65 and therefore

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enrolled in a fully insured Medicare Advantage plan; however, SERS maintains a traditional, self-insured preferred provider organization for its non-Medicare retiree population. For both groups, SERS offers a self-insured prescription drug program. Health care is a benefit that is permitted, not mandated, by statute. The financial report of the Plan is included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at [www.ohsers.org](http://www.ohsers.org) under Employers/Audit Resources.

Access to health care for retirees and beneficiaries is permitted in accordance with Section 3309 of the Ohio Revised Code. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). SERS' Retirement Board reserves the right to change or discontinue any health plan or program. Active employee members do not contribute to the Health Care Plan. The SERS Retirement Board established the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required pensions and benefits, the Retirement Board may allocate the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund in accordance with the funding policy. For fiscal year 2018, .5 percent of covered payroll was made to health care. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated if less than a full year of service credit was earned. For fiscal year 2018, this amount was \$23,700. Statutes provide that no employer shall pay a health care surcharge greater than 2 percent of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5 percent of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2018, the School District's surcharge obligation was \$40,868.

The surcharge, added to the allocated portion of the 14 percent employer contribution rate is the total amount assigned to the Health Care Fund. The School District's contractually required contribution to SERS was \$52,999 for fiscal year 2018. Of this amount \$42,179 is reported as an intergovernmental payable.

***Plan Description - State Teachers Retirement System (STRS)***

Plan Description – The State Teachers Retirement System of Ohio (STRS) administers a cost-sharing Health Plan administered for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. Medicare Part B premium reimbursements will be discontinued effective January 1, 2020. The Plan is included in the report of STRS which can be obtained by visiting [www.strsoh.org](http://www.strsoh.org) or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS to offer the Plan and gives the Retirement Board discretionary authority over how much, if any, of the health care costs will be absorbed by STRS. Active employee members do not contribute to the Health Care Plan. Nearly all health care plan enrollees, for the most recent year, pay a portion of the health care costs in the form of a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer

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contributions, currently 14 percent of covered payroll. For the fiscal year ended June 30, 2018, STRS did not allocate any employer contributions to post-employment health care.

***OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB***

The net OPEB liability was measured as of June 30, 2017, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of that date. The School District's proportion of the net OPEB liability was based on the School District's share of contributions to the respective retirement systems relative to the contributions of all participating entities. Following is information related to the proportionate share and OPEB expense:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
Proportion of the Net OPEB Liability			
Current Measurement Date	0.08020510%	0.08929009%	
Prior Measurement Date	<u>0.08166213%</u>	<u>0.08707486%</u>	
Change in Proportionate Share	<u>-0.00145703%</u>	<u>0.00221523%</u>	
Proportionate Share of the Net OPEB Liability	\$ 2,152,494	\$ 3,483,770	\$ 5,636,264
OPEB Expense	\$ 105,040	\$ (1,046,134)	\$ (941,094)

At June 30, 2018, the School District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>SERS</u>	<u>STRS</u>	<u>Total</u>
<b>Deferred Outflows of Resources</b>			
Differences between Expected and Actual Experience	\$ 0	\$ 201,105	\$ 201,105
Changes in Proportionate Share and Differences between School District Contributions and Proportionate Share of Contributions	0	101,547	101,547
School District Contributions Subsequent to the Measurement Date	<u>52,999</u>	<u>0</u>	<u>52,999</u>
<b>Total Deferred Outflows of Resources</b>	<u>\$ 52,999</u>	<u>\$ 302,652</u>	<u>\$ 355,651</u>
<b>Deferred Inflows of Resources</b>			
Net Difference between Projected and Actual Earnings on OPEB Plan Investments	\$ 5,684	\$ 148,905	\$ 154,589
Changes of Assumptions	204,261	280,629	484,890
Changes in Proportionate Share and Differences between School District Contributions and Proportionate Share of Contributions	<u>26,202</u>	<u>0</u>	<u>26,202</u>
<b>Total Deferred Inflows of Resources</b>	<u>\$ 236,147</u>	<u>\$ 429,534</u>	<u>\$ 665,681</u>



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\$52,999 reported as deferred outflows of resources related to OPEB resulting from School District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

	SERS	STRS	Total
Fiscal Year Ending June 30:			
2019	\$ (84,921)	\$ (33,557)	\$ (118,478)
2020	(84,921)	(33,557)	(118,478)
2021	(64,884)	(33,557)	(98,441)
2022	(1,421)	(33,558)	(34,979)
2023	0	3,669	3,669
Thereafter	0	3,678	3,678
	\$ (236,147)	\$ (126,882)	\$ (363,029)

***Actuarial Assumptions - SERS***

The total OPEB liability is determined by SERS' actuaries in accordance with GASB Statement No. 74, as part of their annual actuarial valuation for each retirement plan. Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts (e.g., salaries, credited service) and assumptions about the probability of occurrence of events far into the future (e.g., mortality, disabilities, retirements, employment terminations). Actuarially determined amounts are subject to continual review and potential modifications, as actual results are compared with past expectations and new estimates are made about the future.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employers and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employers and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations.

Actuarial calculations reflect a long-term perspective. For a newly hired employee, actuarial calculations will take into account the employee's entire career with the employer and also take into consideration the benefits, if any, paid to the employee after termination of employment until the death of the employee and any applicable contingent annuitant. In many cases, actuarial calculations reflect several decades of service with the employer and the payment of benefits after termination.

Key methods and assumptions used in calculating the total OPEB liability in the latest actuarial valuation date of June 30, 2017, are presented below:

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Wage Inflation	3.00 percent
Future Salary Increases, including inflation	3.50 percent to 18.20 percent
Investment Rate of Return	7.50 percent net of investment expense, including inflation
Municipal Bond Index Rate	
Measurement Date	3.56 percent
Prior Measurement Date	2.92 percent
Single Equivalent Interest Rate	
Measurement Date	3.63 percent, net of plan investment expense, including price inflation
Prior Measurement Date	2.98 percent, net of plan investment expense, including price inflation
Medical Trend Assumption	
Medicare	5.50 percent - 5.00 percent
Pre-Medicare	7.50 percent - 5.00 percent

Mortality rates were based on the RP-2014 Blue Collar Mortality Table with fully generational projection and Scale BB, 120 percent of male rates and 110 percent of female rates. RP-2000 Disabled Mortality Table with 90 percent for male rates and 100 percent for female rates set back five years.

The most recent experience study was completed for the five year period ended June 30, 2015.

The long-term expected rate of return on plan assets is reviewed as part of the actuarial five-year experience study. The most recent study covers fiscal years 2010 through 2015, and was adopted by the Board on April 21, 2016. Several factors are considered in evaluating the long-term rate of return assumption including long-term historical data, estimates inherent in current market data, and a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return were developed by the investment consultant for each major asset class. These ranges were combined to produce the long-term expected rate of return, 7.50 percent, by weighting the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The capital market assumptions developed by the investment consultant are intended for use over a 10-year horizon and may not be useful in setting the long-term rate of return for funding pension plans which covers a longer timeframe. The assumption is intended to be a long-term assumption and is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

The target asset allocation and best estimates of arithmetic real rates of return for each major asset class, as used in the June 30, 2015 five-year experience study, are summarized as follows:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return</u>
Cash	1.00 %	0.50 %
US Stocks	22.50	4.75
Non-US Stocks	22.50	7.00
Fixed Income	19.00	1.50
Private Equity	10.00	8.00
Real Assets	15.00	5.00
Multi-Asset Strategies	<u>10.00</u>	3.00
Total	<u>100.00 %</u>	

**Discount Rate** The discount rate used to measure the total OPEB liability at June 30, 2017 was 3.63 percent. The discount rate used to measure total OPEB liability prior to June 30, 2017 was 2.98 percent. The projection of cash flows used to determine the discount rate assumed that contributions will be made from members and the System at the state statute contribution rate of 2.00 percent of projected covered employee payroll each year, which includes a 1.50 percent payroll surcharge and 0.50 percent of contributions from the basic benefits plan. Based on these assumptions, the OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2025. Therefore, the long-term expected rate of return on OPEB plan assets was used to present value the projected benefit payments through the fiscal year ending June 30, 2024 and the Fidelity General Obligation 20-year Municipal Bond Index rate of 3.56 percent, as of June 30, 2017 (i.e. municipal bond rate), was used to present value the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The projection of future benefit payments for all current plan members was until the benefit payments ran out.

**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount Rate and Changes in the Health Care Cost Trend Rates** The net OPEB liability is sensitive to changes in the discount rate and the health care cost trend rate. The following table presents the net OPEB liability of SERS, what SERS' net OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.63 percent) and higher (4.63 percent) than the current discount rate (3.63 percent). Also shown is what SERS' net OPEB liability would be based on health care cost trend rates that are 1 percentage point lower (6.5 percent decreasing to 4.0 percent) and higher (8.5 percent decreasing to 6.0 percent) than the current rate.

	<u>1% Decrease (2.63%)</u>	<u>Current Discount Rate (3.63%)</u>	<u>1% Increase (4.63%)</u>
School District's Proportionate Share of the Net OPEB Liability	\$ 2,599,411	\$ 2,152,494	\$ 1,798,422
		<u>Current Trend Rate</u>	
	<u>1% Decrease</u>	<u>1% Increase</u>	
School District's Proportionate Share of the Net OPEB Liability	\$ 1,746,588	\$ 2,152,494	\$ 2,689,718

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***Actuarial Assumptions – STRS***

Key methods and assumptions used in the latest actuarial valuation, reflecting experience study results used in the June 30, 2017, actuarial valuation are presented below:

Inflation	2.50 percent
Projected Salary Increases	12.50 percent at age 20 to 2.50 percent at age 65
Investment Rate of Return	7.45 percent, net of investment expenses, including inflation
Payroll Increases	3.00 percent
Cost-of-Living Adjustments (COLA)	0.00 percent effective July 1, 2017
Blended Discount Rate of Return	4.13 percent
Health Care Cost Trends	6.00 percent to 11.00 percent, initial, 4.50 percent ultimate

Projections of benefits include the historical pattern of sharing benefit costs between the employers and retired plan members.

For healthy retirees the mortality rates are based on the RP-2014 Annuitant Mortality Table with 50 percent of rates through age 69, 70 percent of rates between ages 70 and 79, 90 percent of rates between ages 80 and 84, and 100 percent of rates thereafter, projected forward generationally using mortality improvement scale MP-2016. For disabled retirees, mortality rates are based on the RP-2014 Disabled Mortality Table with 90 percent of rates for males and 100 percent of rates for females, projected forward generationally using mortality improvement scale MP-2016.

Actuarial assumptions used in the June 30, 2017, valuation are based on the results of an actuarial experience study for the period July 1, 2011 through June 30, 2016.

Since the prior measurement date, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under *GASB Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also since the prior measurement date, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2019. Subsequent to the current measurement date, the date for discontinuing remaining Medicare Part B premium reimbursements was extended to January 2020.

STRS' investment consultant develops an estimate range for the investment return assumption based on the target allocation adopted by the Retirement Board. The target allocation and long-term expected rate of return for each major asset class are summarized as follows:

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<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long Term Expected Real Rate of Return*</u>
Domestic Equity	28.00 %	7.35 %
International Equity	23.00	7.55
Alternatives	17.00	7.09
Fixed Income	21.00	3.00
Real Estate	10.00	6.00
Liquidity Reserves	1.00	2.25
	<u>100.00 %</u>	

\*Ten year annualized geometric nominal returns, which include the real rate of return and inflation of 2.25 percent and does not include investment expenses. Over a 30-year period, STRS' investment consultant indicates that the above target allocations should generate a return above the actual rate of return, without net value added by management.

**Discount Rate** The discount rate used to measure the total OPEB liability was 4.13 percent as of June 30, 2017. The projection of cash flows used to determine the discount rate assumes STRS Ohio continues to allocate no employer contributions to the health care fund. Based on these assumptions, the OPEB plan's fiduciary net position was not projected to be sufficient to make all projected future benefit payments of current plan members. The OPEB plan's fiduciary net position was projected to become insufficient to make future benefit payments during the fiscal year ending June 30, 2037. Therefore, the long-term expected rate of return on OPEB plan assets was used to determine the present value of the projected benefit payments through the fiscal year ending June 30, 2036 and the Bond Buyer 20-year municipal bond rate of 3.58 percent as of June 30, 2017 (i.e. municipal bond rate), was used to determine the present value of the projected benefit payments for the remaining years in the projection. The total present value of projected benefit payments from all years was then used to determine the single rate of return that was used as the discount rate. The blended discount rate of 4.13 percent, which represents the long-term expected rate of return of 7.45 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 3.58 percent for the unfunded benefit payments, was used to measure the total OPEB liability as of June 30, 2017. A blended discount rate of 3.26 percent which represents the long term expected rate of return of 7.75 percent for the funded benefit payments and the Bond Buyer 20-year municipal bond rate of 2.85 percent for the unfunded benefit payments was used to measure the total OPEB liability at June 30, 2016.

**Sensitivity of the School District's Proportionate Share of the Net OPEB Liability to Changes in the Discount and Health Care Cost Trend Rate** The following table represents the net OPEB liability as of June 30, 2017, calculated using the current period discount rate assumption of 4.13 percent, as well as what the net OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.13 percent) or one percentage point higher (5.13 percent) than the current assumption. Also shown is the net OPEB liability as if it were calculated using health care cost trend rates that are one percentage point lower or one percentage point higher than the current health care cost trend rates.

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	1% Decrease (3.13%)	Current Discount Rate (4.13%)	1% Increase (5.13%)
School District's Proportionate Share of the Net OPEB Liability	\$ 4,676,905	\$ 3,483,770	\$ 2,540,803

	1% Decrease	Current Trend Rate	1% Increase
School District's Proportionate Share of the Net OPEB Liability	\$ 2,420,374	\$ 3,483,770	\$ 4,883,323

**Note 12 – Long Term Obligations**

As described in Note 2, long-term obligations at June 30, 2017 have been restated. The changes in the School District's long-term obligations during the year consist of the following:

	Restated Outstanding 7/1/2017	Additions	Reductions	Outstanding 6/30/2018	Amounts Due in One Year
<b>Governmental Activities:</b>					
<i>General Obligation Bonds:</i>					
2007 Bond Refunding					
School Facilities Construction/Improvement	\$ 5,310,000	\$ 0	\$ 490,000	\$ 4,820,000	\$ 515,000
Premium on Refunding Bonds	255,430	0	30,051	225,379	0
2010 Bond Refunding					
School Facilities Construction/Improvement	5,075,000	0	475,000	4,600,000	500,000
Premium on Refunding Bonds	267,928	0	33,491	234,437	0
2013 School Facilities Refunding					
School Facilities Construction/Improvement	1,855,000	0	185,000	1,670,000	195,000
Premium on Refunding Bonds	91,344	0	11,418	79,926	0
Total General Obligation Bonds	12,854,702	0	1,224,960	11,629,742	1,210,000
<i>Other Long Term Liabilities</i>					
Net Pension Liability	35,038,569	0	9,109,748	25,928,821	0
Net OPEB Liability	6,984,459	0	1,348,195	5,636,264	0
Certificates of Participation	2,010,000	0	250,000	1,760,000	265,000
Capital Leases	161,019	0	79,535	81,484	81,484
Compensated Absences	1,853,206	64,121	186,676	1,730,651	162,667
Total Other Long Term Liabilities	46,047,253	64,121	10,974,154	35,137,220	509,151
Total Governmental Activities Long-Term Liabilities	\$ 58,901,955	\$ 64,121	\$ 12,199,114	\$ 46,766,962	\$ 1,719,151

*2007 General Obligation Bond Refunding*

On September 6, 2007, the School District issued \$7,625,000 in general obligation bonds with an average interest rate of 4.21 percent to advance refund \$7,625,000 of outstanding School Facilities Construction and Improvement Bonds, 2000. The bond proceeds consisted of bond principal and \$550,932 of premium. The net proceeds of \$7,439,548 (after payment of \$185,452 in underwriting fees, insurance, and other issuance costs) were deposited into an irrevocable trust with an escrow agent to provide for future debt payments of the portion of school facilities construction and improvement bonds refunded.

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As a result of this issue, a portion of the school facilities construction and improvement bonds are considered to be defeased and the liability has been removed. The School District advance refunded these bonds to reduce total debt service payments over the following 18 years by \$644,279 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$458,580.

*2010 General Obligation Bond Refunding*

In November 2010 the School District issued \$7,182,700 in refunded general obligation bonds. The proceeds of the bonds were used to refund \$7,185,000 of the School District's outstanding School Facilities Construction and Improvement Bonds, Series 2001. The bonds were issued for a 16 year period with final maturity at December 1, 2026. At the date of the refunding, \$7,518,175 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. As of June 30, 2018, \$4,675,000 of these bonds are considered defeased.

These refunding bonds were issued with a premium of \$502,365, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method since the results are not significantly different from the bonds outstanding or effective interest methods. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$333,175. The issuance resulted in an economic gain of \$495,309.

*2013 General Obligation Bond Refunding*

In April, 2013 the School District issued \$2,529,995 in refunded general obligation bonds. The proceeds of the bonds were used to refund \$2,530,000 of the School District's outstanding School Facilities Construction and Improvement Bonds, Series 2002. The bonds were issued for a 13 year period with final maturity at December 1, 2025. At the date of the refunding, \$2,584,593 (including premium and after underwriting fees) was deposited in an irrevocable trust to provide for all future payments on the refunded bonds. As of June 30, 2018, \$1,715,000 of these bonds are considered defeased.

