



**Auditor of State
Betty Montgomery**

LOGAN-HOCKING LOCAL SCHOOL DISTRICT
HOCKING COUNTY

TABLE OF CONTENTS

TITLE	PAGE
Schedule of Federal Awards Receipts and Expenditures.....	1
Notes to Schedule of Federal Awards Receipts and Expenditures	3
Independent Accountants' Report on Compliance and on Internal Control Required By <i>Government Auditing Standards</i>	5
Independent Accountants' Report on Compliance with Requirements Applicable to Each Major Federal Program and Internal Control Over Compliance in Accordance with OMB Circular A-133.....	7
Schedule of Findings – <i>OMB Circular A-133 § .505</i>	9
Schedule of Prior Audit Findings – <i>OMB Circular A-133 §.315(b)</i>	10

This page intentionally left blank.

**LOGAN-HOCKING LOCAL SCHOOL DISTRICT
HOCKING COUNTY**

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

FEDERAL GRANTOR <i>Pass-through Grantor</i> Program Title	Federal CFDA Number	Pass-through Entity Number	Receipts	Noncash Receipts	Disbursements	Noncash Disbursements
UNITED STATES DEPARTMENT OF AGRICULTURE						
<i>Passed through Ohio Department of Education:</i>						
Nutrition Cluster:						
Food Donation	10.550	N/A	\$	\$ 63,465	\$	\$ 63,465
School Breakfast Program	10.553	05PU-2003	27,415		27,415	
		05PU-2004	64,510		64,510	
Total School Breakfast Program			91,925	0	91,925	0
National School Lunch Program	10.555	LLP4-2003	123,713		123,713	
		LLP4-2004	319,185		319,185	
Total National School Lunch Program			442,898	0	442,898	0
Total Nutrition Cluster			534,823	63,465	534,823	63,465
Total United States Department of Agriculture			534,823	63,465	534,823	63,465
UNITED STATES DEPARTMENT OF EDUCATION						
<i>Passed through Ohio Department of Education:</i>						
Title I Grants to Local Educational Agencies	84.010	C1S1-2003	203,070		146,054	
		C1S1-2004	681,990		604,064	
Total Title I Grants to Local Educational Agencies			885,060	0	750,118	0
Special Education Cluster:						
Special Education - Grants to States	84.027	6BSF-2003-P	139,750		62,054	
		6BSF-2004-P	486,424		477,171	
Total Special Education - Grants to States			626,174	0	539,225	0
Special Education - Preschool Grants	84.173	PGS1-2004			1,795	
		PGS1-2004	13,629		12,337	
Total Special Education - Preschool Grants			13,629	0	14,132	0
Total Special Education Cluster			639,803	0	553,357	0
Safe and Drug-Free Schools and Communities - National Programs	84.184C	T4S1-2003			500	
		T4S1-2004-P	9,350		5,322	
		T4S1-2004	7,981		3,288	
Total Safe and Drug-Free Schools and Communities - National Programs			17,331	0	9,090	0
Safe and Drug-Free Schools and Communities - State Grants	84.186	DRS1-2003	(2,230)			
		DRS1-2004	27,112		24,135	
Total Safe and Drug-Free Schools and Communities - State Grants			24,882	0	24,135	0
State Grants for Innovative Programs	84.298	C2S1-2003	2,164		1,601	
		C2S1-2004	30,766		32,040	
Total State Grants for Innovative Programs			32,930	0	33,641	0
Education Technology State Grants	84.318	TJS1-2003	(2,027)		57	
		TJS1-2004	19,005		15,545	
		TJSL-2004	130,000		129,997	
Total Education Technology State Grants			146,978	0	145,599	0
Comprehensive School Reform Demonstration	84.332	RFCC-2003	4,585		9,877	
		RFCC-2004	46,611		23,906	
Total Comprehensive School Reform Demonstration			51,196		33,783	
School Renovation Grants	84.352A	ATS4-2002			6,562	
		ATS2-2003	1,509		1,509	
Total School Renovation Grants			1,509	0	8,071	0
Improving Teaching Quality State Grants	84.367	TRS1-2003	(18,038)		36,938	
		TRS1-2004	266,996		240,853	
Total Improving Teaching Quality State Grants			248,958	0	277,791	0
Total United States Department of Education			2,048,647	0	1,835,585	0
UNITED STATES DEPARTMENT OF HEALTH AND HUMAN SERVICES						
<i>Passed through Hocking County Department of Job and Family Services:</i>						
Temporary Assistance for Needy Families	93.558	N/A	12,665		12,665	
			16,360		16,360	
Total Temporary Assistance for Needy Families			29,025	0	29,025	0
<i>Passed through Ohio Department of Mental Retardation and Developmental Disabilities:</i>						
Medical Assistance Program - Community Alternative Funding System	93.778	3700310	134,834		134,834	
Total United States Department of Health and Human Services			163,859	0	163,859	0
Total Federal Awards Receipts and Expenditures			\$ 2,747,329	\$ 63,465	\$ 2,534,267	\$ 63,465

The Notes to the Schedule of Federal Awards Receipts and Expenditures are an integral part of this Schedule.

This page intentionally left blank.

**LOGAN-HOCKING LOCAL SCHOOL DISTRICT
HOCKING COUNTY**

**NOTES TO SCHEDULE OF FEDERAL AWARDS RECEIPTS AND EXPENDITURES
FOR THE YEAR ENDED JUNE 30, 2004**

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

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

NOTE B – CHILD NUTRITION CLUSTER

Program regulations do not require the District to maintain separate inventory records for purchased food and food received from the U.S. Department of Agriculture. This nonmonetary assistance (expenditures) is reported in the Schedule at the fair market value of the commodities received.

Cash receipts from the U.S. Department of Agriculture are commingled with State grants. It is assumed federal monies are expended first.

NOTE C – TRANSFERS AND REFUNDS

During 2004, the Ohio Department of Education (ODE) authorized the School District to transfer unneeded funds to other grants as well as carryover monies from the prior fiscal year to the current fiscal year. Authorized transfers and carryover monies are shown as a reduction of federal revenues in the program that the transfer was made from and increased federal revenue in the program that received the transfer or carryover. A detailed listing of the transfers/carryovers and refunds are as follows:

CFDA Number	Program Title	Pass- Through Entity Number	Transfers Out	Transfers In
84.186	Safe and Drug Free Schools	DRS1-2003	\$ 2,230	
84.186	Safe and Drug Free Schools	DRS1-2004		\$ 2,230
84.367	Improving Teacher Quality State Grants	TRS1-2003	18,039	
84.367	Improving Teacher Quality State Grants	TRS1-2004		18,039
84.318	Education Technology State Grants	TJS1-2003	2,027	
84.318	Education Technology State Grants	TJS1-2004		2,027
			<u>\$ 22,296</u>	<u>\$ 22,296</u>

This page intentionally left blank.



Auditor of State Betty Montgomery

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

Logan-Hocking Local School District
Hocking County
121 South Spring Street
Logan, Ohio 43138

To the Board of Education:

We have audited the financial statements of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Logan-Hocking Local School District, Hocking County, Ohio (the District), as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated January 20, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance that we must report under *Government Auditing Standards*, which are described in the accompanying Schedule of Findings as items 2004-001 and 2004-002. We also noted a certain immaterial instance of noncompliance that we have reported to the School District's management in a separate letter dated January 20, 2005.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinions on the basic financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses. However, we noted certain matters involving the internal control over financial reporting that do not require inclusion in this report, that we have reported to management of the District in a separate letter dated January 20, 2005.