These refunding bonds were issued with a premium of \$148,438, which is reported as an increase to bonds payable. The amounts are being amortized to interest expense over the life of the bonds using the straight-line method since the results are not significantly different from the bonds outstanding or effective interest methods. The issuance resulted in a difference between the cash flows required to service the old debt and the cash flows required to service the new debt of \$369,983. The issuance resulted in an economic gain of \$327,887.

All general obligation bonds will be paid from property taxes in the debt service fund. Compensated absences have been paid from the general and the food service funds in prior years. There is no repayment schedule for the net pension liability and net OPEB liability; however, employer pension and OPEB contributions are made from the General Fund and Food Service fund. For additional information related to the net pension liability and net OPEB liability see Notes 10 and 11.

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Principal and interest requirements to retire general obligation bonds outstanding at June 30, 2018 are as follows:

Fiscal Year Ending June 30,	General Obligation Bonds	
	Principal	Interest
2019	\$ 1,210,000	\$ 402,252
2020	1,265,000	353,971
2021	1,305,000	306,218
2022	1,350,000	255,937
2023	1,405,000	203,161
2024 - 2027	4,555,000	268,473
	\$ 11,090,000	\$ 1,790,012

**Note 13 – Capitalized Leases**

***Certificate of Participation***

During fiscal year 2010, the School District entered into a lease-purchase agreement for construction of an addition to the elementary school. The School District is leasing the project site from Stifel, Nicolaus & Company, Inc. Stifel, Nicolaus & Company, Inc. assigned The Bank of New York Mellon Trust Company N.A. as Trustee, transferring rights, title and interest in the project to the Trustee. The School District is acting as an agent for the lessor, and is constructing the facilities from the proceeds provided by the lessor. As part of the agreement, The Bank of New York Mellon Trust Company N.A. deposited \$3,500,000, with a fiscal agent for the construction project. The Bank of New York Mellon Trust Company N.A. has sold certificates of participation in the building lease. The School District will make annual lease payments to The Bank of New York Mellon Trust Company N.A. Interest rates range between 3.1 percent and 5.0 percent with the final payment due January 15, 2024.

The Certificates maturing on and after January 15, 2018 are subject to redemption prior to maturity, at any time on or after July 15, 2017, in whole upon the exercise by the School District of its option to purchase the project facilities pursuant to the lease or in whole or in part in connection with the refunding of Certificates, at the redemption price of 100 percent of the principal amount redeemed, plus interest accrued to the redemption date.

All capital assets acquired by the lease have been capitalized as buildings and improvements in the amount of \$3,500,000 with accumulated depreciation of \$700,000. Principal payments in fiscal year 2018 totaled \$250,000. Payments will be made on the lease from the county sales tax fund.

***Bus Lease***

In fiscal year 2016, the School District entered into a lease for four buses. These leases meet the criteria of a capital lease as they transfer benefits and risks of ownership to the lessee.



**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

The assets being acquired have been capitalized in the governmental activities in the amount of \$322,132, which is the present value of the minimum lease payments at the inception of each lease. They are all classified as vehicles with accumulated depreciation of \$80,534. Payments will be made on the lease from the county sales tax fund with the final payment due August, 2018.

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 June 30, 2018.

Year	Certificate of Participation	Buses	Total
2019	\$ 343,899	\$ 83,480	\$ 427,379
2020	342,371	0	342,371
2021	340,409	0	340,409
2022	342,869	0	342,869
2023	339,369	0	339,369
2024	340,031	0	340,031
Total Minimum Lease Payments	2,048,948	83,480	2,132,428
Less Amount Representing Interest	288,948	1,996	290,944
Present Value of Minimum Lease Payments	<u>\$ 1,760,000</u>	<u>\$ 81,484</u>	<u>\$ 1,841,484</u>

**Note 14 – Jointly Governed Organizations**

***Northeast Ohio Network for Educational Technology (NEOnet)***

The Northeast Ohio Network for Educational Technology (NEOnet) is a jointly governed organization among 41 school districts (public and private). The jointly governed organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member districts. Each of these schools supports NEOnet based upon a per pupil charge dependent upon the software package utilized. The NEOnet assembly consists of a superintendent or designated representative from each participating school district and a representative from the fiscal agent. NEOnet is governed by a Board of Directors chosen from the general membership of the NEOnet Assembly. The Board of Directors consists of a representative from the fiscal agent, the chairman of each of the operating committees, and at least three at-large Assembly members. During the fiscal year 2018 the School District contributed \$84,500 to NEOnet. Financial information can be obtained by contacting the Fiscal Officer at 700 Graham Road, Cuyahoga Falls, OH 44221.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

***Ohio Schools' Council (OSC)***

The Ohio Schools' Council (OSC) is a jointly governed organization comprised of 210 school districts. The jointly governed organization was formed for the purpose of promoting cooperative agreements and activities among its members in dealing with problems of mutual concern such as a media center, gas consumption, food service, and insurance. Each member provides operating resources to OSC via a monthly administrative fee and an actual usage charge, except for insurance.

The OSC assembly consists of a superintendent or designated representative from each participating school district and the fiscal agent. OSC is governed by a Board of Directors chosen from the general membership. The degree of control exercised by any participating school district is limited to its representation on the Board. Financial information can be obtained by contacting the Treasurer at the Ohio Schools' Council at 6393 Oaktree Boulevard Suite 377, Independence, Ohio 44131.

***Medina County Career Center***

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

**Note 15 – Risk Management**

***Property and Liability***

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2018 the School District participated in the Ohio Schools Council's property and fleet insurance program that contracted with the Schools of Ohio Risk Sharing Authority (SORSA) for all coverage.

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

***Workers' Compensation***

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

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

***Dental Insurance***

The School District operates and manages employee dental benefits on a self-insured basis. The School District pays monthly contributions that are placed in a common fund from which eligible claims are paid for employees and their covered dependents.

The claims liability was estimated to be \$16,614 at June 30, 2018. This is based on the requirements of GASB Statement No. 30 which requires a liability for unpaid claims costs, including estimates of costs relating to incurred but not reported claims, be reported. The estimate was not affected by incremental claim adjustment expenses and does not include other allocated or unallocated claim adjustment expenses.

The changes in the fund's claim liability amount in fiscal years 2017 and 2018 were:

	<u>Balance</u> <u>July 1</u>	<u>Current</u> <u>Year Claims</u>	<u>Claim</u> <u>Payments</u>	<u>Balance</u> <u>June 30</u>
2017	\$ 4,764	\$ 167,937	\$ 156,036	\$ 16,665
2018	\$ 16,665	\$ 178,662	\$ 178,713	\$ 16,614

***Health and Prescription Insurance***

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

**Note 16 – Risk Sharing Pool**

The School District participates in the Schools of Ohio Risk Sharing Authority (SORSA), a risk sharing pool with over 113 members. SORSA is a 100 percent member-owned, non-profit insurance risk pool owned and governed by the school district members. SORSA is governed by a Board of Directors comprised of representatives of school districts that participate in the program.

SORSA has agreements with several separate organizations whereby each provides certain administrative, executive, accounting, marketing, underwriting, claim settlement, legal counsel and other services to SORSA and its members. Pursuant to participation agreements with SORSA, each member school district agrees to pay all funding rates associated with the coverage elected. This coverage includes comprehensive general liability, property insurance and automobile liability insurance. To obtain a copy of the SORSA financial statements, write the SORSA Executive Director at 8050 North High Street, Suite 160, Columbus, Ohio 43235-6483.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

**Note 17 – Contingencies**

***Grants***

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2018, if applicable, cannot be determined at this time.

***Litigation***

The School District is susceptible to claims and lawsuits, however it is the opinion of the School District and its council that there are no significant liabilities anticipated in excess of insurance coverage.

***School Foundation***

School district Foundation funding is based on the annualized full-time equivalent (FTE) enrollment of each student. The Ohio Department of Education (ODE) is legislatively required to adjust/reconcile funding as enrollment information is updated by schools throughout the State, which can extend past the fiscal year end. As of the date of this report, additional ODE adjustments for fiscal year 2018 are not finalized. As a result, the impact of future FTE adjustments on the fiscal year 2018 financial statements is not determinable, at this time. Management believes this may result in either an additional receivable to, or a liability of, the School District.

**Note 18 - Set-Asides**

The School District is required by State statute to annually set aside in the general fund an amount based on a statutory formula for the acquisition and construction of capital improvements. Amounts not spent by year-end or offset by similarly restricted resources received during the year must be held in cash at year-end and carried forward to be used for the same purposes in future years.

The following cash basis information describes the change in the year end set-aside amount for capital acquisition. Disclosure of this information is required by State statute.

	Capital Improvement Reserve
Set Aside Reserve Balance June 30, 2017	\$ 0
Current Year Set-Aside Requirement	412,052
Current Year Qualifying Expenditures	(629,260)
Total	\$ (217,208)
Balance Carried Forward to Fiscal Year 2019	\$ 0
Set Aside Reserve Balance June 30, 2018	\$ 0

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Basic Financial Statements*  
*For the Fiscal Year Ended June 30, 2018*

Although the School District had current year qualifying expenditures during the fiscal year that reduced the set-aside amount to below zero, this amount may not be used to reduce the set aside requirement for future years. The negative balance is, therefore, not presented as being carried forward to future years.

**Note 19 – Commitments**

***Encumbrances***

The School District utilizes encumbrance accounting as part of its budgetary controls. Encumbrances outstanding at year end may be reported as part of restricted, committed or assigned classifications of fund balance. At year end, the School District’s commitments for encumbrances in the governmental funds were as follows:

<u>Fund</u>	<u>Amount</u>
General Fund	\$ 81,915
Nonmajor Governmental Funds	<u>164,980</u>
	<u>\$ 246,895</u>

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**Buckeye Local School District**  
**Medina County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net Pension Liability*  
*Last Five Fiscal Years (1)*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
<b><i>School Employees Retirement System (SERS)</i></b>					
School District's Proportion of the Net Pension Liability	0.07896140%	0.08050180%	0.07674320%	0.07831900%	0.07831900%
School District's Proportionate Share of the Net Pension Liability	\$ 4,717,769	\$ 5,891,989	\$ 4,379,041	\$ 3,963,680	\$ 4,657,380
School District's Covered Payroll	\$ 2,540,171	\$ 2,512,150	\$ 2,454,112	\$ 2,298,773	\$ 2,750,065
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	185.73%	234.54%	178.44%	172.43%	169.36%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	69.50%	62.98%	69.16%	71.70%	65.52%
<b><i>State Teachers Retirement System (STRS)</i></b>					
School District's Proportion of the Net Pension Liability	0.08929009%	0.08707486%	0.08211909%	0.07870124%	0.07870124%
School District's Proportionate Share of the Net Pension Liability	\$ 21,211,052	\$ 29,146,580	\$ 22,695,314	\$ 19,142,865	\$ 22,802,856
School District's Covered Payroll	\$ 9,802,836	\$ 9,318,857	\$ 8,318,571	\$ 8,659,638	\$ 8,247,423
School District's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	216.38%	312.77%	272.83%	221.06%	276.48%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	75.30%	66.80%	72.10%	74.70%	69.30%

(1) Information prior to 2014 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Contributions - Pension*  
*Last Ten Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><i>School Employees Retirement System (SERS)</i></b>				
Contractually Required Contribution	\$ 327,545	\$ 355,624	\$ 351,701	\$ 323,452
Contributions in Relation to the Contractually Required Contribution	<u>(327,545)</u>	<u>(355,624)</u>	<u>(351,701)</u>	<u>(323,452)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 2,426,259	\$ 2,540,171	\$ 2,512,150	\$ 2,454,112
Pension Contributions as a Percentage of Covered Payroll	13.50%	14.00%	14.00%	13.18%
<b><i>State Teachers Retirement System (STRS)</i></b>				
Contractually Required Contribution	\$ 1,495,078	\$ 1,372,397	\$ 1,304,640	\$ 1,164,600
Contributions in Relation to the Contractually Required Contribution	<u>(1,495,078)</u>	<u>(1,372,397)</u>	<u>(1,304,640)</u>	<u>(1,164,600)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 10,679,129	\$ 9,802,836	\$ 9,318,857	\$ 8,318,571
Pension Contributions as a Percentage of Covered Payroll	14.00%	14.00%	14.00%	14.00%

See accompanying notes to the required supplementary information.



<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 318,610	\$ 380,609	\$ 335,004	\$ 354,183	\$ 364,187	\$ 234,013
<u>(318,610)</u>	<u>(380,609)</u>	<u>(335,004)</u>	<u>(354,183)</u>	<u>(364,187)</u>	<u>(234,013)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 2,298,773	\$ 2,750,065	\$ 2,490,736	\$ 2,817,685	\$ 2,689,712	\$ 2,378,181
13.86%	13.84%	13.45%	12.57%	13.54%	9.84%
\$ 1,125,753	\$ 1,072,165	\$ 1,180,720	\$ 1,163,901	\$ 1,163,373	\$ 1,171,025
<u>(1,125,753)</u>	<u>(1,072,165)</u>	<u>(1,180,720)</u>	<u>(1,163,901)</u>	<u>(1,163,373)</u>	<u>(1,171,025)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 8,659,638	\$ 8,247,423	\$ 9,082,462	\$ 8,953,085	\$ 8,949,023	\$ 9,007,885
13.00%	13.00%	13.00%	13.00%	13.00%	13.00%

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**Buckeye Local School District**  
**Medina County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Proportionate Share of the Net OPEB Liability*  
*Last Two Fiscal Years (1)*

	2018	2017
<b><i>School Employees Retirement System (SERS)</i></b>		
School District's Proportion of the Net OPEB Liability	0.08020510%	0.08166213%
School District's Proportionate Share of the Net OPEB Liability	\$ 2,152,494	\$ 2,327,673
School District's Covered Payroll	\$ 2,540,171	\$ 2,512,150
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	84.74%	92.66%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	12.46%	11.49%
<b><i>State Teachers Retirement System (STRS)</i></b>		
School District's Proportion of the Net OPEB Liability	0.08929009%	0.08707486%
School District's Proportionate Share of the Net OPEB Liability	\$ 3,483,770	\$ 4,656,786
School District's Covered Payroll	\$ 9,802,836	\$ 9,318,857
School District's Proportionate Share of the Net OPEB Liability as a Percentage of its Covered Payroll	35.54%	49.97%
Plan Fiduciary Net Position as a Percentage of the Total OPEB Liability	47.10%	37.30%

(1) Information prior to 2017 is not available.

Note: The amounts presented for each fiscal year were determined as of the measurement date, which is the prior fiscal year.

See accompanying notes to the required supplementary information.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Required Supplementary Information*  
*Schedule of the School District's Contributions - OPEB*  
*Last Ten Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b><i>School Employees Retirement System (SERS)</i></b>				
Contractually Required Contribution (1)	\$ 52,999	\$ 44,072	\$ 41,675	\$ 60,902
Contributions in Relation to the Contractually Required Contribution	<u>(52,999)</u>	<u>(44,072)</u>	<u>(41,675)</u>	<u>(60,902)</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 2,426,259	\$ 2,540,171	\$ 2,512,150	\$ 2,454,112
OPEB Contributions as a Percentage of Covered Payroll (1)	2.18%	1.74%	1.66%	2.48%
<b><i>State Teachers Retirement System (STRS)</i></b>				
Contractually Required Contribution	\$ 0	\$ 0	\$ 0	\$ 0
Contributions in Relation to the Contractually Required Contribution	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Contribution Deficiency (Excess)	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
School District's Covered Payroll	\$ 10,679,129	\$ 9,802,836	\$ 9,318,857	\$ 8,318,571
OPEB Contributions as a Percentage of Covered Payroll	0.00%	0.00%	0.00%	0.00%

(1) Includes surcharge

See accompanying notes to the required supplementary information.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 40,976	\$ 50,352	\$ 48,728	\$ 79,074	\$ 71,652	\$ 173,763
<u>(40,976)</u>	<u>(50,352)</u>	<u>(48,728)</u>	<u>(79,074)</u>	<u>(71,652)</u>	<u>(173,763)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 2,298,773	\$ 2,750,065	\$ 2,490,736	\$ 2,817,685	\$ 2,689,712	\$ 2,378,181
1.78%	1.83%	1.96%	2.81%	2.66%	7.31%
\$ 86,596	\$ 82,474	\$ 90,825	\$ 89,531	\$ 89,490	\$ 90,079
<u>(86,596)</u>	<u>(82,474)</u>	<u>(90,825)</u>	<u>(89,531)</u>	<u>(89,490)</u>	<u>(90,079)</u>
<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
\$ 8,659,638	\$ 8,247,423	\$ 9,082,462	\$ 8,953,085	\$ 8,949,023	\$ 9,007,885
1.00%	1.00%	1.00%	1.00%	1.00%	1.00%

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2018*

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**Note 1 - Net Pension Liability**

***Changes in Assumptions - SERS***

For fiscal year 2017, the SERS Board adopted the following assumption changes:

- Assumed rate of inflation was reduced from 3.25 percent to 3.00 percent
- Payroll Growth Assumption was reduced from 4.00 percent to 3.50 percent
- Assumed real wage growth was reduced from 0.75 percent to 0.50 percent
- Rates of withdrawal, retirement and disability were updated to reflect recent experience.
- Mortality among active members was updated to the following:
  - RP-2014 Blue Collar Mortality Table with fully generational projection and a five year age set-back for both males and females.
- Mortality among service retired members, and beneficiaries was updated to the following:
  - RP-2014 Blue Collar Mortality Table with fully generational projection with Scale BB, 120 percent of male rates, and 110 percent of female rates.
- Mortality among disable member was updated to the following:
  - RP-2000 Disabled Mortality Table, 90 percent for male rates and 100 percent for female rates, set back five years is used for the period after disability retirement.