743 E. State St. / Athens Mall Suite B / Athens, OH 45701
Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110
www.auditor.state.oh.us

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

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

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

Betty Montgomery
Auditor of State

January 20, 2005



Auditor of State Betty Montgomery

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

Logan-Hocking Local School District
Hocking County
121 South Spring Street
Logan, Ohio 43138

To the Board of Education:

Compliance

We have audited the compliance of the Logan-Hocking Local School District, Hocking County, Ohio (the District), with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133, Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The District's major federal programs are identified in the Summary of Auditor's Results Section of the accompanying Schedule of Findings. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

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

Internal Control over Compliance

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

743 E. State St. / Athens Mall Suite B / Athens, OH 45701
Telephone: (740) 594-3300 (800) 441-1389 Fax: (740) 594-2110
www.auditor.state.oh.us

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

Schedule of Federal Awards Receipts and Expenditures

We have audited the basic financial statements of the District as of and for the year ended June 30, 2004, and have issued our report thereon dated January 20, 2005. Our audit was performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The accompanying Schedule of Federal Awards Receipts and Expenditures is presented for purposes of additional analysis as required by OMB Circular A-133 and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, it is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

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



Betty Montgomery
Auditor of State

January 20, 2005

**LOGAN-HOCKING LOCAL SCHOOL DISTRICT
HOCKING COUNTY**

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

1. SUMMARY OF AUDITOR'S RESULTS
--

<i>(d)(1)(i)</i>	Type of Financial Statement Opinion	Unqualified
<i>(d)(1)(ii)</i>	Were there any material control weakness conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(ii)</i>	Were there any other reportable conditions reported at the financial statement level (GAGAS)?	No
<i>(d)(1)(iii)</i>	Was there any reported material noncompliance at the financial statement level (GAGAS)?	Yes
<i>(d)(1)(iv)</i>	Were there any material internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(iv)</i>	Were there any other reportable internal control weakness conditions reported for major federal programs?	No
<i>(d)(1)(v)</i>	Type of Major Programs' Compliance Opinion	Unqualified
<i>(d)(1)(vi)</i>	Are there any reportable findings under §.510?	No
<i>(d)(1)(vii)</i>	Major Programs (list):	Special Education Cluster: Special Education – Grants to States – CFDA #84.027 Special Education – Preschool Grants – CFDA #84.173 Medical Assistance Program – CFDA #93.778
<i>(d)(1)(viii)</i>	Dollar Threshold: Type A/B Programs	Type A: > \$300,000 Type B: all others
<i>(d)(1)(ix)</i>	Low Risk Auditee?	Yes

**LOGAN-HOCKING LOCAL SCHOOL DISTRICT
HOCKING COUNTY**

**SCHEDULE OF FINDINGS
OMB CIRCULAR A -133 § .505
FOR THE YEAR ENDED JUNE 30, 2004
(Continued)**

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

FINDING NUMBER 2004-001

Noncompliance Citation

Ohio Rev. Code Section 5705.39 states that total appropriations from each fund shall not exceed the total estimated revenue.

At February 28, 2004, appropriations exceeded estimated resources in the following funds:

Fund	Estimated Resources	Appropriations	Variance
Other Local Grants	\$132,308	\$151,206	(\$18,898)
Onenet Public Communications Subsidy	\$0	\$30,000	(\$30,000)
Ohio Reads	\$84,001	\$98,001	(\$14,000)
Summer Intervention	\$0	\$77,426	(\$77,426)
Miscellaneous State Grants	\$88,580	\$102,055	(\$13,475)
Miscellaneous Federal Grants	\$160,857	\$170,347	(\$9,490)
School Net	\$70,078	\$155,603	(\$85,525)

By not limiting appropriations to estimated resources, the School District may obligate more funds than are available for expenditure.

We recommend the School District monitor budgetary data to ensure that total appropriations from each fund do not exceed the total estimated resources.

FINDING NUMBER 2004-002

Noncompliance Citation

Ohio Rev. Code Section 5705.41(B) states that expenditures cannot exceed appropriations at the fund level or at the legal level of control. The legal level of control is the level at which the permanent appropriation measure was passed. Failure to comply with this Section could result in deficit spending by the School District.

At February 28, 2004, expenditures exceeded appropriations at the legal level of control in the following fund:

Fund	Appropriations	Expenditures	Variance
Classroom Facilities	\$ 12,329,989	\$ 13,948,196	\$ (1,618,207)

We recommend the School District monitor actual expenditures as compared to appropriations at the fund and legal level of control, amending the appropriation measure when necessary. Any amended appropriations must be formally approved by the School Board in the minutes.

3. FINDINGS FOR FEDERAL AWARDS

None.

Comprehensive Annual Financial Report

Fiscal Year ended June 30, 2004

Board of Education
Logan-Hocking
Local School District
Logan, Ohio



The front cover displays pictures from the Logan-Hocking Local School District's three new elementary schools – Chieftain Elementary, Hocking Hills Elementary and Union Furnace Elementary – which began to serve children and area communities in the Spring of 2004.

These three new elementary schools were constructed under Phase I of the School District's three phase, Master Plan agreement with the Ohio School Facilities Commission (OSFC) Expedited Local Partnership Program. Phases II and III include the construction of a new high school, a new elementary school and the addition/renovation or replacement of an additional elementary school. A \$5 million "local initiative" is also included for a 1,000 seat auditorium and athletic facilities at the new high school, land acquisition and additional classroom space.

The School District was notified in June 2004 that it had been accepted into the OSFC's Exceptional Needs Program. As a result, Phase II of the Master Plan has begun. This includes the construction of the District's new high school. It is anticipated that the new Logan High School will be completed in calendar year 2008.

This Page is Intentionally Left Blank.

**Comprehensive
Annual Financial Report**
of the
Logan-Hocking Local School District
Logan, Ohio

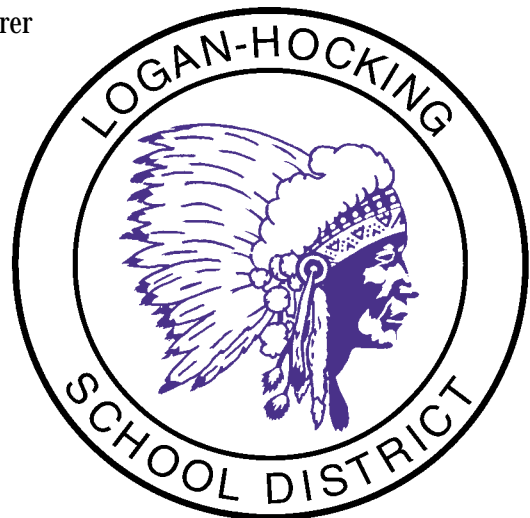
For the fiscal year ended
June 30, 2004

Board of Education

Susan Rinehart, President
Ed Penrod, Vice-President
Cathye Flory, Member
Larry Hoffmann, Member
Kathy Krumlauf, Member