***Changes in Benefit Terms - SERS***

For fiscal year 2018, the cost-of-living adjustment was changed from a fixed 3.00 percent to a cost-of-living adjustment that is indexed to CPI-W not greater than 2.50 percent with a floor of zero percent beginning January 1, 2018. In addition, with the authority granted the Board under HB 49, the Board has enacted a three-year COLA suspension for benefit recipients in calendar years 2018, 2019 and 2020.

***Changes in Assumptions – STRS***

For fiscal year 2018, the Retirement Board approved several changes to the actuarial assumptions in 2017. The long term expected rate of return was reduced from 7.75 percent to 7.45 percent, the inflation assumption was lowered from 2.75 percent to 2.50 percent, the payroll growth assumption was lowered to 3.00 percent, and total salary increases rate was lowered by decreasing the merit component of the individual salary increases, in addition to a decrease of 0.25 percent due to lower inflation. The healthy and disabled mortality assumptions were updated to the RP-2014 mortality tables with generational improvement scale MP-2016. Rates of retirement, termination and disability were modified to better reflect anticipated future experience.

***Changes in Benefit Terms - STRS***

Effective for fiscal year 2018, the cost-of-living adjustment (COLA) was reduced to zero.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Notes to the Required Supplementary Information*  
*For the Fiscal Year Ended June 30, 2018*

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**Note 2 - Net OPEB Liability**

***Changes in Assumptions – SERS***

Amounts reported for fiscal year 2018 incorporate changes in key methods and assumptions used in calculating the total OPEB liability as presented below:

Municipal Bond Index Rate:

Fiscal year 2018	3.56 percent
Fiscal year 2017	2.92 percent

Single Equivalent Interest Rate, net of plan investment expense, including price inflation

Fiscal year 2018	3.63 percent
Fiscal year 2017	2.98 percent

***Changes in Assumptions – STRS***

For fiscal year 2018, the discount rate was increased from 3.26 percent to 4.13 percent based on the methodology defined under GASB *Statement No. 74, Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans (OPEB)* and the long term expected rate of return was reduced from 7.75 percent to 7.45 percent. Valuation year per capita health care costs were updated, and the salary scale was modified. The percentage of future retirees electing each option was updated based on current data and the percentage of future disabled retirees and terminated vested participants electing health coverage were decreased. The assumed mortality, disability, retirement, withdrawal and future health care cost trend rates were modified along with the portion of rebated prescription drug costs.

Also for fiscal year 2018, the subsidy multiplier for non-Medicare benefit recipients was reduced from 2.1 percent to 1.9 percent per year of service. Medicare Part B premium reimbursements were discontinued for certain survivors and beneficiaries and all remaining Medicare Part B premium reimbursements will be discontinued beginning January 2020.

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*Combining Statements for  
Nonmajor Governmental Funds  
and  
Individual Fund Schedules for  
Governmental Funds*

# **Buckeye Local School District**

## *Combining Statements – Nonmajor Funds*

### *Nonmajor Special Revenue Funds*

The Special Revenue Funds are used to account for the proceeds of specific sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditure for specified purposes. With the implementation of GASB No. 54, the public school support, uniform school supplies and creative tax abatement special revenue funds and certain special cost centers of the special trust special revenue fund (referred to as the miscellaneous activities fund) have been classified with the general fund for GAAP reporting purposes. However, these funds have their own legally adopted budgets. As a result, an Individual Fund Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget (Non-GAAP Basis) and Actual have been presented for these funds. The title of each special revenue fund is descriptive of the activities accounted for therein. The special revenue funds are:

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

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

***Athletics Fund*** - This fund accounts for gate receipts and other revenues from athletic events and costs of the School District's Athletic Program.

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

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

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

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

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

***Improving Teacher Quality Fund*** – This fund accounts for Federal monies used for reduction of class size in grades kindergarten through third.

# **Buckeye Local School District**

## *Combining Statements – Nonmajor Funds*

### *Nonmajor Special Revenue Funds (continued)*

***Miscellaneous Federal Grants Fund*** – This fund accounts for other Federal Grants which are not required to be accounted for in a separate fund.

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

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

***Miscellaneous Activities Fund*** – This group of special cost centers accounts for financial activities related to preschool, summer programs, book fairs and other miscellaneous activities.

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

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

***Creative Tax Abatement Fund*** – This group of special cost centers accounts for monies received from local businesses in lieu of taxes.

## **Buckeye Local School District**

### *Combining Statements – Nonmajor Funds*

#### *Nonmajor Capital Projects Funds*

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

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

***County Sales Tax Fund*** – This fund accounts for county sales tax charged in Medina County, collected by State of Ohio (1/2 %) distributed back to Medina County which distributes back to the Medina County school districts on a per pupil basis. This money can only be used for capital projects for the individual districts.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Governmental Funds*  
*June 30, 2018*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 223,524	\$ 637,852	\$ 861,376
Receivables:			
Intergovernmental	134,511	763,478	897,989
Taxes	0	419,992	419,992
<i>Total Assets</i>	<u>\$ 358,035</u>	<u>\$ 1,821,322</u>	<u>\$ 2,179,357</u>
<b>Liabilities</b>			
Accounts Payable	\$ 9,638	\$ 17,640	\$ 27,278
Accrued Wages and Benefits	71,329	0	71,329
Intergovernmental Payable	36,365	0	36,365
Interfund Payable	134,757	0	134,757
<i>Total Liabilities</i>	<u>252,089</u>	<u>17,640</u>	<u>269,729</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	0	328,346	328,346
Unavailable Revenue - Delinquent Property Taxes	0	2,326	2,326
Unavailable Revenue - Other	134,511	526,428	660,939
<i>Total Deferred Inflows of Resources</i>	<u>134,511</u>	<u>857,100</u>	<u>991,611</u>
<b>Fund Balances</b>			
Restricted	106,907	946,582	1,053,489
Unassigned	(135,472)	0	(135,472)
<i>Total Fund Balances (Deficit)</i>	<u>(28,565)</u>	<u>946,582</u>	<u>918,017</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 358,035</u>	<u>\$ 1,821,322</u>	<u>\$ 2,179,357</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Governmental Funds*  
*For the Fiscal Year Ended June 30, 2018*

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Taxes	\$ 0	\$ 471,488	\$ 471,488
Intergovernmental	931,282	1,096,714	2,027,996
Investment Income	266	0	266
Extracurricular Activities	312,186	0	312,186
Charges for Services	286,904	0	286,904
Gifts and Donations	18,909	0	18,909
Miscellaneous	0	9,470	9,470
<i>Total Revenues</i>	<u>1,549,547</u>	<u>1,577,672</u>	<u>3,127,219</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	157,834	159,156	316,990
Special	368,692	0	368,692
Support Services:			
Pupils	0	69,479	69,479
Instructional Staff	185,128	0	185,128
Administration	8,385	57,496	65,881
Fiscal	0	1,250	1,250
Operation and Maintenance of Plant	16	215,166	215,182
Central	7,200	0	7,200
Operation of Non-Instructional Services:			
Food Service Operations	506,742	4,816	511,558
Extracurricular Activities	498,802	2,914	501,716
Capital Outlay	0	69,499	69,499
Debt Service:			
Principal Retirement	0	329,535	329,535
Interest and Fiscal Charges	0	88,274	88,274
<i>Total Expenditures</i>	<u>1,732,799</u>	<u>997,585</u>	<u>2,730,384</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	(183,252)	580,087	396,835
<b>Other Financing Sources:</b>			
Transfers In	192,500	0	192,500
<i>Net Change in Fund Balances</i>	9,248	580,087	589,335
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>(37,813)</u>	<u>366,495</u>	<u>328,682</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ (28,565)</u>	<u>\$ 946,582</u>	<u>\$ 918,017</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2018*

	Local Grants Fund	Underground Storage Tank Fund	Athletics Fund	Data Communications Fund
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 45,161	\$ 11,000	\$ 833	\$ 0
Receivables:				
Intergovernmental	0	0	0	0
<i>Total Assets</i>	<u>\$ 45,161</u>	<u>\$ 11,000</u>	<u>\$ 833</u>	<u>\$ 0</u>
<b>Liabilities</b>				
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0
Accrued Wages and Benefits	0	0	12,845	0
Intergovernmental Payable	980	0	10,414	0
Interfund Payable	0	0	0	0
<i>Total Liabilities</i>	<u>980</u>	<u>0</u>	<u>23,259</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Other	0	0	0	0
<b>Fund Balances (Deficit)</b>				
Restricted	44,181	11,000	0	0
Unassigned	0	0	(22,426)	0
<i>Total Fund Balances (Deficit)</i>	<u>44,181</u>	<u>11,000</u>	<u>(22,426)</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 45,161</u>	<u>\$ 11,000</u>	<u>\$ 833</u>	<u>\$ 0</u>

*(continued)*

**Buckeye Local School District**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2018*

	School Buildings Incentives Fund	Title VI-B Fund	Title I Fund	Preschool Handicapped Fund
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 9,806	\$ 71,172	\$ 38,942	\$ 0
Receivables:				
Intergovernmental	0	87,916	44,391	0
<i>Total Assets</i>	<u>\$ 9,806</u>	<u>\$ 159,088</u>	<u>\$ 83,333</u>	<u>\$ 0</u>
<b>Liabilities</b>				
Accounts Payable	\$ 0	\$ 7,292	\$ 629	\$ 0
Accrued Wages and Benefits	0	17,267	15,652	0
Intergovernmental Payable	0	14,974	188	0
Interfund Payable	0	87,916	44,637	0
<i>Total Liabilities</i>	<u>0</u>	<u>127,449</u>	<u>61,106</u>	<u>0</u>
<b>Deferred Inflows of Resources</b>				
Unavailable Revenue - Other	0	87,916	44,391	0
<b>Fund Balances (Deficit)</b>				
Restricted	9,806	0	0	0
Unassigned	0	(56,277)	(22,164)	0
<i>Total Fund Balances (Deficit)</i>	<u>9,806</u>	<u>(56,277)</u>	<u>(22,164)</u>	<u>0</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 9,806</u>	<u>\$ 159,088</u>	<u>\$ 83,333</u>	<u>\$ 0</u>



**Buckeye Local School District**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Special Revenue Funds*  
*June 30, 2018*

	Improving Teacher Quality Fund	Miscellaneous Federal Grants Fund	Food Service Fund	Special Trust Fund	Total Nonmajor Special Revenue Funds
<b>Assets</b>					
Equity in Pooled Cash and Investments	\$ 0	\$ 2,204	\$ 2,486	\$ 41,920	\$ 223,524
Receivables:					
Intergovernmental	0	2,204	0	0	134,511
<i>Total Assets</i>	<u>\$ 0</u>	<u>\$ 4,408</u>	<u>\$ 2,486</u>	<u>\$ 41,920</u>	<u>\$ 358,035</u>
<b>Liabilities</b>					
Accounts Payable	\$ 0	\$ 1,717	\$ 0	\$ 0	\$ 9,638
Accrued Wages and Benefits	0	0	25,565	0	71,329
Intergovernmental Payable	0	0	9,809	0	36,365
Interfund Payable	0	2,204	0	0	134,757
<i>Total Liabilities</i>	<u>0</u>	<u>3,921</u>	<u>35,374</u>	<u>0</u>	<u>252,089</u>
<b>Deferred Inflows of Resources</b>					
Unavailable Revenue - Other	0	2,204	0	0	134,511
<b>Fund Balances (Deficit)</b>					
Restricted	0	0	0	41,920	106,907
Unassigned	0	(1,717)	(32,888)	0	(135,472)
<i>Total Fund Balances (Deficit)</i>	<u>0</u>	<u>(1,717)</u>	<u>(32,888)</u>	<u>41,920</u>	<u>(28,565)</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u>\$ 0</u>	<u>\$ 4,408</u>	<u>\$ 2,486</u>	<u>\$ 41,920</u>	<u>\$ 358,035</u>

**Buckeye Local School District  
Medina County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*

*Nonmajor Special Revenue Funds*

*For the Fiscal Year Ended June 30, 2018*

	Local Grants Fund	Underground Storage Tank Fund	Athletics Fund	Data Communications Fund
<b>Revenues:</b>				
Intergovernmental	\$ 75,672	\$ 0	\$ 0	\$ 7,200
Investment Income	0	0	0	0
Extracurricular Activities	0	0	312,186	0
Charges for Services	0	0	0	0
Gifts and Donations	3,618	0	9,761	0
<i>Total Revenues</i>	<u>79,290</u>	<u>0</u>	<u>321,947</u>	<u>7,200</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	22,929	0	0	0
Special	0	0	0	0
Support Services:				
Instructional Staff	42,500	0	0	0
Administration	8,385	0	0	0
Operation and Maintenance of Plant	0	0	16	0
Central	0	0	0	7,200
Operation of Non-Instructional Services:				
Food Service Operations	177	0	0	0
Extracurricular Activities	0	0	498,802	0
<i>Total Expenditures</i>	<u>73,991</u>	<u>0</u>	<u>498,818</u>	<u>7,200</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	5,299	0	(176,871)	0
<b>Other Financing Sources:</b>				
Transfers In	0	0	180,000	0
<i>Net Change in Fund Balance</i>	5,299	0	3,129	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	38,882	11,000	(25,555)	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 44,181</u>	<u>\$ 11,000</u>	<u>\$ (22,426)</u>	<u>\$ 0</u>

*(continued)*

**Buckeye Local School District  
Medina County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2018*

	School Buildings Incentives Fund	Title VI-B Fund	Title I Fund	Preschool Handicapped Fund
<b>Revenues:</b>				
Intergovernmental	\$ 0	\$ 392,094	\$ 187,670	\$ 11,865
Investment Income	0	0	0	0
Extracurricular Activities	0	0	0	0
Charges for Services	0	0	0	0
Gifts and Donations	0	0	0	0
<i>Total Revenues</i>	<u>0</u>	<u>392,094</u>	<u>187,670</u>	<u>11,865</u>
<b>Expenditures:</b>				
Current:				
Instruction:				
Regular	0	0	79,832	0
Special	0	261,269	95,558	11,865
Support Services:				
Instructional Staff	0	142,628	0	0
Administration	0	0	0	0
Operation and Maintenance of Plant	0	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services:				
Food Service Operations	0	0	0	0
Extracurricular Activities	0	0	0	0
<i>Total Expenditures</i>	<u>0</u>	<u>403,897</u>	<u>175,390</u>	<u>11,865</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(11,803)	12,280	0
<b>Other Financing Sources:</b>				
Transfers In	0	0	0	0
<i>Net Change in Fund Balance</i>	0	(11,803)	12,280	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>9,806</u>	<u>(44,474)</u>	<u>(34,444)</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 9,806</u>	<u>\$ (56,277)</u>	<u>\$ (22,164)</u>	<u>\$ 0</u>

*(continued)*

**Buckeye Local School District  
Medina County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*

*Nonmajor Special Revenue Funds*

*For the Fiscal Year Ended June 30, 2018*

	Improving Teacher Quality Fund	Miscellaneous Federal Grants Fund	Food Service Fund	Special Trust Fund	Total Nonmajor Special Revenue Funds
<b>Revenues:</b>					
Intergovernmental	\$ 43,560	\$ 7,796	\$ 205,425	\$ 0	\$ 931,282
Investment Income	0	0	0	266	266
Extracurricular Activities	0	0	0	0	312,186
Charges for Services	0	0	286,904	0	286,904
Gifts and Donations	0	0	3,530	2,000	18,909
<i>Total Revenues</i>	<u>43,560</u>	<u>7,796</u>	<u>495,859</u>	<u>2,266</u>	<u>1,549,547</u>
<b>Expenditures:</b>					
Current:					
Instruction:					
Regular	43,560	9,513	0	2,000	157,834
Special	0	0	0	0	368,692
Support Services:					
Instructional Staff	0	0	0	0	185,128
Administration	0	0	0	0	8,385
Operation and Maintenance of Plant	0	0	0	0	16
Central	0	0	0	0	7,200
Operation of Non-Instructional Services:					
Food Service Operations	0	0	506,565	0	506,742
Extracurricular Activities	0	0	0	0	498,802
<i>Total Expenditures</i>	<u>43,560</u>	<u>9,513</u>	<u>506,565</u>	<u>2,000</u>	<u>1,732,799</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	0	(1,717)	(10,706)	266	(183,252)
<b>Other Financing Sources:</b>					
Transfers In	0	0	12,500	0	192,500
<i>Net Change in Fund Balance</i>	0	(1,717)	1,794	266	9,248
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	(34,682)	41,654	(37,813)
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 0</u>	<u>\$ (1,717)</u>	<u>\$ (32,888)</u>	<u>\$ 41,920</u>	<u>\$ (28,565)</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Combining Balance Sheet*  
*Nonmajor Capital Projects Funds*  
*June 30, 2018*