Issued by the Treasurer's Office

Paul F. Shaw, CPA, RSBFO—Treasurer



Logan-Hocking Local School District Board of Education



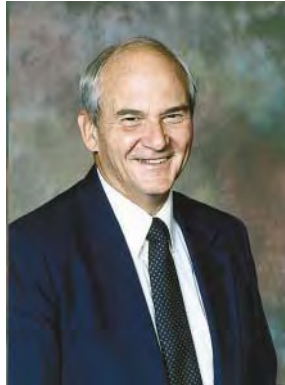
Susan Rinehart
President



Ed Penrod
Vice-President



Cathye Flory
Member



Larry Hoffmann
Member



Kathy Krumlauf
Member



Stephen Stirn
Superintendent



Paul Shaw CPA, RSBFO
Treasurer

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

TABLE OF CONTENTS

**LOGAN-HOCKING LOCAL SCHOOL DISTRICT
HOCKING COUNTY, OHIO**

I

INTRODUCTORY SECTION

A Letter of Transmittalv
B Members of the Board of Education, Treasurer and Superintendent..... xxi
C Management Team Members and Treasurer’s Office Staff. xxii
D School District Organizational Chart..... xxiii
E Certificate of Achievement (GFOA) xxiv
F Certificate of Excellence (ASBO)xxv

II

FINANCIAL SECTION

A Independent Accountants' Report1
B Management’s Discussion and Analysis3
C Basic Financial Statements:
 Government-wide Financial Statements:
 Statement of Net Assets 13
 Statement of Activities 14
 Fund Financial Statements:
 Governmental Funds:
 Balance Sheet 16
 Reconciliation of Total Governmental Fund Balances to Net Assets of
 Governmental Activities 18
 Statement of Revenues, Expenditures and Changes in Fund Balances 20
 Reconciliation of the Statement of Revenues, Expenditures and Changes
 in Fund Balances to the Statement of Activities 22
 Statement of Revenues, Expenditures and Changes in Fund Balance –
 Budget and Actual (Non-GAAP Budgetary Basis):
 General Fund 23
 Proprietary Funds:
 Statement of Net Assets 24
 Statement of Revenues, Expenses and Changes in Fund Net Assets 25
 Statement of Cash Flows 26
 Fiduciary Funds:
 Statement of Net Assets 27
 Statement of Changes in Net Assets 28
Notes to the Basic Financial Statements 29

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

D Combining and Individual Fund Statements and Schedules:

Nonmajor Governmental Financial Statements:

Combining Balance Sheet.....	60
Combining Statement of Revenues, Expenditures and Changes in Fund Balances.....	61
Combining Balance Sheet – Nonmajor Special Revenue Funds.....	62
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Special Revenue Funds.....	66

Individual Schedules of Revenues, Expenditures and Changes in Fund
Balance-Budget and Actual (Non-GAAP Budgetary Basis):

<i>General Fund</i>	70
---------------------------	----

Debt Service Fund:

Bond Retirement Fund.....	74
---------------------------	----

Capital Projects Funds:

Permanent Improvement Fund.....	75
Building Fund.....	77
Classroom Facilities Fund.....	78

Special Revenue Funds:

Public School Support Fund.....	79
Other Local Grants Fund.....	80
Computer Network Fund.....	82
District Managed Student Activity Fund.....	83
Auxiliary Services Fund.....	84
Management Information System Fund.....	85
Disadvantaged Pupil Impact Aid Fund.....	86
OneNet Public Communications Subsidy Fund.....	87
SchoolNet Professional Development Fund.....	88

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Special Revenue Funds: (Continued)

OhioReads Fund	89
Student Intervention Fund	90
Alternative Schools Fund	91
Miscellaneous State Grants Fund	92
Title VI-B Fund	93
Title I Fund	95
Title VI Fund	96
Drug Free School Grant Fund	97
Reducing Class Size Fund	98
Miscellaneous Federal Grants Fund	99

Capital Projects Funds:

SchoolNet Plus Fund	101
---------------------------	-----

Fiduciary Funds – Agency Funds:

Combining Statement of Changes in Assets and Liabilities.....	103
---	-----

Capital Assets Used in the Operation of Governmental Funds:

Schedule by Source.....	105
Schedule by Function and Activity.....	106
Schedule of Changes by Function and Activity.....	108

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

III

STATISTICAL SECTION

General Governmental Expenditures by Function - Last Ten Years S 2

General Governmental Revenues By Source - Last Ten Years S 4

Property Tax Levies and Collections - Last Ten Calendar Years S 5

Assessed Valuations and Estimated True Values of Taxable
Property - Last Ten Calendar Years..... S 6

Property Tax Rates - Direct and Overlapping Governments - Last Ten
Calendar Years..... S 7

Computation of Legal Debt Margin..... S 8

Ratio of Net General Obligation Bonded Debt to Assessed Value
and Net General Obligation Bonded Debt Per Capita - Last Ten Years..... S 9

Ratio of Annual Debt Service Expenditures for General Bonded Debt to
Total General Governmental Expenditures - Last Ten Years S 10

Computation of All Direct and Overlapping Governmental Debt S 11

Demographic Statistics - Last Ten Years..... S 12

Property Value and Construction Permits - Last Ten Calendar Years..... S 13

Principal Taxpayers (Tangible Personal Property Tax) S 14

Principal Taxpayers (Real Property and Public Utility Personal Property Tax)..... S 15

Principal Employers..... S 16

Miscellaneous Statistics S 17

Staff Statistics S 18

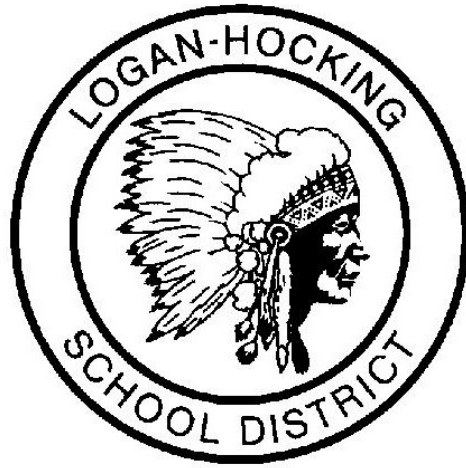
Teachers Education and Experience Statistics S 19

Cost to Educate A 2004 Graduate..... S 20

Transportation Statistics..... S 21

Enrollment Statistics - Last Ten Years S 22

INTRODUCTORY SECTION



LOGAN-HOCKING LOCAL SCHOOL DISTRICT

57 South Walnut Street • Logan, Ohio 43138



Treasurer's Office: phone (740) 385-8510

(740) 385-3683

January 24, 2005

To the Citizens and Board of Education of the Logan-Hocking Local School District:

The Comprehensive Annual Financial Report (CAFR) of the Logan-Hocking Local School District (District) for the fiscal year ended June 30, 2004 is hereby submitted. This report was prepared by the Treasurer's Office, and includes the unqualified opinion of our independent auditors, the Ohio Auditor of State.

This CAFR is prepared in accordance with generally accepted accounting principles (GAAP) and in conformance with standards of financial reporting established by the Governmental Accounting Standards Board (GASB) using guidelines recommended by the Government Finance Officers Association of the United States and Canada (GFOA).

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the District. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

GAAP require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The Logan-Hocking Local School District's MD&A can be found immediately following the report of the independent accountants.

The CAFR is presented in three sections as follows:

1. The Introductory Section includes this transmittal letter, the District's organizational chart and a list of principle officers.
2. The Financial Section includes the auditor's report, Management's Discussion and Analysis, basic financial statements and notes that provide an overview of the District's financial position and operating results, the combining statements for nonmajor funds and other schedules that provide detailed information relative to the basic financial statements.
3. The Statistical Section includes selected financial and demographic information generally presented on a multi-year basis.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

The District provides a full range of education programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory, and vocational levels, a broad range of co-curricular and extracurricular activities, and special education services. In addition, the District provides state-financial assistance to non-public schools located within its boundaries. This assistance is accounted for in a special revenue fund. The non-public school operations have not met the established criteria for inclusion in the reporting entity and, accordingly, are excluded from this report.

Copies of this report will be widely distributed throughout the District. A copy will be sent to all school buildings, the Logan-Hocking Chamber of Commerce, major taxpayers, the Logan-Hocking Public Library, Moody's Financial Rating Services, the Ohio Municipal Advisory Council (OMAC), local banks and real estate offices, the District's Business Advisory Council, and other interested parties.

THE DISTRICT AND ITS FACILITIES

The District is located in Hocking County, about one-hour drive from Columbus, 16 miles southeast of Lancaster and 30 miles northeast of Chillicothe. The District covers approximately 321 square miles, which is the vast majority of the county. It also covers a very small portion of Vinton and Perry Counties. District offices are in the City of Logan, which is the county seat for Hocking County and the economic hub of the region. The District serves approximately 4,030 students, within a total population of approximately 22,797 (OMAC – July 2002).

The District currently operates 11 schools: one high school, one middle school, six K-5 schools, one K-1 school, one 2-5 school and one preschool. Preschool classrooms are provided at four of these schools. The District's facilities also include a bus garage and maintenance facility, the administrative building and several athletic fields.

As will be discussed under "Recent Accomplishments", the District has completed Phase I of a three-phase construction program which will reduce the number of schools in the system from eleven to seven.

The Board of Education of the Logan-Hocking Local School District (the Board) is a five-member body politic and corporate, as defined by Section 3313.02, Ohio Revised Code. The Board serves as the taxing authority, contracting body, policy maker, and ensures that all other general laws of the State of Ohio are followed in the expenditure of the District's tax dollars and approves the annual appropriation resolution and tax budget.

Good schools are important to the quality of life in Logan and Hocking County and also to maintaining property values. But beyond these considerations, the educational program itself is of primary importance. Believing that "all students can achieve", the Logan-Hocking School District continuously strives toward providing students with a quality education. It is, therefore, appropriate to review the foundation on which the District's programs are built.



LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2004

CURRICULUM DEVELOPMENT

The Logan-Hocking Local School District curriculum supports and implements the Ohio Department of Education Academic Content Standards. Grade Level expectations (indicators) and benchmarks (achievement testing) clearly state what our students should know and be able to do. The District curriculum is a comprehensive K-12 program, which incorporates intervention, assessments, special needs and enrichment programming. The curriculum is on a five-year revision cycle that involves K-12 staff and community involvement.

INSTRUCTIONAL MATERIALS

Keeping current with today's educational methodology and utilizing updated student textbooks and materials has been identified by administration, staff, board members, and community as critical to providing students with a quality education. Therefore, the District has made a commitment by allocating \$200,000 a year for textbook and material upgrades. Approximately \$1,000,000 over the past five years has been used to keep current materials in the hands of our students. Materials include print, manipulatives, and computer software that provide learning activities for students.

STAFF DEVELOPMENT

Locally provided staff development is an extremely important part of professional growth. The District In-service Committee assesses staff needs and plans after school sessions, in-service days, and summer sessions for certified staff. The emphasis on these professional development activities is to provide professional staff with the knowledge base required for curriculum implementation and use of effective teaching strategies. In addition to locally provided staff development, the Logan-Hocking Local School District encourages out of district professional development by partially reimbursing staff for graduate credit hours.

TECHNOLOGY

The Logan Hocking Local School District is committed to entering the 21st century by emphasizing and becoming a technology literate learning community. Recently, at the request of the District, the Hocking County Budget Commission earmarked .5 mill of inside tax millage toward purchasing and updating computer hardware and technology throughout the District. These funds have allowed the District to develop a comprehensive five-year plan which will enable the students of the Logan-Hocking Local School District access to the latest technology.

The District is in the process of developing a comprehensive technology curriculum which will establish specific indicators for each grade level. In addition the District is exploring expansion of curricular offerings at Logan High School through the use of Interactive Video Distance Learning (i.e. foreign language, Advanced Placement classes).

The District recognizes that not all students learn in the same way and that the District is competing with alternative programs (i.e. community schools, charter schools, home schooling, eSchools); therefore the District has established a Virtual Learning Academy and evening school. Through these programs, students are able to work at their own pace and receive credit toward graduation.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2004***

INTERVENTION AND SPECIAL PROGRAMS

The Logan-Hocking Local School District recognizes its responsibility to serve students who are at-risk of not achieving in school. Intervention for these students includes teams of professionals who meet with the individual student to provide support through established programs.

Special programs provided to students who need additional support include:

- Alternative School
- Evening High School for credit and proficiency
- Proficiency Tutoring
- Elementary and Secondary Summer School for credit and proficiency
- Elementary Activities for Growth and Encouragement of Responsibilities (E.A.G.E.R)
- Elementary Before/After School Proficiency Preparation Sessions
- Community Builders
- Youth Experiencing Success in Schools (Y.E.S.S.)
- Second-Step Program
- Post-Secondary Options
- Positive Behavior Support
- Reconnecting Youth
- School Year's Eve
- Community Involvement

Several of these programs are in cooperation with other community agencies.

TALENTED AND GIFTED PROGRAMMING AND ADVANCED PLACEMENT PROGRAMS

The Logan-Hocking School District recognizes its responsibility to provide appropriate programming for its most capable students. The District provides services for gifted and talented learners through its Academic Enrichment Program, which serves students in grades 4-12. In addition, various Honors courses are offered in both academic areas and the arts from grades 7-12. Advanced Placement Courses are offered at the High School level in the areas of Calculus, Biology, English and Studio Art.

The District also strives to offer Enrichment opportunities to all students through site-based activities arranged by Enrichment/Career Building Coordinators.

SPECIAL EDUCATION

In 2003-2004 there were 656 students on Individual Educational Programs, representing approximately 16.9% of the student population. Students were served in the following programs:

- Multiple Disabilities
- Cognitive Disabled
- Severe and Emotionally Disturbed
- Specific Learning Disabilities
- Other Health Handicap
- Speech and Hearing
- Preschool Handicap
- Physical and Occupational Therapy

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

Special Education is structured to provide a continuum of services and to allow special education teachers to serve as a resource to the regular education staff. This permits more collaboration among staff and more opportunities for special needs students to be included in regular education.

ECONOMIC CONDITIONS AND OUTLOOK

The District's local tax base is diverse, and recent developments characterize a healthy economy. Residential and commercial property sectors have shown sustained growth over the past ten years, including new construction growth as opposed to inflationary growth. An additional positive trend is the fact that tangible personal property tax values have fallen from 13% of the tax base in 1990 to 8% in 2004. Valuations for the ten largest taxpayers, excluding utilities, account for a mere 4% of the District's taxable value, and the largest taxpayer (Smead Manufacturing) accounts for only .96%. No single employer accounts for a significant portion of total jobs.