	<u>Permanent Improvement Fund</u>	<u>County Sales Tax Fund</u>	<u>Total Nonmajor Capital Projects Funds</u>
<b>Assets</b>			
Equity in Pooled Cash and Investments	\$ 443,299	\$ 194,553	\$ 637,852
Receivables:			
Taxes	419,992	0	419,992
Intergovernmental	<u>0</u>	<u>763,478</u>	<u>763,478</u>
<i>Total Assets</i>	<u><u>\$ 863,291</u></u>	<u><u>\$ 958,031</u></u>	<u><u>\$ 1,821,322</u></u>
<b>Liabilities</b>			
Accounts Payable	<u>\$ 8,099</u>	<u>\$ 9,541</u>	<u>\$ 17,640</u>
<b>Deferred Inflows of Resources</b>			
Property Taxes Levied for the Next Fiscal Year	328,346	0	328,346
Unavailable Revenue - Delinquent Property Taxes	2,326	0	2,326
Unavailable Revenue - Other	<u>0</u>	<u>526,428</u>	<u>526,428</u>
<i>Total Deferred Inflows of Resources</i>	<u>330,672</u>	<u>526,428</u>	<u>857,100</u>
<b>Fund Balances (Deficit)</b>			
Restricted	<u>524,520</u>	<u>422,062</u>	<u>946,582</u>
<i>Total Liabilities, Deferred Inflows of Resources and Fund Balances (Deficit)</i>	<u><u>\$ 863,291</u></u>	<u><u>\$ 958,031</u></u>	<u><u>\$ 1,821,322</u></u>

**Buckeye Local School District**  
**Medina County, Ohio**

*Combining Statement of Revenues, Expenditures and Changes in Fund Balances*  
*Nonmajor Capital Projects Funds*  
*For the Fiscal Year Ended June 30, 2018*

	Permanent Improvement Fund	County Sales Tax Fund	Total Nonmajor Capital Projects Funds
<b>Revenues:</b>			
Taxes	\$ 471,488	\$ 0	\$ 471,488
Intergovernmental	64,664	1,032,050	1,096,714
Miscellaneous	9,470	0	9,470
	<hr/>	<hr/>	<hr/>
<i>Total Revenues</i>	545,622	1,032,050	1,577,672
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular	3,139	156,017	159,156
Support Services:			
Pupils	0	69,479	69,479
Administration	2,070	55,426	57,496
Fiscal	0	1,250	1,250
Operation and Maintenance of Plant	34,921	180,245	215,166
Food Service Operations	4,816	0	4,816
Extracurricular Activities	0	2,914	2,914
Capital Outlay	59,499	10,000	69,499
Debt Service:			
Principal Retirement	0	329,535	329,535
Interest and Fiscal Charges	0	88,274	88,274
	<hr/>	<hr/>	<hr/>
<i>Total Expenditures</i>	104,445	893,140	997,585
<i>Net Change in Fund Balance</i>	441,177	138,910	580,087
<i>Fund Balance (Deficit) at Beginning of Year</i>	83,343	283,152	366,495
	<hr/>	<hr/>	<hr/>
<i>Fund Balance (Deficit) at End of Year</i>	\$ 524,520	\$ 422,062	\$ 946,582
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

***GOVERNMENTAL FUNDS***

***Individual Fund Schedules of Revenues,  
Expenditures/Expenses and Changes in  
Fund Balance/Net Position -  
Budget (Non-GAAP Basis) and Actual***

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Taxes	\$ 12,736,496	\$ 12,736,496	\$ 0
Intergovernmental	9,414,195	9,414,195	0
Investment Income	185,521	185,521	0
Tuition and Fees	370,291	370,291	0
Rentals	11,098	11,098	0
Charges for Services	142,246	142,246	0
Miscellaneous	32,435	35,015	2,580
<i>Total Revenues</i>	<u>22,892,282</u>	<u>22,894,862</u>	<u>2,580</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Salaries and Wages	6,918,642	6,745,969	172,673
Fringe Benefits	2,982,303	2,576,647	405,656
Purchased Services	108,472	248,445	(139,973)
Materials and Supplies	157,564	133,346	24,218
Total	<u>10,166,981</u>	<u>9,704,407</u>	<u>462,574</u>
Special Instruction:			
Salaries and Wages	1,627,903	1,415,635	212,268
Fringe Benefits	730,465	643,638	86,827
Purchased Services	53,958	26,553	27,405
Materials and Supplies	2,067	2,611	(544)
Total	<u>2,414,393</u>	<u>2,088,437</u>	<u>325,956</u>
Vocational Instruction:			
Salaries and Wages	250,620	256,169	(5,549)
Fringe Benefits	66,271	69,255	(2,984)
Purchased Services	3,928	2,479	1,449
Materials and Supplies	2,650	2,215	435
Total	<u>323,469</u>	<u>330,118</u>	<u>(6,649)</u>
Student Intervention:			
Purchased Services	<u>1,425,364</u>	<u>1,225,932</u>	<u>199,432</u>
Total Instruction	<u>14,330,207</u>	<u>13,348,894</u>	<u>981,313</u>

(continued)



**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Support Services:</b>			
<b>Pupils:</b>			
Salaries and Wages	764,670	683,355	81,315
Fringe Benefits	259,804	196,937	62,867
Purchased Services	198,331	213,876	(15,545)
Materials and Supplies	8,994	7,751	1,243
<b>Total</b>	<b>1,231,799</b>	<b>1,101,919</b>	<b>129,880</b>
<b>Instructional Staff:</b>			
Salaries and Wages	545,588	445,164	100,424
Fringe Benefits	236,783	209,601	27,182
Purchased Services	323,621	263,165	60,456
Materials and Supplies	1,806	1,806	0
Other	60,837	34,411	26,426
<b>Total</b>	<b>1,168,635</b>	<b>954,147</b>	<b>214,488</b>
<b>Board of Education:</b>			
Salaries and Wages	20,125	16,249	3,876
Purchased Services	4,105	2,376	1,729
Materials and Supplies	250	0	250
Other	9,800	9,636	164
<b>Total</b>	<b>34,280</b>	<b>28,261</b>	<b>6,019</b>
<b>Administration:</b>			
Salaries and Wages	1,109,042	1,083,711	25,331
Fringe Benefits	442,062	396,707	45,355
Purchased Services	233,459	218,321	15,138
Materials and Supplies	232,216	74,841	157,375
Other	179,467	160,762	18,705
<b>Total</b>	<b>2,196,246</b>	<b>1,934,342</b>	<b>261,904</b>
<b>Fiscal:</b>			
Salaries and Wages	281,788	239,997	41,791
Fringe Benefits	112,099	113,245	(1,146)
Purchased Services	108,036	60,135	47,901
Materials and Supplies	51,813	4,000	47,813
Other	287,862	265,957	21,905
<b>Total</b>	<b>841,598</b>	<b>683,334</b>	<b>158,264</b>
<b>Business:</b>			
Salaries and Wages	84,503	84,503	0
Fringe Benefits	22,663	6,692	15,971
<b>Total</b>	<b>107,166</b>	<b>91,195</b>	<b>15,971</b>

(continued)

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Operation and Maintenance of Plant:</b>			
Salaries and Wages	457,837	449,419	8,418
Fringe Benefits	193,613	237,869	(44,256)
Purchased Services	907,579	741,264	166,315
Materials and Supplies	130,235	108,696	21,539
<b>Total</b>	<b>1,689,264</b>	<b>1,537,248</b>	<b>152,016</b>
<b>Pupil Transportation:</b>			
Salaries and Wages	463,840	526,192	(62,352)
Fringe Benefits	238,023	244,832	(6,809)
Purchased Services	223,418	207,583	15,835
Materials and Supplies	233,622	178,418	55,204
<b>Total</b>	<b>1,158,903</b>	<b>1,157,025</b>	<b>1,878</b>
<b>Central:</b>			
Purchased Services	1,650	1,352	298
<b>Total Support Services</b>	<b>8,429,541</b>	<b>7,488,823</b>	<b>940,718</b>
<b>Extracurricular Activities:</b>			
<b>Academic Oriented Activities:</b>			
Salaries and Wages	64,245	70,965	(6,720)
Fringe Benefits	16,189	11,344	4,845
<b>Total</b>	<b>80,434</b>	<b>82,309</b>	<b>(1,875)</b>
<b>Sports Oriented Activities:</b>			
Salaries and Wages	44,140	31,178	12,962
Fringe Benefits	6,800	5,226	1,574
Other	10,000	9,266	734
<b>Total</b>	<b>60,940</b>	<b>45,670</b>	<b>15,270</b>
<b>Total Extracurricular Activities</b>	<b>141,374</b>	<b>127,979</b>	<b>13,395</b>
<b>Total Expenditures</b>	<b>22,901,122</b>	<b>20,965,696</b>	<b>1,935,426</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(8,840)</b>	<b>1,929,166</b>	<b>1,938,006</b>

(continued)

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*General Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Other Financing Sources (Uses):</b>			
Proceeds from Sale of Assets	8,258	8,258	0
Refund of Prior Year Expenditures	306,760	306,760	0
Advances In	4,068	4,068	0
Advances Out	(134,757)	(134,757)	0
Transfers Out	(192,500)	(192,500)	0
<i>Total Other Financing Sources (Uses)</i>	<u>(8,171)</u>	<u>(8,171)</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(17,011)	1,920,995	1,938,006
<i>Fund Balance (Deficit) at Beginning of Year</i>	12,061,526	12,061,526	0
Prior Year Encumbrances Appropriated	<u>615,190</u>	<u>615,190</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 12,659,705</u>	<u>\$ 14,597,711</u>	<u>\$ 1,938,006</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Debt Service Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Taxes	\$ 1,595,521	\$ 1,595,521	\$ 0
Intergovernmental	294,402	294,402	0
<i>Total Revenues</i>	<u>1,889,923</u>	<u>1,889,923</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Fiscal:			
Other	46,800	24,444	22,356
Debt Service:			
Principal	1,150,000	1,150,000	0
Interest and Fiscal Charges	452,371	452,371	0
Total Debt Service	<u>1,602,371</u>	<u>1,602,371</u>	<u>0</u>
<i>Total Expenditures</i>	<u>1,649,171</u>	<u>1,626,815</u>	<u>22,356</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>240,752</u>	<u>263,108</u>	<u>22,356</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	33,144	33,144	0
<i>Net Change in Fund Balance</i>	273,896	296,252	22,356
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>1,331,275</u>	<u>1,331,275</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,605,171</u>	<u>\$ 1,627,527</u>	<u>\$ 22,356</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Local Grants Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 75,672	\$ 75,672	\$ 0
Gifts and Donations	3,476	3,618	142
<i>Total Revenues</i>	<u>79,148</u>	<u>79,290</u>	<u>142</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Purchased Services	31,542	950	30,592
Materials and Supplies	27,622	21,592	6,030
Capital Outlay	301	0	301
Other	1,900	824	1,076
Total Instruction	<u>61,365</u>	<u>23,366</u>	<u>37,999</u>
Support Services:			
Pupils:			
Materials and Supplies	500	0	500
Instructional Staff:			
Salaries and Wages	42,500	42,500	0
Administration:			
Salaries and Wages	7,000	7,255	(255)
Fringe Benefits	1,117	1,130	(13)
Materials and Supplies	2,000	0	2,000
Total	<u>10,117</u>	<u>8,385</u>	<u>1,732</u>
Total Support Services	<u>53,117</u>	<u>50,885</u>	<u>2,232</u>
Operation on Non-Instructional Services:			
Food Service Operations:			
Materials and Supplies	1,100	177	923
<i>Total Expenditures</i>	<u>115,582</u>	<u>74,428</u>	<u>41,154</u>
<i>Net Change in Fund Balance</i>	(36,434)	4,862	41,296
<i>Fund Balance (Deficit) at Beginning of Year</i>	36,964	36,964	0
Prior Year Encumbrances Appropriated	<u>3,285</u>	<u>3,285</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 3,815</u>	<u>\$ 45,111</u>	<u>\$ 41,296</u>

**Buckeye Local School District  
Medina County, Ohio**

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Underground Storage Tank Fund  
For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>	\$ 0	\$ 0	\$ 0
<b>Expenditures:</b>	0	0	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	11,000	11,000	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 11,000	\$ 11,000	\$ 0

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Athletics Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Extracurricular Activities	\$ 386,674	\$ 312,186	\$ (74,488)
Gifts and Donations	7,900	9,761	1,861
<i>Total Revenues</i>	<u>394,574</u>	<u>321,947</u>	<u>(72,627)</u>
<b>Expenditures:</b>			
Current:			
Support Services:			
Operation and Maintenance:			
Salaries and Wages	1,442	14	1,428
Fringe Benefits	220	2	218
<i>Total Support Services</i>	<u>1,662</u>	<u>16</u>	<u>1,646</u>
Extracurricular Activities:			
Academic Oriented			
Salaries and Wages	15,353	15,353	0
Fringe Benefits	2,372	2,793	(421)
<i>Total</i>	<u>17,725</u>	<u>18,146</u>	<u>(421)</u>
Sports Oriented Activities:			
Salaries and Wages	288,360	295,215	(6,855)
Fringe Benefits	79,689	86,665	(6,976)
Purchased Services	84,273	82,142	2,131
Materials and Supplies	15,758	21,512	(5,754)
Capital Outlay	1,165	3,945	(2,780)
<i>Total</i>	<u>469,245</u>	<u>489,479</u>	<u>(20,234)</u>
<i>Total Extracurricular Activities</i>	<u>486,970</u>	<u>507,625</u>	<u>(20,655)</u>
<i>Total Expenditures</i>	<u>488,632</u>	<u>507,641</u>	<u>(19,009)</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(94,058)</u>	<u>(185,694)</u>	<u>(91,636)</u>
<b>Other Financing Sources:</b>			
Refund of Prior Year Expenditures	50	0	(50)
Transfers In	106,576	180,000	73,424
Transfers Out	(1,000)	0	1,000
<i>Total Other Financing Sources (Uses)</i>	<u>105,626</u>	<u>180,000</u>	<u>74,374</u>
<i>Net Change in Fund Balance</i>	11,568	(5,694)	(17,262)
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	6,532	6,532	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 18,100</u>	<u>\$ 838</u>	<u>\$ (17,262)</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Data Communications Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 7,200	\$ 7,200	\$ 0
<b>Expenditures:</b>			
Current:			
Support Services:			
Central:			
Purchased Services	7,200	7,200	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0



**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*School Buildings Incentives Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 16,768	\$ 0	\$ (16,768)
<b>Expenditures:</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	4,813	0	4,813
Operation of Non-Instructional Services:			
Community Services:			
Purchased Services	772	0	772
<i>Total Expenditures</i>	5,585	0	5,585
<i>Net Change in Fund Balance</i>	11,183	0	(11,183)
<i>Fund Balance (Deficit) at Beginning of Year</i>	4,225	4,225	0
Prior Year Encumbrances Appropriated	5,585	5,585	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 20,993	\$ 9,810	\$ (11,183)

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Title VI-B Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 394,158	\$ 394,158	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Special Instruction:			
Salaries and Wages	202,474	165,139	37,335
Fringe Benefits	47,057	46,397	660
Purchased Services	48,600	48,600	0
Materials and Supplies	6,292	6,292	0
Capital Outlay	8,250	7,302	948
Total Instruction	312,673	273,730	38,943
Support Services:			
Instructional Staff:			
Salaries and Wages	96,515	81,715	14,800
Fringe Benefits	70,822	60,695	10,127
Total Support Services	167,337	142,410	24,927
<i>Total Expenditures</i>	480,010	416,140	63,870
<i>Excess of Revenues Over (Under) Expenditures</i>	(85,852)	(21,982)	63,870
<b>Other Financing Sources (Uses):</b>			
Advances In	87,916	87,916	0
Advances Out	(2,064)	(2,064)	0
<i>Total Other Financing Sources (Uses)</i>	85,852	85,852	0
<i>Net Change in Fund Balance</i>	0	63,870	63,870
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 63,870	\$ 63,870

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Title I Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 189,429	\$ 189,429	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Salaries and Wages	72,817	61,489	11,328
Fringe Benefits	35,335	29,732	5,603
Materials and Supplies	1,106	1,106	0
Total	<u>109,258</u>	<u>92,327</u>	<u>16,931</u>
Special Instruction:			
Salaries and Wages	90,061	77,894	12,167
Fringe Benefits	30,691	21,721	8,970
Purchased Services	2,052	2,052	0
Total	<u>122,804</u>	<u>101,667</u>	<u>21,137</u>
Total Instruction	<u>232,062</u>	<u>193,994</u>	<u>38,068</u>
Operation of Non-Instructional Services:			
Community Services:			
Materials and Supplies	246	0	246
Total Expenditures	<u>232,308</u>	<u>193,994</u>	<u>38,314</u>
Excess of Revenues Over (Under) Expenditures	<u>(42,879)</u>	<u>(4,565)</u>	<u>38,314</u>
<b>Other Financing Sources (Uses):</b>			
Advances In	44,637	44,637	0
Advances Out	(2,004)	(2,004)	0
Total Other Financing Sources (Uses)	<u>42,633</u>	<u>42,633</u>	<u>0</u>
Net Change in Fund Balance	(246)	38,068	38,314
Fund Balance (Deficit) at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	246	246	0
Fund Balance (Deficit) at End of Year	<u>\$ 0</u>	<u>\$ 38,314</u>	<u>\$ 38,314</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Preschool Handicapped Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 11,865	\$ 11,865	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Special Instruction:			
Salaries and Wages	11,865	11,865	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Improving Teacher Quality Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 43,560	\$ 43,560	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Salaries and Wages	43,560	43,560	0
<i>Net Change in Fund Balance</i>	0	0	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 0	\$ 0