The area has a tradition of economic development. Logan's industrial park, first developed in the 1960's is essentially full, thanks to recent expansions by several leading manufacturers.

Manufacturing remains Hocking County's largest employer. The work force is a stable, dedicated one. Most local companies are non-union; in companies where organized labor represents employees; there is a strong sense of cooperation and commitment.

The County's industrial base is a varied one, with long-time employers in the brick and refractory industries joined by automotive components suppliers, filing systems manufacturers, timber and hardwood processors, and others.

That success has led the county to develop a second major industrial park, just west of the City of Logan. Designed for mixed-use development, it offers full water, sewer, natural gas and electric service. The 52-acre park features quick access to U.S. Route 33.

The School District's wealth levels are low when measured against state averages but appear to be increasing relative to the State's other 611 school Districts. This positive trend is expected to continue as the region's tourism industry expands and after the State Route 33 bypass of Lancaster is completed. The bypass is expected to open in 2005. It should be noted that the economic impact of the State Route 33 project has already been felt – total agricultural property value increased 50% from 1994 to 1999 during a period when agricultural land use in general was on the decline. Much of this increase is attributed to the State Route 33 speculation and tourism development. Evidence shows that unusually high increasing values are a continuing trend.

Unrestricted Grants-In-Aid funding from the State of Ohio have increased an average of 3.5% the last three years. The District currently receives approximately 68% of its General Fund funding from the State of Ohio. Forecasted Unrestricted Grants-In-Aid funding reflect yearly increases of only 2.2% annually for the next five years. This is due to projected level student enrollment, an estimated reduction in state effort and increases in local property valuations over the period. As mentioned earlier, increases in property valuations generally result in lower State funding as a result of the current State funding formula.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Letter of Transmittal
For the Fiscal Year Ended June 30, 2004**

RECENT ACCOMPLISHMENTS

NEW FACILITIES

The decade of the 1990's was one of great productivity for the Logan-Hocking Local School District. After years of planning and hard work a strategic plan was developed to address curriculum and facility needs. Within this time period a new middle school was opened. This changed the building configurations to allow for K-5 elementary buildings, a 6-8 middle school and a 9-12 high school. Additions were added to four elementary buildings to allow children to attend their home schools.

In the late 1990's a comprehensive facilities plan was submitted and approved by the Ohio School's Facilities Commission. The estimated total cost of the project is \$68.58 million, which includes a sizeable amount to be paid for by the State of Ohio through the Ohio School Facilities Commission (OSFC). The District is participating in the OSFC's Expedited Local Partnership Program (ELPP). Under the terms of the agreement with the OSFC, the District will complete a designated portion of "Master Plan" projects with the proceeds of a bond issue and thereby qualify to receive State-matching dollars in the future to complete the Master Plan. The District's percentage share of the Master Plan is 29% (\$18.68 million) and the State share is 71% (\$44.90 million). The State estimates that its share will be appropriated to the District as early as 2004 or as late as 2006. The District will use \$5 million of bond proceeds to complete the "local initiative" portion of the project which does not qualify for State matching dollars. The "local initiatives" provides for land acquisitions, a 1,000-seat auditorium at the new high school, athletic facilities and additional classroom space. Local voters indicated their approval for the above plan by passing a combined bond issue and continuing permanent improvement levy for 5.6 tax mills by a margin of 62% in May 2001. The following table summarizes the plan:

LOGAN-HOCKING LSD – CAPITAL PROGRAM

MASTER PLAN COMPONENTS & FUNDING SOURCES UNDER THE ELPP PROGRAM				
PROJECT DESCRIPTION	ESTIMATED MASTER PLAN COST	LOCAL SPENDING	STATE CONTRIBUTION	PART OF MASTER PLAN
Build Three New Elementary Schools	\$18,194,234	\$18,194,234	\$0	Yes
Renovate Middle School	1,136,622	485,766	650,856	Yes
Build One New Elementary and Renovate One Elementary	9,669,163	0	9,669,163	Yes
Build New High School	31,170,216	0	31,170,216	Yes
Demolitions	3,410,375	0	3,410,375	Yes
Total Master Plan Spending	\$63,580,610	\$18,680,000	\$44,900,610	
Plus Local Initiative Projects For Land Purchase; Auditorium, Athletic Facilities & Classrooms		5,000,000	0	No
Total Local Spending		\$23,680,000		

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Letter of Transmittal
For the Fiscal Year Ended June 30, 2004***

LOGAN-HOCKING LOCAL SCHOOL DISTRICT - CAPITAL PROGRAM

CURRENT FACILITIES & FACILITIES UPON COMPLETION OF THE MASTER PLAN

Current School District Facilities

The School District presently operates the following schools:

<u>Name of Building</u>	<u>Group or Grade Housed</u>	<u>Enrollment as of 2003-2004</u>	<u>Year Building Completed</u>	<u>Date of Additions</u>
Central Elementary	K-5	283	1924	1958
Chieftain Elementary	K-5	319	2004	
East Elementary	K-5	287	1910	1939, 1958, 1972, 1991
Enterprise Elementary	PK	11	1929	1950, 1972, 1991
Green Elementary	K-5	301	1951	1991
Hocking Hills Elementary	PK-5	124	2004	
Union Furnace Elementary	PK-5	193	2004	
West Elementary	2-5	166	1910	1939, 1958
West Logan Elementary	PK-1	100	1949	1991
Logan Middle School	6-8	999	1991	
Logan High School	9-12	1,238	1910	1932, 1941, 1947, 1958, 1974

Facilities Upon Completion of Project

After completion of the Project, the School District will operate these facilities

<u>Name of Building</u>	<u>Group or Grade Housed</u>	<u>Capacity</u>
Central Elementary	PK-5	355
Chieftain Elementary	PK-5	449
Green Elementary	PK-5	367
Hocking Hills Elementary	PK-5	350
Union Furnace Elementary	PK-5	362
Logan Middle School	6-8	935
Logan High School	9-12	1,400

Phase I of the project included the construction of three new elementary schools at the Chieftain, Hocking Hills and Union Furnace sites. These three new elementary schools were opened in April and May 2004. Dedication ceremonies were to be held in August 2004. Logan Middle School is also to be upgraded/renovated in Phase I.

Phase II of the project includes construction of a new Logan High School, related auditorium and athletic fields. Green Elementary School will also be renovated, added on to or replaced.

Phase III of the project includes the demolition of the current Central Elementary and Logan High School

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

New Facilities - Recent Developments

The Logan-Hocking Local Board of Education took action at its Regular Meeting on June 21, 2004 to authorize participation in the Ohio School Facilities Commission's (OSFC) Exceptional Needs Program. Through this joint venture with the State of Ohio, a new high school to house grades 9 through 12 will be built at the 72 acre site on State Route 328. Also included in the scope of this project is the abatement and demolition of the current Logan High School/Central Elementary complex. Both actions are consistent with the long-range Master Plan for facilities previously agreed to by the District with the OSFC.

Upon consideration of credit for local expenditures incurred under the previous agreement with the OSFC under the Expedited Local Partnership Program (ELPP), the budget for the high school project will be funded as follows:

State Share	\$35,366,086
Local Share	0
Total Project Budget	<u>\$35,366,086</u>

Governor Bob Taft announced May 27, 2004 that Logan-Hocking was one of 25 school districts across the state (out of 612 total districts) that would be eligible for funding under the state's *Rebuilding Ohio's Schools* program. Administered by the OSFC, the program has spent more that \$3 billion toward building or renovating schools in 153 districts, including 215 completed schools. Implemented by the state legislature in 2000, Rebuilding Ohio's Schools is Taft's 12-year, \$10 billion commitment to build and repair all of Ohio's Schools.

Logan-Hocking Local School District officials worked with state legislators to modify existing state law which prohibited districts such as Logan-Hocking Local, who were currently involved in the OSFC's ELPP, from applying to the OSFC to be considered for the OSFC's Exceptional Needs Program (ENP). The ENP is an initiative designed to help district's which are not yet eligible for state aid through Ohio's main school building program, the Classroom Facilities Assistance Program, to receive help if they have critical school building issues. The District believed it has critical school building issues at the current Logan High School, and the State concurred.

The State of Ohio budget bill (House Bill 95) was passed in the summer of 2003 and included legislation submitted by the District's state representative, Speaker of the House Larry Householder, which allows Logan-Hocking Local School District and other districts covering 300 or more square miles to be eligible to participate in the ENP. The budget bill also included an additional measure allowing districts, such as Logan-Hocking, which has participated in the State's ELPP, to also be eligible for assistance through the ENP.

Householder stated that this legislation will give Logan-Hocking an additional tool in its work to secure state funding. "Logan-Hocking is a tremendous source of pride for the people of Logan and Hocking County," Householder said. "The quality of teachers, level of parental involvement and strong support throughout the community make Logan-Hocking truly a model school system. I'm pleased to be able to help Logan-Hocking continue its tradition of excellence."

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

LAND ACQUISITION

Land to implement the above facilities Master Plan has for the most part been secured.

In Fiscal Year 2002 approximately seventy-three (73) acres of land on State Route 328 for the proposed new high school was purchased for \$50,000. The balance of the property, appraised at \$255,000, was donated to the Board of Education by the Shaw-Davidson Corporation.

The District also purchased approximately 11.5 acres of abandoned railroad bed from CSX Transportation, Inc. at the new high school site for \$35,000. This improves road frontage to the site as well as providing access to other District-owned property in the area.

Sites for the three new elementary schools currently under construction in Phase I was also secured in Fiscal Year 2002. A twenty-acre site for Chieftain Elementary was purchased at the interchange of State Route 33 and 180. Thirty additional acres at this site will be acquired by the Board in the next five years. Hocking Hills Elementary will be located on a newly acquired 14.16-acre tract in the midst of the scenic Hocking Hills region. An additional two-acre tract of land was acquired adjacent to the existing Union Furnace Elementary in order to accommodate the new school being built at this site.

CREDIT RATING

The District requested a credit rating from Moody's Investor Service (Moody's) prior to the issuance of bonds in October 2001. The bond issue was approved by local taxpayers in May 2001. Moody's assigned an A2 rating to the \$23.68 million General Obligation School Construction and Improvement Bonds, Series 2001. The rating was based on the District's satisfactory finances with strong State support, average debt burden with minimal future borrowing needs and moderately growing tax base.

A.G. Edwards & Sons, Inc. (Edwards) served as bond underwriter for the District and noted that Moody's was very high on the District's management. Time after time, Moody's referred to the strength of the fiscal management and the overall management team of the District. On a negative side, Edwards noted the District is still a rural district by definition, which is a limiting factor and the area's wealth levels are comparatively low. Despite this, Edwards noted that they did not see any districts in the Single A category, other than Logan-Hocking, that were considered in rural Appalachia Ohio. Given this, the District's rating was considered excellent by Edwards given the fact that the District's income statistics put it in the bottom 20% of the State of Ohio.

PERMANENT IMPROVEMENT FUNDS FOR TECHNOLOGY

In Fiscal Year 2002 the District worked with the Hocking County Budget Commission to designate .50 inside tax mills for Permanent Improvement Funds – Technology. The related tax collection, estimated to be \$175,000 in calendar year 2004, can only be used for this stated purpose and provides the District with a reliable source of funds to maintain and replace the District's and State of Ohio's investment in technology. These funds, first collected in calendar year 2002, have enabled the District to put hardware where needed to serve students and has allowed the District to refresh classrooms with computers that are networkable and that can run current educational software.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

As a result, in fiscal year 2004, these funds were used to provide for computer labs in the District's three new elementary schools and to supply computers for elementary administrators and administrative assistants.

In Fiscal Year 2003, these funds were used to pursue technology initiatives at the Logan-Hocking Middle School and Logan High School. At the Middle School, new computers were installed. Network and server upgrades were made, as well as the addition of a NCS Learn lab for grade 6. Two laptop labs and upgrades to the technology application's lab for grade 7 students were also made. At the High School a new library lab was installed (28 computers) plus an additional minilab of ten computers for proficiency intervention.

In Fiscal Year 2002 the District replaced computers and printers in seventy-two regular elementary classrooms, twelve intervention classrooms, nine office areas, and purchased nine servers for the new Pearson Educational Technologies Learn software that will help students increase their learning and proficiency scores. Additionally, the District replaced and provided thirty laptops for traveling teachers and specialists, purchased thirty new computers to add an additional lab at the Middle School, purchased two – sixteen unit mobile labs for the Middle School, thirty new computers to replace an outdated lab at the high school, upgraded District file servers for all student and staff K-12 and replaced District email and web servers. Through this program the District has been able to recycle old computers and other hardware equipment and receive discounts on the newer purchases. The District was able to bundle district licenses for a standard set of software applications for both students and staff. Additional hardware upgrades include the High School Ethernet network switches to provide very fast local area network connectivity.

With reliable funding in place, the District has been able to replace computers that are five or more years old. Research says the usable life of a desktop computer is four to five years, while usable life of a laptop is three to four years. Currently all classroom teachers have a desktop computer on or near their desk, and traveling teachers have a laptop computer to carry with them. Elementary schools have two student computers in each classroom, as well as a computer lab for teachers to take their entire class to. The Middle School and High School have multiple labs available for student use, including mobile lab top carts that can be taken into the classroom.

The District has had computers in the classroom available since 1984, but it has been only recently that technology has become an integral part of the educational process both for students and teachers. This evolution would not have been possible if not for the investments made by State and Federal SchoolNet funds to network all schools and provide the first modern networked computers, as well as the local technology permanent improvement funds to keep the equipment and software up to date and usable.

EMPLOYEE RELATIONS

The District currently has approximately 474 full-time and part-time employees. There are two organizations representing District employees. The Logan Education Association (LEA) represents certificated employees, including teachers and educational specialists, for collective bargaining purposes. Classified employees, including bus drivers, cooks, administrative assistants, custodians, boiler operators, mechanics, aides and maintenance personnel, are represented for collective bargaining purposes by the Ohio Association of Public School Employees, Local 4/AFC-CIO and its Local #218 (OAPSE).

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

The Board successfully concluded negotiations with OAPSE on a multi-year agreement for wages and fringe benefits in the summer of 2004. The related overall wage expense increase was estimated to be 5.00%, 4.77% and 4.55% for the 2004-05, 2005-06 and 2006-07 year, respectively. The current agreement covers the period July 1, 2004 through June 30, 2007.