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Federal Grants Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 7,796	\$ 7,796	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Salaries and Wages	5,996	5,996	0
Materials and Supplies	2,504	2,048	456
Capital Outlay	1,500	1,500	0
<i>Total Expenditures</i>	10,000	9,544	456
<i>Excess of Revenues Over (Under) Expenditures</i>	(2,204)	(1,748)	456
<b>Other Financing Sources (Uses):</b>			
Advances In	2,204	2,204	0
<i>Net Change in Fund Balance</i>	0	456	456
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 0	\$ 456	\$ 456

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Food Service Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 186,426	\$ 186,426	\$ 0
Investment Income	50	0	(50)
Charges for Services	287,142	286,904	(238)
Gifts and Donations	0	3,530	3,530
<i>Total Revenues</i>	<u>473,618</u>	<u>476,860</u>	<u>3,242</u>
<b>Expenditures:</b>			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries and Wages	167,790	167,790	0
Fringe Benefits	75,928	75,928	0
Purchased Services	1,619	1,619	0
Materials and Supplies	242,549	242,549	0
<i>Total Expenditures</i>	<u>487,886</u>	<u>487,886</u>	<u>0</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(14,268)</u>	<u>(11,026)</u>	<u>3,242</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	500	0	(500)
Transfers In	15,182	12,500	(2,682)
<i>Total Other Financing Sources (Uses)</i>	<u>15,682</u>	<u>12,500</u>	<u>(3,182)</u>
<i>Net Change in Fund Balance</i>	1,414	1,474	60
<i>Fund Balance (Deficit) at Beginning of Year</i>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 1,414</u>	<u>\$ 1,474</u>	<u>\$ 60</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Special Trust Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Investment Income	\$ 266	\$ 266	\$ 0
Gifts and Donations	2,000	2,000	0
<i>Total Revenues</i>	2,266	2,266	0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Other	2,000	2,000	0
<i>Net Change in Fund Balance</i>	266	266	0
<i>Fund Balance (Deficit) at Beginning of Year</i>	41,653	41,653	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 41,919	\$ 41,919	\$ 0



**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Miscellaneous Activities Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Tuition and Fees	\$ 74,574	\$ 74,467	\$ (107)
Gifts and Donations	500	700	200
<i>Total Revenues</i>	<u>75,074</u>	<u>75,167</u>	<u>93</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Special Instruction:			
Salaries and Wages	2,000	1,000	1,000
Fringe Benefits	1,783	160	1,623
Materials and Supplies	1,400	1,528	(128)
Total Instruction	<u>5,183</u>	<u>2,688</u>	<u>2,495</u>
Operation of Non-Instructional Services:			
Community Services:			
Salaries and Wages	42,228	26,459	15,769
Fringe Benefits	14,682	8,731	5,951
Materials and Supplies	5,158	4,030	1,128
Capital Outlay	5,000	924	4,076
Other	700	300	400
Total Operation of Non-Instructional Services	<u>67,768</u>	<u>40,444</u>	<u>27,324</u>
<i>Total Expenditures</i>	<u>72,951</u>	<u>43,132</u>	<u>29,819</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>2,123</u>	<u>32,035</u>	<u>29,912</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	60	0	(60)
<i>Net Change in Fund Balance</i>	2,183	32,035	29,852
<i>Fund Balance (Deficit) at Beginning of Year</i>	240,536	240,536	0
Prior Year Encumbrances Appropriated	558	558	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 243,277</u>	<u>\$ 273,129</u>	<u>\$ 29,852</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Uniform School Supplies Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Tuition and Fees	\$ 98,561	\$ 98,561	\$ 0
Miscellaneous	6,539	7,500	961
<i>Total Revenues</i>	<u>105,100</u>	<u>106,061</u>	<u>961</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Materials and Supplies	<u>93,088</u>	<u>69,433</u>	<u>23,655</u>
Vocational Instruction:			
Materials and Supplies	<u>728</u>	<u>469</u>	<u>259</u>
<i>Total Expenditures</i>	<u>93,816</u>	<u>69,902</u>	<u>23,914</u>
<i>Net Change in Fund Balance</i>	11,284	36,159	24,875
<i>Fund Balance (Deficit) at Beginning of Year</i>	0	0	0
Prior Year Encumbrances Appropriated	<u>7,759</u>	<u>7,759</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 19,043</u>	<u>\$ 43,918</u>	<u>\$ 24,875</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Public School Support Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Extracurricular	\$ 283,300	\$ 284,014	\$ 714
Gifts and Donations	100	0	(100)
<i>Total Revenues</i>	<u>283,400</u>	<u>284,014</u>	<u>614</u>
<b>Expenditures:</b>			
Current:			
Extracurricular Activities:			
School and Public Service Co-Curricular Activities			
Purchased Services	25,730	25,653	77
Materials and Supplies	253,739	227,052	26,687
<i>Total Expenditures</i>	<u>279,469</u>	<u>252,705</u>	<u>26,764</u>
<i>Net Change in Fund Balance</i>	3,931	31,309	27,378
<i>Fund Balance (Deficit) at Beginning of Year</i>	105,951	105,951	0
Prior Year Encumbrances Appropriated	4,114	4,114	0
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 113,996</u>	<u>\$ 141,374</u>	<u>\$ 27,378</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*Creative Tax Abatement Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Payments in Lieu of Taxes	\$ 34,852	\$ 34,852	\$ 0
<b>Expenditures:</b>			
Current:			
Support Services:			
Operation and Maintenance of Plant:			
Capital Outlay	113,405	59,341	54,064
Pupil Transportation:			
Capital Outlay	20,000	13,327	6,673
<i>Total Expenditures</i>	133,405	72,668	60,737
<i>Net Change in Fund Balance</i>	(98,553)	(37,816)	60,737
<i>Fund Balance (Deficit) at Beginning of Year</i>	339,343	339,343	0
Prior Year Encumbrances Appropriated	63,405	63,405	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 304,195	\$ 364,932	\$ 60,737

**Buckeye Local School District  
Medina County, Ohio**

*Schedule of Revenues, Expenditures, and Changes in Fund Balance -  
Budget (Non-GAAP Basis) and Actual  
Permanent Improvement Fund  
For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Taxes	\$ 428,098	\$ 428,098	\$ 0
Intergovernmental	64,664	64,664	0
<i>Total Revenues</i>	<u>492,762</u>	<u>492,762</u>	<u>0</u>
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Capital Outlay	<u>8,200</u>	<u>3,200</u>	<u>5,000</u>
Support Services:			
Administration:			
Capital Outlay	<u>5,175</u>	<u>5,175</u>	<u>0</u>
Fiscal:			
Other	<u>500</u>	<u>0</u>	<u>500</u>
Operation and Maintenance of Plant:			
Purchased Services	204,450	37,503	166,947
Capital Outlay	<u>172,165</u>	<u>176,688</u>	<u>(4,523)</u>
Total	<u>376,615</u>	<u>214,191</u>	<u>162,424</u>
Pupil Transportation:			
Capital Outlay	<u>19,505</u>	<u>0</u>	<u>19,505</u>
<i>Total Support Services</i>	<u>401,795</u>	<u>219,366</u>	<u>182,429</u>
Operation of Non-Instructional Services:			
Food Service Operations:			
Capital Outlay	<u>5,000</u>	<u>4,816</u>	<u>184</u>
Capital Outlay:			
Building Acquisition and Construction Services			
Capital Outlay	<u>251,000</u>	<u>137,176</u>	<u>113,824</u>
<i>Total Expenditures</i>	<u>665,995</u>	<u>364,558</u>	<u>301,437</u>
<i>Excess of Revenues Over (Under) Expenditures</i>	<u>(173,233)</u>	<u>128,204</u>	<u>301,437</u>
<b>Other Financing Sources (Uses):</b>			
Refund of Prior Year Expenditures	<u>9,470</u>	<u>9,470</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	(163,763)	137,674	301,437
<i>Fund Balance (Deficit) at Beginning of Year</i>	18,805	18,805	0
Prior Year Encumbrances Appropriated	<u>174,445</u>	<u>174,445</u>	<u>0</u>
<i>Fund Balance (Deficit) at End of Year</i>	<u>\$ 29,487</u>	<u>\$ 330,924</u>	<u>\$ 301,437</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*County Sales Tax Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Intergovernmental	\$ 1,028,284	\$ 1,028,284	\$ 0
<b>Expenditures:</b>			
Current:			
Instruction:			
Regular Instruction:			
Materials and Supplies	164,598	155,253	9,345
Capital Outlay	5,782	3,566	2,216
Other	31,409	3,063	28,346
Total Instruction	201,789	161,882	39,907
Support Services:			
Pupils:			
Capital Outlay	318,155	315,103	3,052
Administration:			
Purchased Services	110,239	110,229	10
Fiscal:			
Purchased Services	1,250	1,250	0
Operation and Maintenance of Plant:			
Purchased Services	459,470	396,318	63,152
Capital Outlay	44,136	43,897	239
Total	503,606	440,215	63,391
Pupil Transportation:			
Capital Outlay	252,188	252,012	176
Total Support Services	1,185,438	1,118,809	66,629
Extracurricular Activities:			
Sports Oriented Activities:			
Capital Outlay	4,425	2,914	1,511
Capital Outlay:			
Building Acquisition and Construction Services:			
Capital Outlay	10,000	10,000	0
Debt Service:			
Principal Retirement	329,535	329,535	0
Interest and Fiscal Charges	88,519	88,274	245
Total Debt Service	418,054	417,809	245
<b>Total Expenditures</b>	<b>1,819,706</b>	<b>1,711,414</b>	<b>108,292</b>

(continued)

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenditures, and Changes in Fund Balance -*  
*Budget (Non-GAAP Basis) and Actual*  
*County Sales Tax Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<i>Net Change in Fund Balance</i>	(791,422)	(683,130)	108,292
<i>Fund Balance (Deficit) at Beginning of Year</i>	25,217	25,217	0
<i>Prior Year Encumbrances Appropriated</i>	783,318	783,318	0
<i>Fund Balance (Deficit) at End of Year</i>	\$ 17,113	\$ 125,405	\$ 108,292

## **Buckeye Local School District**

### *Internal Service and Fiduciary Funds*

#### ***Internal Service Fund***

*Self Insurance Fund*- This fund accounts for the self-insurance program which provides dental benefits to employees.

#### ***Fiduciary Funds***

*Scholarship Private Purpose Trust Fund* - This fund accounts for donations to be used for scholarships. The income may be expended, but the principal must remain intact.

*District Agency Fund* - This fund accounts for OHSAA tournament monies.

*Student Activities Fund* - This fund reflects resources that belong to the student bodies of various schools, accounting for sales and other revenue generating activities.



**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenses, and Changes in Net Position -*  
*Budget (Non-GAAP Basis) and Actual*  
*Self Insurance Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Operating Revenues:</b>			
Charges for Services	\$ 177,700	\$ 177,746	\$ 46
<b>Operating Expenses:</b>			
Purchased Services	21,562	16,315	5,247
Claims	178,713	178,713	0
Other	400	0	400
<i>Total Expenses</i>	<u>200,675</u>	<u>195,028</u>	<u>5,647</u>
<i>Change in Net Position</i>	(22,975)	(17,282)	5,693
<i>Net Position at Beginning of Year</i>	273,633	273,633	0
Prior Year Encumbrances Appropriated	275	275	0
<i>Net Position at End of Year</i>	<u>\$ 250,933</u>	<u>\$ 256,626</u>	<u>\$ 5,693</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Schedule of Revenues, Expenses, and Changes in Net Position -*  
*Budget (Non-GAAP Basis) and Actual*  
*Scholarship Fund*  
*For the Fiscal Year Ended June 30, 2018*

	Final Budget	Actual	Variance
<b>Revenues:</b>			
Interest	\$ 400	\$ 715	\$ 315
<b>Expenses:</b>			
Payments in Accordance with Trust Agreements	8,000	7,084	916
<i>Change in Net Position</i>	(7,600)	(6,369)	1,231
<i>Net Position at Beginning of Year</i>	92,562	92,562	0
<i>Net Position at End of Year</i>	\$ 84,962	\$ 86,193	\$ 1,231

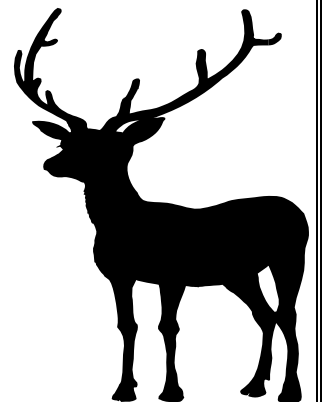
**Buckeye Local School District**  
**Medina County, Ohio**  
*Combining Statement of Changes in Assets and Liabilities*  
*Agency Funds*  
*For the Fiscal Year Ended June 30, 2018*

	<b>Beginning Balance July 1, 2017</b>	<b>Additions</b>	<b>Deductions</b>	<b>Ending Balance June 30, 2018</b>
<b>District Agency</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 0	\$ 22,437	\$ 20,202	\$ 2,235
Total Assets	<u>\$ 0</u>	<u>\$ 22,437</u>	<u>\$ 20,202</u>	<u>\$ 2,235</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 0	\$ 22,437	\$ 20,202	\$ 2,235
Total Liabilities	<u>\$ 0</u>	<u>\$ 22,437</u>	<u>\$ 20,202</u>	<u>\$ 2,235</u>
<b>Student Activities</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 64,835	\$ 109,885	\$ 107,854	\$ 66,866
Total Assets	<u>\$ 64,835</u>	<u>\$ 109,885</u>	<u>\$ 107,854</u>	<u>\$ 66,866</u>
<b>Liabilities</b>				
Due to Students	\$ 64,835	\$ 109,885	\$ 107,854	\$ 66,866
Total Liabilities	<u>\$ 64,835</u>	<u>\$ 109,885</u>	<u>\$ 107,854</u>	<u>\$ 66,866</u>
<b>Total Agency Funds</b>				
<b>Assets</b>				
Equity in Pooled Cash and Investments	\$ 64,835	\$ 132,322	\$ 128,056	\$ 69,101
Total Assets	<u>\$ 64,835</u>	<u>\$ 132,322</u>	<u>\$ 128,056</u>	<u>\$ 69,101</u>
<b>Liabilities</b>				
Undistributed Monies	\$ 0	\$ 22,437	\$ 20,202	\$ 2,235
Due to Students	64,835	109,885	107,854	66,866
Total Liabilities	<u>\$ 64,835</u>	<u>\$ 132,322</u>	<u>\$ 128,056</u>	<u>\$ 69,101</u>

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# Statistical Section





## *Statistical Section*

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

### **Contents**

### **Page(s)**

#### **Financial Trends**

These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.

S-2 - S-11

#### **Revenue Capacity**

These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.

S-12 - S-17

#### **Debt Capacity**

These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.

S-18 - S-22

#### **Economic and Demographic Information**

These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.

S-23 - S-24

#### **Operating Information**

These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.

S-25 - S-30

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

#### **NOTE:**

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

With the implementation of GASB No. 68 in fiscal year 2015, the calculation of pension expense has changed, however, government-wide expenses for 2014 and prior fiscal years were not restated to reflect this change.

With the implementation of GASB No. 75 in fiscal year 2018, the calculation of OPEB expense has changed, however, government-wide expenses for 2017 and prior fiscal years were not restated to reflect this change.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Net Position by Component*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	<b>2018</b>	<b>Restated 2017</b>	<b>2016</b>	<b>2015</b>
Governmental Activities:				
Net Investment in Capital Assets	\$ 11,190,207	\$ 10,325,867	\$ 8,940,834	\$ 8,921,895
Restricted	3,549,291	2,525,225	3,526,103	3,230,750
Unrestricted	(9,180,693)	(23,270,522)	(16,667,855)	(20,452,719)
<i>Total Governmental Activities</i>				
<i>Net Position</i>	\$ 5,558,805	\$ (10,419,430)	\$ (4,200,918)	\$ (8,300,074)

With the implementation of GASB No. 68 in fiscal year 2015, the calculation of pension expense has changed, however, government-wide expenses for 2014 and prior fiscal years were not restated to reflect this change.

With the implementation of GASB No. 75 in fiscal year 2018, the calculation of OPEB expense has changed, however, government-wide expenses for 2017 and prior fiscal years were not restated to reflect this change.



<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 8,922,030	\$ 7,586,311	\$ 7,877,391	\$ 7,907,533	\$ 7,559,670	\$ 7,531,660
3,444,455	3,413,331	3,025,020	3,434,872	2,857,585	1,695,132
<u>(24,210,651)</u>	<u>(761,620)</u>	<u>(2,071,853)</u>	<u>(2,040,831)</u>	<u>483,638</u>	<u>1,429,645</u>
<u>\$ (11,844,166)</u>	<u>\$ 10,238,022</u>	<u>\$ 8,830,558</u>	<u>\$ 9,301,574</u>	<u>\$ 10,900,893</u>	<u>\$ 10,656,437</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Changes in Net Position*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	2018	2017	2016	2015
Expenses:				
Governmental Activities:				
Instruction:				
Regular and Special Instruction	\$ 5,292,357	\$ 13,825,767	\$ 12,763,260	\$ 11,973,212
Vocational and Other Instruction	1,170,005	1,716,741	1,115,909	1,111,088
Support Services:				
Pupils	474,506	1,679,437	1,089,398	1,142,981
Instructional Staff	940,347	1,430,226	1,280,127	1,339,070
Administration	1,234,550	2,140,574	1,985,824	1,708,973
Board of Education, Business and Fiscal Services	776,527	796,397	801,931	779,375
Operation and Maintenance of Plant	1,240,507	2,402,687	1,515,230	2,142,185
Pupil Transportation	1,121,569	1,517,119	1,185,297	1,213,318
Central	8,377	8,090	15,644	1,510
Food Service Operations	548,369	601,353	533,636	534,655
Community Services	36,523	39,991	96,621	13,263
Extracurricular Activities	660,079	917,773	816,351	903,591
Interest and Fiscal Charges	509,428	567,745	694,581	825,619
<i>Total Expenses</i>	<u>14,013,144</u>	<u>27,643,900</u>	<u>23,893,809</u>	<u>23,688,840</u>
<b>Program Revenues:</b>				
Governmental Activities:				
Charges for Services:				
Regular and Special Instruction	\$ 679,505	\$ 301,133	\$ 537,099	\$ 419,020
Pupils and Instructional Staff	0	2,134	0	1,247
Administration	0	0	0	313
Board of Education, Business and Fiscal Services	0	405	0	0
Operation and Maintenance of Plant	0	1,261	2,489	1,595
Extracurricular Activities	596,200	580,257	544,146	584,851
Food Service Operations	287,142	297,831	300,650	268,685
Community Services	0	64,423	67,134	7,544
Operating Grants and Contributions	1,519,211	1,419,205	1,371,629	1,415,848
<i>Total Program Revenues</i>	<u>3,082,058</u>	<u>2,666,649</u>	<u>2,823,147</u>	<u>2,699,103</u>
<i>Total Net Expense</i>	<u>\$ (10,931,086)</u>	<u>\$ (24,977,251)</u>	<u>\$ (21,070,662)</u>	<u>\$ (20,989,737)</u>
<b>General Revenues and Other Changes in Net Position</b>				
Governmental Activities:				
Property and Other Local Taxes Levied For:				
General Purposes	\$ 13,848,034	\$ 12,488,344	\$ 12,221,769	\$ 11,632,392
Debt Service	1,722,586	1,630,990	1,557,081	1,488,198
Capital Outlay	471,325	407,743	389,280	372,051
Grants and Entitlements not Restricted to Specific Programs	10,342,508	10,963,416	10,904,176	10,554,856
Payment in Lieu of Taxes	34,852	33,745	53,331	76,537
Investment Earnings	70,747	79,799	14,134	1,657
Miscellaneous	419,269	95,089	30,047	408,138
<i>Total General Revenues</i>	<u>\$ 26,909,321</u>	<u>\$ 25,699,126</u>	<u>\$ 25,169,818</u>	<u>\$ 24,533,829</u>
<i>Change in Net Position</i>	<u>\$ 15,978,235</u>	<u>\$ 721,875</u>	<u>\$ 4,099,156</u>	<u>\$ 3,544,092</u>

	2014	2013	2012	2011	2010	2009
\$	11,269,641	\$ 11,428,268	\$ 11,789,609	\$ 11,542,009	\$ 12,205,786	\$ 12,504,077
	1,078,239	1,288,818	1,047,614	944,559	773,460	728,567
	856,374	986,651	890,828	1,010,923	1,103,431	1,135,444
	1,416,187	1,185,954	1,338,631	1,191,216	1,292,824	1,209,910
	1,642,838	1,544,345	1,494,016	1,577,266	1,920,011	1,681,754
	773,580	757,417	727,893	700,956	284,971	745,503
	1,369,183	1,528,561	1,711,768	1,622,714	1,764,223	1,700,022
	1,158,119	1,181,590	1,105,973	1,221,873	1,587,550	1,301,115
	285	17,621	24,815	768	44,292	21,859
	500,489	501,351	600,206	569,855	626,408	535,720
	2,898	1,400	101,385	2,829	35,301	70,124
	761,712	679,807	635,366	627,136	721,326	749,565
	853,396	940,352	826,477	1,077,888	1,340,647	1,328,382
	<u>21,682,941</u>	<u>22,042,135</u>	<u>22,294,581</u>	<u>22,089,992</u>	<u>23,700,230</u>	<u>23,712,042</u>
\$	324,440	\$ 359,446	\$ 403,343	\$ 225,544	\$ 433,229	\$ 227,909
	0	0	0	0	0	0
	0	0	0	0	0	0
	0	0	0	0	0	0
	2,240	3,299	0	1,362	2,423	46,611
	527,164	507,570	422,390	466,032	430,889	458,680
	203,196	217,718	294,776	241,034	270,182	303,370
	0	0	43,265	0	0	0
	1,147,320	1,361,922	996,729	1,630,530	1,562,727	1,111,352
	<u>2,204,360</u>	<u>2,449,955</u>	<u>2,160,503</u>	<u>2,564,502</u>	<u>2,699,450</u>	<u>2,147,922</u>
\$	<u>(19,478,581)</u>	<u>(19,592,180)</u>	<u>(20,134,078)</u>	<u>(19,525,490)</u>	<u>(21,000,780)</u>	<u>(21,564,120)</u>
\$	11,308,995	\$ 10,117,195	\$ 8,177,680	\$ 7,341,881	\$ 9,081,825	\$ 9,528,722
	1,412,695	1,334,257	1,321,087	1,267,108	1,556,139	1,457,550
	362,807	360,563	357,096	342,467	420,577	454,848
	10,301,947	9,540,808	8,925,987	10,262,451	9,822,412	9,446,531
	0	0	0	0	0	0
	945	2,981	859,666	6,835	7,920	91,805
	24,877	23,287	21,546	15,394	356,363	139,886
	<u>\$ 23,412,266</u>	<u>\$ 21,379,091</u>	<u>\$ 19,663,062</u>	<u>\$ 19,236,136</u>	<u>\$ 21,245,236</u>	<u>\$ 21,119,342</u>
\$	<u>3,933,685</u>	<u>1,786,911</u>	<u>(471,016)</u>	<u>(289,354)</u>	<u>244,456</u>	<u>(444,778)</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Program Revenues by Function/Program*  
*Last Ten Fiscal Years*  
*(Accrual Basis of Accounting)*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Governmental Activities</b>				
Instruction:				
Regular and Special Instruction	\$ 1,598,364	\$ 1,225,735	\$ 1,424,887	\$ 1,286,621
Vocational and Other Instruction	32,675	58,736	18,702	15,719
Support Services:				
Pupil Support	0	2,134	45,595	436
Instructional Staff Support	194,526	173,008	116,951	221,643
Board of Education and Administration	84,773	6,761	9,776	13,155
Operation and Maintenance of Plant	0	11,256	12,773	39,273
Pupil Transportation	61,810	27,906	60,507	56,007
Central	7,200	7,200	7,200	0
Food Service Operations	496,049	495,093	487,622	456,387
Community Services	700	67,656	79,659	23,011
Extracurricular Activities	605,961	591,164	559,475	586,851
<i>Total Governmental Activities</i>	<u>\$ 3,082,058</u>	<u>\$ 2,666,649</u>	<u>\$ 2,823,147</u>	<u>\$ 2,699,103</u>

2014	2013	2012	2011	2010	2009
\$ 730,760	\$ 1,124,468	\$ 842,660	\$ 1,307,435	\$ 1,117,780	\$ 922,279
218,215	0	0	1,362	0	14,177
79,427	175,449	169,606	169,925	173,204	85,425
166,154	172,711	159,216	120,524	215,171	133,379
47,391	20,080	26,969	38,405	33,053	0
2,240	3,299	0	0	267,462	46,611
380	3,177	0	0	11,986	19,547
7,200	7,200	7,200	8,000	9,145	12,000
423,896	432,497	486,972	448,345	431,142	455,824
250	630	44,195	2,711	6,967	0
528,447	510,444	423,685	467,795	433,540	458,680
<u>\$ 2,204,360</u>	<u>\$ 2,449,955</u>	<u>\$ 2,160,503</u>	<u>\$ 2,564,502</u>	<u>\$ 2,699,450</u>	<u>\$ 2,147,922</u>

**Buckeye Local School District**  
**Medina County, Ohio**  
*Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(Modified Accrual Basis of Accounting)*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
General Fund				
Reserved	\$ 0	\$ 0	\$ 0	\$ 0
Unreserved	0	0	0	0
Nonspendable	26,116	21,116	0	0
Committed	1,101	701	587	132
Assigned	487,710	2,678,610	742,318	850,144
Unassigned	14,883,763	9,448,903	9,180,962	6,036,075
<i>Total General Fund</i>	<u>15,398,690</u>	<u>12,149,330</u>	<u>9,923,867</u>	<u>6,886,351</u>
All Other Governmental Funds (1)				
Reserved	0	0	0	0
Unreserved, Reported in:				
Special Revenue Funds	0	0	0	0
Debt Service Funds	0	0	0	0
Capital Projects Funds	0	0	0	0
Nonspendable	0	653	0	0
Restricted	2,993,646	1,982,862	2,791,564	2,782,809
Unassigned	(135,472)	(139,808)	(120,740)	(77,560)
<i>Total All Other Governmental Funds</i>	<u>2,858,174</u>	<u>1,843,707</u>	<u>2,670,824</u>	<u>2,705,249</u>
<i>Total Governmental Funds</i>	<u>\$ 18,256,864</u>	<u>\$ 13,993,037</u>	<u>\$ 12,594,691</u>	<u>\$ 9,591,600</u>

(1) For fiscal year 2011, the School District implemented GASB 54 which changes governmental fund classifications. The School District has elected not to restate fund balance amounts for fiscal years prior to implementation.

2014	2013	2012	2011	2010	2009
\$ 0	\$ 0	\$ 0	\$ 0	\$ 1,315,900	\$ 954,065
0	0	0	0	(1,220,867)	(1,025,949)
0	15,455	148,833	100,910	0	0
102	242	212	132	0	0
791,416	682,820	267,206	371,231	0	0
3,055,825	48,756	(1,226,981)	(1,115,102)	0	0
3,847,343	747,273	(810,730)	(642,829)	95,033	(71,884)
0	0	0	0	970,318	705,644
0	0	0	0	442,884	530,411
0	0	0	0	666,963	678,249
0	0	0	0	370,108	7,688
0	22,449	48,822	0	0	0
2,533,971	2,806,437	2,396,673	2,408,318	0	0
(55,556)	(120,128)	(97,260)	(72,969)	0	0
2,478,415	2,708,758	2,348,235	2,335,349	2,450,273	1,921,992
\$ 6,325,758	\$ 3,456,031	\$ 1,537,505	\$ 1,692,520	\$ 2,545,306	\$ 1,850,108

**Buckeye Local School District**  
**Medina County, Ohio**  
*Changes in Fund Balances, Governmental Funds*  
*Last Ten Fiscal Years*  
*(Modified Accrual Basis of Accounting)*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<b>Revenues:</b>				
Taxes	\$ 16,052,315	\$ 14,619,043	\$ 14,209,256	\$ 13,589,717
Intergovernmental	11,659,503	12,541,490	11,917,792	11,996,211
Investment income	71,013	79,954	14,150	1,661
Tuition and Fees	543,319	361,445	619,181	417,968
Extracurricular Activities	596,200	581,331	566,185	587,648
Charges for Services	429,150	296,153	297,280	265,834
Payment in Lieu of Taxes	34,852	33,745	53,331	76,537
Miscellaneous (1)	430,765	92,732	68,762	442,764
<i>Total Revenues</i>	<u>29,817,117</u>	<u>28,605,893</u>	<u>27,745,937</u>	<u>27,378,340</u>
<b>Expenditures:</b>				
Instructional	14,184,987	13,681,502	13,066,773	12,611,719
Support Services	7,854,369	9,546,526	8,148,905	8,142,050
Food Service Operations	511,558	514,396	491,640	473,388
Community Services	40,920	36,403	97,533	13,263
Extracurricular Activities	880,035	1,387,940	819,470	907,076
Capital Outlay	69,499	11,910	394,150	0
Debt Service:				
Principal Retirement	1,479,535	1,432,633	787,845	1,011,037
Interest and Fiscal Charges	540,645	598,142	1,262,349	953,965
<i>Total Expenditures</i>	<u>25,561,548</u>	<u>27,209,452</u>	<u>25,068,665</u>	<u>24,112,498</u>
<i>Excess (Deficiency) of Revenue Over (Under) Expenditures</i>	4,255,569	1,396,441	2,677,272	3,265,842
<b>Other Financing Sources (Uses):</b>				
Issuance of Certificate of Participation	0	0	0	0
Proceeds of Bonds	0	0	0	0
Premium on Debt Issuance	0	0	0	0
Payment to Refund Bond Escrow Agent	0	0	0	0
Discount on Certificate of Participation	0	0	0	0
Proceeds from Sales of Assets	8,258	1,905	3,687	0
Inception of Capital Lease	0	0	322,132	0
Transfers In	192,500	120,945	119,978	161,693
Transfers Out	(192,500)	(120,945)	(119,978)	(161,693)
<i>Total Financing Sources and (Uses)</i>	<u>8,258</u>	<u>1,905</u>	<u>325,819</u>	<u>0</u>
<i>Net Change in Fund Balance</i>	<u>\$ 4,263,827</u>	<u>\$ 1,398,346</u>	<u>\$ 3,003,091</u>	<u>\$ 3,265,842</u>
Debt Service as a Percentage of Noncapital Expenditures	8.05%	7.76%	8.31%	8.18%

(1) Miscellaneous revenues include Rentals and Contributions and Donations revenues.



	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
\$	13,055,838	\$ 12,099,534	\$ 9,895,878	\$ 9,336,055	\$ 10,906,275	\$ 11,389,875
	11,555,586	10,707,036	10,945,310	11,696,580	11,553,056	10,419,537
	949	3,036	2,977	7,508	9,906	91,805
	269,109	258,528	418,714	232,365	276,543	227,909
	521,358	500,237	422,390	477,318	431,336	457,240
	198,516	212,821	262,488	236,420	267,971	303,370
	0	0	0	0	0	0
	88,974	127,737	110,096	120,431	318,432	359,154
	<u>25,690,330</u>	<u>23,908,929</u>	<u>22,057,853</u>	<u>22,106,677</u>	<u>23,763,519</u>	<u>23,248,890</u>
	12,179,967	12,101,131	11,961,029	12,467,853	12,450,347	12,879,870
	7,126,916	6,566,293	6,464,056	7,252,659	8,115,533	7,499,753
	444,760	438,734	539,829	501,873	569,127	535,720
	2,898	203,625	101,385	2,829	35,301	16,274
	869,166	468,833	627,825	645,774	721,361	741,882
	103,371	312,073	514,354	237,447	2,715,300	1,030,275
	1,356,483	1,254,728	1,203,070	1,064,354	438,000	405,800
	737,042	738,826	806,966	916,486	1,367,572	1,299,071
	<u>22,820,603</u>	<u>22,084,243</u>	<u>22,218,514</u>	<u>23,256,165</u>	<u>26,569,346</u>	<u>24,408,645</u>
	2,869,727	1,824,686	(160,661)	(1,149,488)	(2,805,827)	(1,159,755)
	0	0	0	0	3,500,000	0
	0	2,529,995	0	7,182,700	0	0
	0	148,438	0	502,365	0	0
	0	(2,584,593)	0	(7,518,175)	0	0
	0	0	0	0	(6,140)	0
	0	0	5,646	13,470	7,165	0
	0	0	0	116,342	0	0
	150,932	128,185	176,903	167,368	229,488	154,561
	(150,932)	(128,185)	(176,903)	(167,368)	(229,488)	(154,561)
	<u>0</u>	<u>93,840</u>	<u>5,646</u>	<u>296,702</u>	<u>3,501,025</u>	<u>0</u>
\$	<u>2,869,727</u>	<u>\$ 1,918,526</u>	<u>\$ (155,015)</u>	<u>\$ (852,786)</u>	<u>\$ 695,198</u>	<u>\$ (1,159,755)</u>
	9.22%	9.16%	9.26%	9.33%	8.23%	7.29%

**Buckeye Local School District**  
**Medina County, Ohio**  
*Assessed Valuation and Estimated Actual Value of Taxable Property*  
*Last Ten Collection Years*

<u>Collection Year</u>	<u>Real Property (1)</u>		<u>Tangible Personal Property (2)</u>	
	<u>Residential/ Agriculture Property</u>	<u>Commercial Property</u>	<u>General</u>	<u>Public Utility</u>
2018	\$ 388,001,840	\$ 73,820,420	\$ 0	\$ 19,147,790
2017	379,355,890	72,694,110	0	18,183,600
2016	348,014,260	66,766,170	0	17,011,700
2015	344,493,410	68,135,550	0	16,496,230
2014	337,848,570	62,997,240	0	15,882,570
2013	342,051,110	61,647,610	0	16,420,830
2012	339,605,600	59,321,830	0	14,549,500
2011	335,187,420	58,562,070	0	14,023,790
2010	353,695,910	58,445,630	420,528	13,362,710
2009	349,028,980	53,807,300	850,366	12,522,910

Source: Medina County Auditor's Office

- (1) Real estate value is assessed at 35% of actual value.
- (2) Public utility personal is assessed at 88% of actual value and general business tangible personal property was assessed in previous years at 25% for machinery and equipment and 23% for inventories. General business tangible personal property tax was phased out beginning 2006. Both types of general business tangible personal property were assessed at 12.5% for 2007, 6.25% for 2008 and zero for 2009 and thereafter.