During the spring of 2003, the Board successfully concluded negotiations with the LEA on a multi-year agreement for wages and fringe benefits. In coordination with certain changes in their health insurance plan and other negotiated items, the LEA agreed to increases in base salary from \$24,900 to \$25,900, \$27,200 and \$28,500 for the 2003-04, 2004-05 and 2005-06 school years, respectively.

PROPRIETY FUNDS – FOOD SERVICE OPERATION

Logan Food Service is the food service department of Logan-Hocking Local School District. The department operated in all District buildings, serving the nearly 4,000 students and over 400 staff members each day school was in session. During the course of the year 403,918 reimbursable lunches and 84,116 reimbursable breakfasts were served. Including equivalent meals, the department served 780,858 combined total meals.

Highlights of the year include:

Expansion of the computerized Point of Sale system to the elementary schools. The new system, introduced in Fiscal Year 2002 at the High School and Middle School, allows for a more accurate tracking of student meal choices, the use of debit accounts for speedier lunch lines, and no overt classification of the students who receive reduced-price or free meals.

Continued success of our on-line payment system. The on-line payment service was moved to the District's website. On-line payments have increased by approximately 25%.

Re-evaluation of menu selection to include better choices and quality of food in order to drive participation in the lunchroom program.

Catering: Almost \$60,000 in 119 special events were catered by Logan Food Service during the 2003-04 school year.

Institution of a new debt collection process.

Logan Food Service employs fifteen full-time cooks, ten part-time cooks, one administrative assistant and one director. It has been under the management of ARAMARK School Support Services since 1979.

RECOGNITION FROM OHIO AUDITOR OF STATE

In May of 2002, the Ohio Auditor of State recognized District Treasurer Paul Shaw and his staff for successfully completing the Ohio Financial Accountability Certification from the Ohio Auditor of State. It is believed that the Logan-Hocking Local School District's Treasurers Office is the first school district in Ohio to have its entire staff, including the Treasurer, receive Ohio Financial Accountability Certification. This certification demonstrates to the community and its taxpayers the District's commitment to accountability and professionalism.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

EARLY PAYOFF OF INDEBTEDNESS - ENERGY CONSERVATION

In August 2003 the District paid off energy conservation indebtedness and saved the District and its taxpayers over \$16,000 in interest cost over the next three years.

The debt was incurred in the early 1990's to perform energy conservation improvements such as window replacement, lighting changes, boiler improvements, etc. at schools across the District. Current interest rates on these notes were 5.28% and 4.75%.

Funds to pay off the outstanding notes were held in the Debt Service Fund or in the process of collection.

AGREEMENT WITH HOCKING COUNTY/ROCKBRIDGE SANITARY SEWER SYSTEM EXTENSION

A Construction Reimbursement Agreement between Hocking County and the Logan-Hocking Local School District was signed in July 2002. The agreement called for the construction by Hocking County of a Rockbridge Lift Station and Forcemain Sanitary Sewer System Improvement project. The project consists of approximately 12,000 feet of 4" forcemain and a lift station which will serve the new Chieftain Elementary School. The forcemain will discharge into the existing Hocking County Rockbridge Sanitary Sewer System for ultimate treatment.

In lieu of constructing its own, more costly waste treatment plant on site, the District, in cooperation with Hocking County Commissioners, entered into this agreement to advance \$200,000 towards this construction project. As part of this agreement, the County will collect and remit to the District Front Footage Fees and Capacity Fees from any subsequent user that connects to the project, up to the \$200,000 advanced. The fees will be collectible for a period of twenty years or until the District has recovered \$200,000, whichever comes first.

This sanitary sewer system extension has been completed and is operational.

MAJOR INITIATIVES FOR THE FUTURE

CONTINUOUS IMPROVEMENT PLAN

The Logan-Hocking Local School District is committed to the process of Continuous Improvement. Goals identified for the 2004-2005 school year included:

Academic Achievement

- By 2004, proficiency scores will meet or surpass the adequate yearly progress guidelines. Progress will be noted in all areas of the proficiency, attendance, and graduation and on both the Building and District Report Card.
- Strategies
- Teachers will utilize the Ohio Academic Content Standards to develop lessons and standards for student achievement.
- Teachers will provide quality intervention by differentiating the curriculum in order for all students to succeed.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

Communication

- Increase communication within our community.

Character Education

- Character Education, which promotes respect and responsibility, will be taught, modeled and reinforced by all personnel at the Elementary, Middle School and High School Levels.

CONSTRUCTION

Students began attending the new elementary schools of Chieftain, Hocking Hills and Union Furnace in April and May 2004. Dedication ceremonies were scheduled for August 2004.

With acceptance of the District into the OSFC's Exceptional Needs Program, design of the new Logan High School is underway. Construction is scheduled to be completed in 2008.

Efforts will be made to monitor and accelerate, if possible, the start date for the balance of construction of new facilities in the District. This start date is dependent upon the State of Ohio's appropriating funds for the District's project under the OSFC's Classroom Facilities Assistance Program. As it currently stands, these funds are anticipated to be appropriated in the years 2004, 2005 or 2006 according to Governor Bob Taft's proposed 12-year \$23.1 billion school construction plan. Phases II and III include two additional elementary schools.

ACCOUNTING INFORMATION

ACCOUNTING SYSTEM -- The District's accounting system is organized on a fund basis. Each fund is a separate self-balancing accounting entity. Records for all District funds, except Proprietary Funds, are maintained on the modified accrual basis whereby revenues are recognized when measurable and available, and expenditures are recognized when goods and services are received. Proprietary Funds are accounted for on the full accrual basis of accounting. Both basis of accounting are in accordance with generally accepted accounting principles (GAAP) as applied to governmental units and consistent with GASB Cod. Sec. 1600; "Basis of Accounting."

INTERNAL CONTROLS -- The Treasurer of the District is responsible for establishing an internal control structure designed to ensure that the assets of the District are protected from loss, theft, or misuse, and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The Management Team is responsible for assisting with implementation of the established internal controls. The internal control structure is 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; and (2) the valuation of cost and benefit requires estimates and judgments by management. Management believes the internal controls adequately meet the above objective.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal

For the Fiscal Year Ended June 30, 2004

SINGLE AUDIT -- As a recipient of federal and state financial assistance, the District also is responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to these programs. This internal control structure is subject to periodic evaluation and audit by the Treasurer, Management Team and staff of the District.

As a part of the District's single audit, tests are made to determine the adequacy of the internal control structure, including that portion relating to federal financial assistance programs, as well as to verify that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2004, as of this writing, revealed no instances of material weaknesses in internal control structure or significant violations of applicable laws and regulations.

BUDGETARY CONTROLS -- All governmental fund types are subject to annual expenditure budgets.

The procedures below outline the District's budgetary procedures:

1. A tax budget of estimated cash receipts and disbursements is submitted to the county auditor as secretary of the county budget commission by January 20 of each year for the fiscal year commencing the following July 1. The District's Board of Education (the Board) adopts the tax budget at its January Organizational Meeting.
2. The county budget commission certifies its actions to the District by March 1. As part of this certification, the District receives the official certificate of estimated resources which states the projected receipts of each fund. On or about July 1, this certificate is amended to include any unencumbered balances from the preceding year.
3. An annual appropriations measure is passed upon receipt of the county's auditor's final tax revenue estimates, October or November of each year for the period July 1 to June 30. Unencumbered appropriations lapse at year-end and encumbered appropriations are reported as expenditures in the current year. The Board adopts temporary appropriations at its June Board meeting to cover expenditures until the adoption of the permanent appropriations. The appropriations measure may be amended or supplemented during the year as new information becomes available. Individual buildings and/or departments are given building budgeting funds for instructional supplies, meeting & mileage expenses, and equipment. Buildings and/or department may move funds within their budgets with approval of the Superintendent and Treasurer. Appropriations may not exceed estimated resources and expenditures may not exceed appropriations in any fund at the object level.