<b>Total</b>					
	<b><u>Assessed Value</u></b>		<b><u>Estimated Actual Value</u></b>	<b><u>Ratio</u></b>	<b><u>Total Tax Rate</u></b>
\$	480,970,050	\$	1,341,251,023	35.9%	66.40
	470,233,600		1,312,234,611	35.8%	67.90
	431,792,130		1,204,418,420	35.9%	67.90
	429,125,190		1,197,685,602	35.8%	67.90
	416,728,380		1,163,322,118	35.8%	67.90
	420,119,550		1,172,084,948	35.8%	67.60
	413,476,930		1,156,326,180	35.8%	59.70
	407,773,280		1,140,934,668	35.7%	59.70
	425,924,778		1,232,680,209	34.6%	59.70
	416,209,556		1,200,346,399	34.7%	59.70

**Buckeye Local School District****Medina County, Ohio***Property Tax Rates - Direct and Overlapping Governments**(Per \$1,000 of Assessed Valuation)**Last Ten Collection Years*

Collection Year		Direct Rates			
		Operating Millage	Permanent Improvement Millage	Debt Service Millage	Total School District
2018	Liverpool Township	61.90	1.00	3.50	66.40
	Litchfield Township	61.90	1.00	3.50	66.40
	York Township	61.90	1.00	3.50	66.40
	Medina City	61.90	1.00	3.50	66.40
2017	Liverpool Township	62.90	1.00	4.00	67.90
	Litchfield Township	62.90	1.00	4.00	67.90
	York Township	62.90	1.00	4.00	67.90
	Medina City	62.90	1.00	4.00	67.90
2016	Liverpool Township	62.90	1.00	4.00	67.90
	Litchfield Township	62.90	1.00	4.00	67.90
	York Township	62.90	1.00	4.00	67.90
	Medina City	62.90	1.00	4.00	67.90
2015	Liverpool Township	62.90	1.00	4.00	67.90
	Litchfield Township	62.90	1.00	4.00	67.90
	York Township	62.90	1.00	4.00	67.90
	Medina City	62.90	1.00	4.00	67.90
2014	Liverpool Township	62.90	1.00	4.00	67.90
	Litchfield Township	62.90	1.00	4.00	67.90
	York Township	62.90	1.00	4.00	67.90
	Medina City	62.90	1.00	4.00	67.90
2013	Liverpool Township	62.90	1.00	3.70	67.60
	Litchfield Township	62.90	1.00	3.70	67.60
	York Township	62.90	1.00	3.70	67.60
	Medina City	62.90	1.00	3.70	67.60
2012	Liverpool Township	55.00	1.00	3.70	59.70
	Litchfield Township	55.00	1.00	3.70	59.70
	York Township	55.00	1.00	3.70	59.70
	Medina City	55.00	1.00	3.70	59.70
2011	Liverpool Township	55.00	1.00	3.70	59.70
	Litchfield Township	55.00	1.00	3.70	59.70
	York Township	55.00	1.00	3.70	59.70
	Medina City	55.00	1.00	3.70	59.70
2010	Liverpool Township	55.00	1.00	3.70	59.70
	Litchfield Township	55.00	1.00	3.70	59.70
	York Township	55.00	1.00	3.70	59.70
	Medina City	55.00	1.00	3.70	59.70
2009	Liverpool Township	55.00	1.00	3.70	59.70
	Litchfield Township	55.00	1.00	3.70	59.70
	York Township	55.00	1.00	3.70	59.70
	Medina City	55.00	1.00	3.70	59.70

Source: Medina County Auditor

Overlapping Rates

County Levy	Township	Vocational Education	Medina City	Other	Medina County Library
8.04	6.20	3.05	0.00	1.00	2.15
8.04	9.90	3.05	0.00	1.00	2.15
8.04	6.70	3.05	0.00	1.00	2.15
8.04	0.00	3.05	5.40	1.00	2.15
8.04	6.20	3.05	0.00	1.00	2.10
8.04	9.90	3.05	0.00	1.00	2.10
8.04	6.70	3.05	0.00	1.00	2.10
8.04	0.00	3.05	5.40	1.00	2.10
8.04	6.20	3.05	0.00	0.75	2.10
8.04	9.90	3.05	0.00	0.75	2.10
8.04	6.20	3.05	0.00	0.75	2.10
8.04	0.00	3.05	5.40	0.75	2.10
8.04	6.20	3.05	0.00	0.75	1.85
8.04	9.90	3.05	0.00	0.75	1.85
8.04	6.20	3.05	0.00	0.75	1.85
8.04	0.00	3.05	5.40	0.75	1.85
8.04	6.20	3.05	0.00	0.75	1.85
8.04	9.90	3.05	0.00	0.75	1.85
8.04	6.20	3.05	0.00	0.75	1.85
8.04	0.00	3.05	5.40	0.75	1.85
8.04	6.20	3.05	0.00	0.75	2.05
8.04	9.90	3.05	0.00	0.75	2.05
8.04	6.20	3.05	0.00	0.75	2.05
8.04	0.00	3.05	5.40	0.75	2.05
8.04	6.20	3.05	0.00	0.75	2.05
8.04	9.90	3.05	0.00	0.75	2.05
8.04	6.20	3.05	0.00	0.75	2.05
8.04	0.00	3.05	5.40	0.75	2.05
8.04	6.20	3.05	0.00	0.75	2.05
8.04	9.90	3.05	0.00	0.75	2.05
8.04	6.20	3.05	0.00	0.75	2.05
8.04	0.00	3.05	5.45	0.75	2.05
7.07	6.20	3.05	0.00	0.75	2.25
7.07	9.90	3.05	0.00	0.75	2.25
7.07	6.20	3.05	0.00	0.75	2.25
7.07	0.00	3.05	5.45	0.75	2.25

**Buckeye Local School District  
Medina County, Ohio**

*Property Tax Levies and Collections, Real, Public Utility Tax and Tangible Personal Property (1)  
Last Ten Collection Years*

<b>Tax Year</b>	<b>Collection Year</b>	<b>Current Tax Levy</b>	<b>Current Tax Collections</b>	<b>Percent of Current Tax Collections to Tax Levy</b>	<b>Delinquent Tax Collections</b>	<b>Total Tax Collections (1)</b>	<b>Percent of Total Tax Collections to Tax Levy</b>
2016	2017	\$ 16,493,915	\$ 16,229,504	98.40%	\$ 304,829	\$ 16,534,333	100.25%
2015	2016	15,657,262	15,393,471	98.32%	359,089	15,752,560	100.61%
2014	2015	15,557,408	15,343,754	98.63%	391,542	15,735,296	101.14%
2013	2014	15,019,852	14,641,281	97.48%	327,129	14,968,410	99.66%
2012	2013	14,931,753	14,486,918	97.02%	496,369	14,983,287	100.35%
2011	2012	11,183,043	10,885,478	97.34%	440,979	11,326,457	101.28%
2010	2011	11,089,218	10,596,957	95.56%	359,516	10,956,473	98.80%
2009	2010	11,749,224	10,750,696	91.50%	678,660	11,429,356	97.28%
2008	2009	11,369,022	10,480,425	92.18%	615,129	11,095,554	97.59%
2007	2008	12,074,938	11,214,502	92.87%	642,046	11,856,548	98.19%

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

Note: The Medina County Treasurer collects property taxes on a calendar-year basis, therefore, the above data has been presented on a calendar-year basis. The County does not identify delinquent collections by the year for which the tax was levied. As a result, the percent of total collections to tax levy could exceed 100% in any given year. The School District needs more time to work with the County to obtain this information.

Source: Medina County Auditor's Office

**Buckeye Local School District**  
**Medina County, Ohio**  
*Principal Taxpayers*  
*December 31, 2017 and December 31, 2008*

Name of Taxpayer	Assessed Value (1)	Percent of Real Assessed Value
<b>December 31, 2017</b>		
Columbia Gas Transmission	\$ 7,083,580	1.48%
Ohio Edison Company	6,619,020	1.38%
MTD holdings Inc.	4,076,570	0.85%
MTD holdings Inc.	5,000,530	1.04%
Medina Blanking	3,992,140	0.83%
Discount Drug Mart	2,938,110	0.61%
Liverpool Fields Combined LLC	2,911,680	0.61%
Sandridge Food	2,688,750	0.56%
American Transmission Systems	2,353,720	0.49%
Liverpool Coil	2,301,400	0.48%
Totals	<u>\$ 39,965,500</u>	<u>8.32%</u>
Total Assessed Valuation	<u>\$ 480,970,050</u>	
<b>December 31, 2008</b>		
MTD Holdings, Inc.	\$ 5,859,670	1.41%
Ohio Edison	4,882,990	1.17%
Columbia Gas Transmission	4,805,000	1.15%
Discount Drug Mart	4,413,470	1.06%
Liverpool Coil	2,597,310	0.62%
Sandridge Foods	1,963,130	0.47%
Shiloh Industries, Inc.	1,954,520	0.47%
Medina Blanking	1,865,460	0.45%
VCS Properties LLC	1,813,980	0.44%
Medina Medical Investors	1,603,140	0.39%
Totals	<u>\$ 31,758,670</u>	<u>7.63%</u>
Total Assessed Valuation	<u>\$ 416,209,556</u>	

Source: Medina County Auditor

(1) Assessed values are for the 2017 collection year for 2016 and the 2008 collection year for 2007.

**Buckeye Local School District  
Medina County, Ohio**

*Ratio of Outstanding Debt to Personal Income  
and Debt Per Capita  
Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>General Obligation Bonds (1)</b>	<b>Capital Leases (1)</b>	<b>Total Primary Government</b>	<b>Percentage of Personal Income (2)</b>	<b>Net Debt Per Capita (2)</b>
2018	\$ 11,629,742	\$ 1,841,484	\$ 13,471,226	3.14%	\$ 954
2017	12,854,702	2,171,019	15,025,721	3.66%	1,065
2016	14,044,662	2,488,652	16,533,314	4.03%	1,171
2015	15,129,727	2,485,000	17,614,727	4.15%	1,248
2014	16,088,119	2,712,707	18,800,826	4.44%	1,332
2013	16,498,142	2,964,190	19,462,332	4.74%	1,379
2012	17,305,659	3,203,918	20,509,577	4.99%	1,453
2011	18,195,413	3,431,988	21,627,401	5.27%	1,532
2010	18,861,927	3,500,000	22,361,927	4.30%	1,608
2009	19,275,294	N/A	19,275,294	3.72%	1,431

Source:

- (1) School District Financial Records
- (2) Population and personal income information is located on S-23.



**Buckeye Local School District**  
**Medina County, Ohio**  
*Ratio of Debt*  
*to Assessed Value and Debt per Capita*  
*Last Ten Fiscal Years*

<b>Fiscal Year</b>	<b>Population (1)</b>	<b>Estimated Actual Value of Taxable Property (2)</b>	<b>General Bonded Debt Outstanding</b>	<b>Resources Available to Pay Principal</b>	<b>Net General Bonded Debt (3)</b>	<b>Ratio of Net Bonded Debt to Estimated Actual Value</b>	<b>Net Debt Bonded Debt Per Capita (1)</b>
2018	14,114	\$ 1,341,251,023	\$ 11,629,742	\$ 1,912,695	\$ 9,717,047	0.72%	\$ 688
2017	14,114	1,312,234,611	12,854,702	1,485,189	11,369,513	0.87%	806
2016	14,114	1,204,418,420	14,044,662	1,152,189	12,892,473	1.07%	913
2015	14,114	1,197,685,602	15,129,727	985,743	14,143,984	1.18%	1,002
2014	14,114	1,163,322,118	16,088,119	758,734	15,329,385	1.32%	1,086
2013	14,114	1,172,084,948	16,498,142	745,322	15,752,820	1.34%	1,116
2012	14,114	1,156,326,180	17,305,659	707,670	16,597,989	1.44%	1,176
2011	14,114	1,140,475,182	18,195,413	750,922	17,444,491	1.53%	1,236
2010	13,904	1,232,680,209	18,861,927	862,423	17,999,504	1.46%	1,295
2009	13,473	1,200,346,399	19,275,294	785,939	18,489,355	1.54%	1,372

Source:

- (1) Population information is located on S-23
- (2) Medina County Auditor
- (3) School District Records

**Buckeye Local School District**  
**Medina County, Ohio**  
*Legal Debt Margin*  
*Last Ten Fiscal Years*

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Debt Limit	\$ 43,287,305	\$ 42,321,024	\$ 38,861,292	\$ 38,621,267
Total Net Debt Applicable to Limit	<u>9,717,047</u>	<u>11,369,513</u>	<u>12,892,473</u>	<u>14,143,984</u>
Legal Debt Margin	<u>\$ 33,570,258</u>	<u>\$ 30,951,511</u>	<u>\$ 25,968,819</u>	<u>\$ 24,477,283</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	22.4%	26.9%	33.2%	36.6%

**Legal Debt Margin Calculation for Fiscal Year 2017**

Debt Limitation (9% of Assessed Value) (2)	\$ 43,287,305
Debt Applicable to Limit:	
General Obligation Bonds	11,629,742
Less: Amount Set Aside for Repayment of General Obligation Bonds	<u>1,912,695</u>
Total Net Debt Applicable to Limit	<u>9,717,047</u>
Legal Debt Margin	<u>\$ 33,570,258</u>
Unvoted Debt Limit (.10% of Assessed Value)	\$ 480,970
Debt Applicable to Limit	<u>0</u>
Unvoted Debt Margin	<u>\$ 480,970</u>

Source: Medina County Auditor and School District Financial Records

- (1) Ohio Bond Law sets a limit of 9% for voted debt and 1/10 of 1% for unvoted debt. All School District debt subject to the limitation is voted.
- (2) Beginning in fiscal year 2006, HB 350 changed the assessed valuation utilized in the legal debt margin calculation to exclude tangible personal property as well as railroad and telephone tangible property.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 36,076,123	\$ 36,332,885	\$ 35,903,469	\$ 35,437,454	\$ 37,092,739	\$ 36,255,265
<u>15,329,385</u>	<u>14,349,678</u>	<u>15,512,330</u>	<u>16,951,778</u>	<u>17,722,577</u>	<u>18,237,061</u>
<u>\$ 20,746,738</u>	<u>\$ 21,983,207</u>	<u>\$ 20,391,139</u>	<u>\$ 18,485,676</u>	<u>\$ 19,370,162</u>	<u>\$ 18,018,204</u>
42.5%	39.5%	43.2%	47.8%	47.8%	50.3%

**Buckeye Local School District**  
**Medina County, Ohio**  
*Computation of Direct & Overlapping General Obligation Bonded Debt*  
*as of June 30, 2018*

	<u>Governmental Activities Debt Outstanding</u>	<u>Percentage Applicable to School District (2)</u>	<u>Amount Applicable to School District</u>
<b>Direct:</b>			
Buckeye Local School District	\$ 12,931,484	100.00%	\$ 12,931,484
<b>Overlapping:</b>			
Medina County	8,244,918	9.50%	783,267
Medina City	3,880,000	9.08%	352,304
Medina County Library District	<u>15,894,993</u>	11.09%	<u>1,762,755</u>
Total Overlapping	<u>28,019,911</u>		<u>2,898,326</u>
Total	<u>\$ 40,951,395</u>		<u>\$ 15,829,810</u>

Source: Ohio Municipal Advisory Council

- (1) Debt is reported as of December 31, 2017 except Buckeye Local School District which is reported as of June 30, 2018.
- (2) Percentages were determined by dividing the assessed valuation of the political subdivision located within the boundaries of the School District by the total assessed valuation of the subdivision.

**Buckeye Local School District**  
**Medina County, Ohio**  
*Demographic and Economic Statistics*  
*Last Ten Calendar Years*

<u>Year</u>	<u>Population (1)</u>	<u>Total Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Enrollment (4)</u>	<u>Unemployment Rate (5)</u>
2017	14,114	\$ 464,505,854	\$ 32,911	2,323	4.0%
2016	14,114	448,260,640	31,760	2,313	4.3%
2015	14,114	441,641,174	31,291	2,345	3.2%
2014	14,114	433,398,598	30,707	2,344	5.0%
2013	14,114	423,222,404	29,986	2,493	5.9%
2012	14,114	413,709,568	29,312	2,240	6.0%
2011	14,114	410,759,742	29,103	2,305	7.2%
2010	14,114	410,759,742	29,103	2,344	8.2%
2009	13,904	520,454,528	37,432	2,358	8.2%
2008	13,473	517,538,349	38,413	2,615	6.7%

(1) Population

a. 2008 - 2009 Medina County Planning Commission

b. 2010 - 2017 2010 Census

(2) Computation of per capital personal income multiplied by population.

(3) Per Capita Personal Income for 2008-2017 represents Medina County

(4) Represents fiscal year.

Does not include students educated outside the School District (special needs, career center and post secondary).

(5) Unemployment Rate

U.S. Census, Medina County Auditor (Percentages represent Medina County)

**Buckeye Local School District**  
**Medina County, Ohio**  
*Principal Employers in Medina County*  
*December 31, 2017 and December 31, 2008*

<b>Employer</b>	<b>December 31, 2017</b>	
	<b>Employees</b>	<b>Percentage of Total Employment</b>
Westfield Group	1,848	3.51%
Cleveland Clinic	1,082	2.05%
Medina County	1,041	1.98%
MTD Products	883	1.68%
Brunswick City School District	832	1.58%
Medina City School District	812	1.54%
Sandridge Food Corporation	668	1.27%
Discount Drug Mart	509	0.97%
Wadsworth City School District	487	0.92%
Shiloh Industries, Inc.	421	0.80%
	<b>8,583</b>	<b>16.30%</b>
Total Employment within County	<b>52,677</b>	

<b>Employer</b>	<b>December 31, 2008</b>	
	<b>Employees</b>	<b>Percentage of Total Employment</b>
Discount Drug Mart, Inc.	1,611	2.61%
Westfield Companies	1,560	2.53%
Medina County	1,135	1.84%
RPM International, Inc.	878	1.42%
Brunswick City School District	860	1.39%
Shiloh Industries, Inc.	806	1.31%
Medina City School District	788	1.28%
Medina General Hospital	750	1.22%
Wadsworth City Schools	493	0.80%
Cloverleaf Local School District	379	0.61%
	<b>9,260</b>	<b>15.01%</b>
Total Employment within County	<b>61,651</b>	

Source: Medina County

**Buckeye Local School District**  
**Medina County, Ohio**  
*Full-Time Equivalent School District Employees by Function*  
*Last Ten Fiscal Years*

<u>Degree</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
<b>Function:</b>										
Instruction:										
Regular and Special	127.35	123.35	121.35	120.49	119.49	117.53	121.57	128.99	131.24	124.92
Vocational and Other	1.58	1.58	1.51	1.51	1.51	1.51	1.73	2.52	2.65	2.65
Support Services:										
Pupil Services	12.00	12.00	12.00	11.00	11.00	11.50	11.30	11.30	10.80	10.80
Instructional Staff	27.86	27.86	25.86	25.86	25.86	25.36	28.25	28.25	29.55	28.04
Administration	22.26	22.26	21.26	20.26	20.26	20.26	20.26	20.50	21.50	21.50
Business and Fiscal Services	4.00	4.00	4.10	4.00	3.60	3.60	3.80	4.00	4.00	4.00
Plant Operation and Maintenance	10.50	10.50	10.00	10.00	10.00	10.00	10.00	10.00	12.00	12.00
Pupil Transportation	16.07	16.07	15.07	15.07	14.50	15.99	13.79	15.89	22.94	18.93
Community services	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extracurricular	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Food Service Operations	9.00	9.00	8.00	8.00	8.00	7.70	10.00	9.46	10.43	10.43
Total	<u>232.12</u>	<u>228.12</u>	<u>220.65</u>	<u>217.69</u>	<u>215.72</u>	<u>214.95</u>	<u>222.20</u>	<u>232.41</u>	<u>246.61</u>	<u>234.77</u>

Source: School District Personnel Records

**Buckeye Local School District**  
**Medina County, Ohio**  
*Operating Indicators by Function*  
*Last Ten Fiscal Years*

<u>Function</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Regular and Special Instruction										
Number of students	2,323	2,313	2,345	2,247	2,493	2,240	2,305	2,344	2,358	2,320
Vocational and Other Instruction										
Number of students	132	95	124	97	140	129	98	88	85	89
Support Services:										
Pupil Services										
Number of counselors/	5	5	5	5	4	4	4	5	5	5
Number of Psychologists/Spec Ed	2	2	2	2	2	2	2	3	3	3
Instructional Staff										
Number of librarians	0	1	1	1	0	1	1	1	1	1
Number of aides	3	3	3	3	3	3	4	4	4	4
Administration										
Number of administrators	10	9	8	7	7	7	7	7	8	8
Business and Fiscal Services										
Number of administrative	1	1	1	1	1	1	1	1	1	1
Number of assistants	3.0	3.0	3.1	3.0	2.6	2.6	2.8	3	3	3
Plant Operation and Maintenance										
Number of buildings maintained	10.0	10.5	8.5	8	8	8	8	8	8	7
Pupil Transportation										
Number of students transported	1,526	1,286	1,510	1,370	1,524	1,551	1,424	1,653	1,496	1,414
Extracurricular Activities										
Number of Coaches	64	60	65	60	51	48	42	38	56	47
Number of Programs	39	39	39	38	38	38	38	39	38	39

Source: Buckeye Local School District Records



**Buckeye Local School District**  
**Medina County, Ohio**  
*Capital Assets by Function*  
*Last Ten Fiscal Years*

<u>Governmental Activities</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
Instruction:										
School Buildings	4	4	4	4	4	4	4	4	4	4
Support Services:										
Pupil Services										
Playgrounds	2	2	2	2	2	2	2	2	2	2
Instructional Staff										
Libraries	4	4	4	4	4	4	4	4	4	4
Administration										
Administration Building	1	1	1	1	1	1	1	1	1	1
Central Bus Facility	2	2	2	2	2	2	2	2	2	2
Extracurricular Activities										
Sports Fields	4	4	4	4	4	4	4	4	4	4
Food Service Operations										
Cafeterias	3	3	3	3	3	3	3	3	3	3
Kitchens	3	3	3	3	3	3	3	3	3	3
Total	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>	<u>23</u>

Source: High School Guidance Office

**Buckeye Local School District  
Medina County, Ohio**

*Building Capacity and Percent Participation in Free/Reduced Meals  
Fiscal Years 2018 and 2009*

<b>School Buildings:</b>	<b>Fiscal Year 2018</b>			
	<u>Number of Students (1)</u>	<u>Building Capacity</u>	<u>Percent of Capacity</u>	<u>Percent Participation in Free/Reduced Meals</u>
Buckeye High School	686	911	75.3%	19.2%
Buckeye Junior High School	367	493	74.4%	21.3%
Intermediate Elementary School	650	780	83.3%	22.0%
Primary Elementary School	620	780	79.5%	19.2%
	<u>2,323</u>	<u>2,964</u>		

<b>School Buildings:</b>	<b>Fiscal Year 2009</b>			
	<u>Number of Students</u>	<u>Building Capacity</u>	<u>Percent of Capacity</u>	<u>Percent Participation in Free/Reduced Meals</u>
Buckeye High School	870	911	95.5%	11.3%
Buckeye Junior High School	394	493	79.9%	17.8%
Litchfield Elementary School	0	458	0.0%	0.0%
Liverpool Elementary School	675	600	112.5%	22.7%
York Elementary School	676	600	112.7%	15.4%
	<u>2,615</u>	<u>3,062</u>		

Source: Buckeye Local School District Records

(1) Does not include students educated outside the School District (special needs, career center and post secondary).

**Buckeye Local School District**  
**Medina County, Ohio**  
*Cost Per Pupil*  
*Last Ten Fiscal Years*

<b>Year</b>	<b>General Fund Expenditures</b>	<b>Average Daily Student Enrollment</b>	<b>Cost Per Pupil</b>	<b>Student/Teacher Ratio</b>
2018	\$ 21,204,349	2,323	\$ 9,128	17:1
2017	20,935,694	2,313	9,051	17:1
2016	19,985,288	2,345	8,523	17:1
2015	19,309,762	2,344	8,238	16:1
2014	18,181,066	2,493	7,293	19:1
2013	17,661,322	2,240	7,885	18:1
2012	17,422,564	2,305	7,559	17:1
2011	17,853,430	2,344	7,617	22:1
2010	17,924,056	2,358	7,601	22:1
2009	23,712,042	2,615	9,068	22:1

Source: School District Financial Records

**Buckeye Local School District**  
**Medina County, Ohio**  
*Teacher Education and Experience*  
*Fiscal Years 2018 and 2009*

<u>Degree</u>	<u>Fiscal Year 2018</u>		<u>Fiscal Year 2009</u>	
	<u>Number of Teachers</u>	<u>Percent of Total</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
Bachelor's Degree	22.00	16.1%	28.00	19.4%
Bachelor's plus 15	17.00	12.4%	18.15	12.5%
Master's Degree	38.00	27.7%	51.00	35.3%
Master's plus 15	32.00	23.4%	23.00	15.9%
Master's plus 30	28.00	20.4%	24.50	16.9%
Total	<u>137.00</u>	<u>100.0%</u>	<u>144.65</u>	<u>100.0%</u>

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>	<u>Number of Teachers</u>	<u>Percent of Total</u>
0 to 5	30.00	21.9%	27.69	19.1%
6 to 10	30.00	21.9%	36.29	25.1%
11 to 20	44.00	32.1%	44.50	30.8%
21 and Over	33.00	24.1%	36.17	25.0%
Total	<u>137.00</u>	<u>100.0%</u>	<u>144.65</u>	<u>100.0%</u>

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

Source: Buckeye Local School District Records

**BUCKEYE LOCAL SCHOOL DISTRICT  
MEDINA COUNTY, OHIO**

**SUPPLEMENTAL REPORTS**

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2018**

**BUCKEYE LOCAL SCHOOL DISTRICT  
MEDINA COUNTY, OHIO**

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**BUCKEYE LOCAL SCHOOL DISTRICT  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

FEDERAL GRANTOR/ SUB GRANTOR/ PROGRAM TITLE	CFDA NUMBER	(A) PASS-THROUGH GRANT NUMBER	(B) CASH FEDERAL DISBURSEMENTS
<b>U.S. DEPARTMENT OF AGRICULTURE PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION</b>			
<b>Child Nutrition Cluster:</b>			
(D) National School Lunch Program	10.555	2018	\$ 182,283
(C) National School Lunch Program - Food Donation	10.555	2018	18,999
<b>Total National School Lunch Program</b>			<b>201,282</b>
<b>Total U.S. Department of Agriculture and Child Nutrition Cluster</b>			<b>201,282</b>
<b>U.S. DEPARTMENT OF EDUCATION PASSED THROUGH THE OHIO DEPARTMENT OF EDUCATION</b>			
Title I Grants to Local Educational Agencies	84.010	2018	153,455
Title I Grants to Local Educational Agencies	84.010	2017	39,912
<b>Total Title I Grants to Local Educational Agencies</b>			<b>193,367</b>
<b>Special Education Cluster:</b>			
Special Education_Grants to States	84.027	2018	352,316
Special Education_Grants to States	84.027	2017	56,523
<b>Total Special Education_Grants to States</b>			<b>408,839</b>
Special Education_Preschool Grants	84.173	2018	11,865
<b>Total Special Education Cluster</b>			<b>420,704</b>
Supporting Effective Instruction State Grants	84.367	2018	43,560
Student Support and Academic Enrichment Program	84.424A	2018	7,796
<b>Total U.S. Department of Education</b>			<b>665,427</b>
<b>Total Federal Financial Assistance</b>			<b>\$ 866,709</b>

**NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS:**

- (A) OAKS did not assign pass-through numbers for fiscal year 2018.
- (B) This schedule includes the federal award activity of the Buckeye Local School District under programs of the federal government for the fiscal year ended June 30, 2018 and is prepared in accordance with the cash basis of accounting. The information on this schedule is prepared in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the Buckeye Local School District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the Buckeye Local School District.
- (C) The Food Donation Program is a non-cash, in kind, federal grant. Commodities are reported at the entitlement value.
- (D) Commingled with state and local revenue from sales of lunches; assumed expenditures were made on a first-in, first-out basis.
- (E) CFR 200.414 allows a non-federal entity that has never received a negotiated indirect cost rate to charge a de minimis rate of 10% of modified total direct costs to indirect costs. The District has not elected to use the 10% de minimis indirect cost rate.

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*Serving Ohio Local Governments*

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**Independent Auditor's Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Required by *Government Auditing Standards***

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

To the Board of Education:

We have audited, in accordance with auditing standards generally accepted in the United States and the Comptroller General of the United States' *Government Auditing Standards*, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Buckeye Local School District, Medina County, Ohio, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Buckeye Local School District's basic financial statements and have issued our report thereon dated December 17, 2018, wherein we noted as discussed in Note 2, the Buckeye Local School District adopted Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*.

***Internal Control Over Financial Reporting***

As part of our financial statement audit, we considered the Buckeye Local School District's internal control over financial reporting (internal control) to determine the audit procedures appropriate in the circumstances to the extent necessary to support our opinions on the financial statements, but not to the extent necessary to opine on the effectiveness of the Buckeye Local School District's internal control. Accordingly, we have not opined on it.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, when performing their assigned functions, to prevent, or detect and timely correct misstatements. A *material weakness* is a deficiency, or combination of internal control deficiencies resulting in a reasonable possibility that internal control will not prevent or detect and timely correct a material misstatement of the Buckeye Local School District's financial statements. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all internal control deficiencies that might be material weaknesses or significant deficiencies. Given these limitations, we did not identify any deficiencies in internal control that we consider material weaknesses. However, unidentified material weaknesses may exist.

***Compliance and Other Matters***

As part of reasonably assuring whether the Buckeye Local School District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, opining 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*.

***Purpose of this Report***

This report only describes the scope of our internal control and compliance testing and our testing results, and does not opine on the effectiveness of the Buckeye Local School District's internal control or on compliance. This report is an integral part of an audit performed under *Government Auditing Standards* in considering the Buckeye Local School District's internal control and compliance. Accordingly, this report is not suitable for any other purpose.



Julian & Grube, Inc.  
December 17, 2018



## **Julian & Grube, Inc.**

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### **Independent Auditor's Report on Compliance with Requirements Applicable to the Major Federal Program and on Internal Control Over Compliance and Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

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

To the Board of Education:

#### ***Report on Compliance for the Major Federal Program***

We have audited the Buckeye Local School District's compliance with the applicable requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could directly and materially affect the Buckeye Local School District's major federal program for the fiscal year ended June 30, 2018. The *Summary of Auditor's Results* in the accompanying schedule of findings identifies the Buckeye Local School District's major federal program.

#### ***Management's Responsibility***

The Buckeye Local School District's Management is responsible for complying with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

#### ***Auditor's Responsibility***

Our responsibility is to opine on the Buckeye Local School District's compliance for the Buckeye Local School District's major federal program based on our audit of the applicable compliance requirements referred to above. Our compliance audit followed auditing standards generally accepted in the United States of America; the standards for financial audits included in the Comptroller General of the United States' *Government Auditing Standards*; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). These standards and the Uniform Guidance require us to plan and perform the audit to reasonably assure whether noncompliance with the applicable compliance requirements referred to above that could directly and materially affect a major federal program occurred. An audit includes examining, on a test basis, evidence about the Buckeye Local School District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe our audit provides a reasonable basis for our compliance opinion on the Buckeye Local School District's major program. However, our audit does not provide a legal determination of the Buckeye Local School District's compliance.

#### ***Opinion on the Major Federal Program***

In our opinion, the Buckeye Local School District complied, in all material respects with the compliance requirements referred to above that could directly and materially affect its major federal program for the fiscal year ended June 30, 2018.

***Report on Internal Control Over Compliance***

The Buckeye Local School District's management is responsible for establishing and maintaining effective internal control over compliance with the applicable compliance requirements referred to above. In planning and performing our compliance audit, we considered the Buckeye Local School District's internal control over compliance with the applicable requirements that could directly and materially affect a major federal program, to determine our auditing procedures appropriate for opining on each major federal program's compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not to the extent needed to opine on the effectiveness of internal control over compliance. Accordingly, we have not opined on the effectiveness of the Buckeye Local School District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, when performing their assigned functions, to prevent, or to timely detect and correct, noncompliance with a federal program's applicable compliance requirement. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a federal program compliance requirement will not be prevented, or timely detected and corrected. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with federal program's applicable compliance requirement that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This report only describes the scope of our internal control over compliance tests and the results of this testing based on Uniform Guidance requirements. Accordingly, this report is not suitable for any other purpose.

***Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance***

We have also audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of the Buckeye Local School District as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the Buckeye Local School District's basic financial statements. We issued our unmodified report thereon dated December 17, 2018. Our opinion also explained that the Buckeye Local School District adopted *Governmental Accounting Standards No. 75* during the fiscal year. We conducted our audit to opine on the Buckeye Local School District's basic financial statements as a whole. The accompanying schedule of expenditures of federal awards presents additional analysis required by the Uniform Guidance and is not a required part of the basic financial statements. The schedule is management's responsibility, and was derived from and relates directly to the underlying accounting and other records management used to prepare the basic financial statements. We subjected this schedule to the auditing procedures we applied to the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this schedule directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, this schedule is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.



Julian & Grube, Inc.  
December 17, 2018

**BUCKEYE LOCAL SCHOOL DISTRICT  
MEDINA COUNTY, OHIO**

**SCHEDULE OF FINDINGS  
2 CFR § 200.515  
JUNE 30, 2018**

<b>1. SUMMARY OF AUDITOR'S RESULTS</b>		
<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unmodified
<i>(d)(1)(ii)</i>	<i>Were there any material control weaknesses reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(ii)</i>	<i>Were there any significant deficiencies in internal control reported at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iii)</i>	<i>Was there any reported material noncompliance at the financial statement level (GAGAS)?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weaknesses reported for major federal programs?</i>	No
<i>(d)(1)(iv)</i>	<i>Were there any significant deficiencies in internal control reported for major federal programs?</i>	No
<i>(d)(1)(v)</i>	<i>Type of Major Program's Compliance Opinion</i>	Unmodified
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under 2 CFR §200.516(a)?</i>	No
<i>(d)(1)(vii)</i>	<i>Major Program (listed):</i>	Title I Grants to Local Educational Agencies, CFDA #84.010
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: >\$750,000 Type B: all others
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee under 2 CFR § 200.520?</i>	Yes

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

None

**3. FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

None

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# OHIO AUDITOR OF STATE KEITH FABER



**BUCKEYE LOCAL SCHOOL DISTRICT**

**MEDINA COUNTY**

## **CLERK'S CERTIFICATION**

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

*Susan Babbitt*

**CLERK OF THE BUREAU**

**CERTIFIED  
FEBRUARY 12, 2019**