Additionally, the District maintains an encumbrance accounting system as a useful technique of accomplishing budgetary control. Under encumbrance accounting, purchase orders, contracts and other commitments for expenditures of funds are recorded in order to reserve that portion of the applicable appropriation.

CASH MANAGEMENT -- It is policy of the Logan-Hocking Local School District, that with due regard to the safety and risk of investments, all available funds shall be invested in conformance with existing legal requirements and Board-adopted policy guidelines, to the maximum extent possible, at the highest rates obtainable at the time of investment. Effective cash management is recognized as essential to good fiscal management. An investment policy has been formulated to take advantage of investment interest as a viable and material source of revenue to all funds involved. The District's investments are designed and managed in a manner responsive to public trust and consistent with state and local laws.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal For the Fiscal Year Ended June 30, 2004

Investments are made with the primary objectives of:

- Preservation of capital and protection of principal.
- Maintenance of liquidity to meet cash flow requirements.
- Diversification of assets to avoid undue credit and liquidity risks.
- Optimization of portfolio returns within objectives outlined above.
- Use of good judgment and care to provide safety to the District's assets.

Administrative guidelines and investment policies apply to all financial assets of the District contained in the Comprehensive Annual Financial Report (CAFR). The investment portfolio shall consist of investment securities, permissible by law, recognizing that all participants involved in the process shall act responsibly as custodians of the public trust. Investment officials shall avoid any transaction that might impair public confidence in the District's ability to govern effectively.

RISK MANAGEMENT -- The District is adequately insured in all areas including buildings, contents, vehicles, equipment and general liability. The District is also covered under the State Workers' Compensation Fund. The District makes every effort to monitor insurance costs and related risk of accident to ensure proper fiscal management in this area. Detailed information regarding the risk management activities of the District can be found in the Notes to Financial Statements section of this report.

OTHER INFORMATION

AWARDS

GFOA Certificate of Achievement

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement of Excellence in Financial Reporting to the Logan-Hocking Local School District of its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2003. This was the second consecutive year that the District has applied for and achieved this prestigious award. In order to be awarded a Certificate of Achievement, a governmental unit 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 program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Letter of Transmittal
For the Fiscal Year Ended June 30, 2004

ASBO Certificate of Excellence

The District also received the Association of School Business Officials International (ASBO) Certificate of Excellence in Financial Accounting award for the fiscal year ended June 30, 2003. This was the second consecutive year that the government has achieved this prestigious award. This award certifies that the Comprehensive Annual Financial Report conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials.

Logan-Hocking Local School District staff members are proud of the fact that the GFOA and ASBO have awarded these certificates for the Comprehensive Annual Financial Report prepared by the District. It is the District's belief that the current report continues to conform to the standards set by GFOA & ASBO and it will be submitted for review to determine its eligibility for certificates.

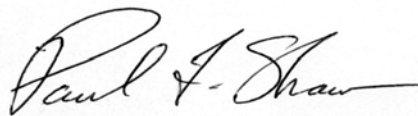
INDEPENDENT AUDIT -- State statutes require an annual audit by independent accountants. The Ohio State Auditor's Office conducted the audit for the fiscal year ended June 30, 2004. The independent auditor's unqualified opinion on the basic financial statements and combining and individual fund statements and schedules is included in the financial section of this report.

NOTES TO THE BASIC FINANCIAL STATEMENTS -- The notes to the basic financial statements which follow the basic financial statements contain additional information and are an integral part of such statements.

ACKNOWLEDGMENTS -- The preparation of the Comprehensive Annual Financial Report was made possible by the diligence of the entire Treasurer's Office staff. We truly appreciate the contribution made by each staff member in the preparation of this report. We are also grateful for the services of Donald J. Schonhardt & Associates, Inc. and to the State Auditor's Office for their assistance in preparing this report.

Finally, this report would not have been possible without the continued support of the Board of Education who values quality financial information which helps make quality decisions. Without their leadership and commitment to excellence this report would not be possible.

Respectfully submitted by the office of the Treasurer,



Paul F. Shaw, CPA, RSBFO
Treasurer



Stephen C. Stirn
Superintendent

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Members of the Board of Education, Treasurer and Superintendent of Schools For the Fiscal Year Ended June 30, 2004

Members of the Board of Education

The Board of Education is a body politic and corporate with the responsibility of managing and controlling affairs of the District and is, together with the District, governed by laws of the State of Ohio. The Board is comprised of five members who are elected for overlapping four-year terms. The current members of the Board of Education of the Logan-Hocking Local School District are:

	<u>Began Service as a Board Member</u>	<u>Present Term Expires</u>
Susan Rinehart, President	January 2002	December 31, 2005
Ed Penrod, Vice-President	May 1996	December 31, 2005
Cathye Flory	January 1998	December 31, 2005
Larry Hoffmann	November 2001	December 31, 2007
Kathy Krumlauf	June 1999	December 31, 2007

Treasurer

The Treasurer is the chief fiscal officer of the District, responsible directly to the Board of Education for maintaining all financial records, issuing payments, maintaining custody of all District funds and assets, and investing idle funds as specified by Ohio Law. The Treasurer also serves as secretary to the Board of Education and as such records and has custody of Board meeting minutes, files and certifies certain documents. The Treasurer, Mr. Paul F. Shaw, is a Certified Public Accountant and a Registered School Business Fiscal Officer. He has held the position since September 1992. His term expires at the organizational meeting in January 2006.

Superintendent of Schools

The Superintendent is the chief executive officer of the District and is responsible for administering policies adopted by the Board of Education. The Superintendent is expected to provide leadership in all phases of policy formulation and is the chief advisor to the Board on all aspects of the educational program and total operation of the District. The Superintendent, Mr. Stephen C. Stirn, has held the position since August 2000. His term of office expires in July 2007.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Management Team Members For the Fiscal Year Ended June 30, 2004

Management Team Members

Central Office Administration

Paul Shaw	Treasurer
Stephen Stirn	Superintendent
Thomas Vogrin	Assistant Superintendent
Christy Bosch	Director of Curriculum & Instruction

Logan High School Administration

Jeff Daubenmire	Principal
Brice Frasure	Assistant Principal
Jim Robinson	Assistant Principal

Logan Middle School Administration

Myles Kiphen	Principal
Monte Garrabrant	Assistant Principal
Lisa Van Horn	Assistant Principal

Elementary Principals

Carrie Cook-Porter/Audrey Price	Chieftain Elementary
Sharon Elder	Green Elementary
Andy Potter	Union Furnace Elementary
Colleen Pritchard	Central Elementary
Rob Ramage	East Elementary
Kelley Stilwell	West & West Logan Elementary
Josh Straus	Hocking Hills Elementary

Treasurer's Office Staff

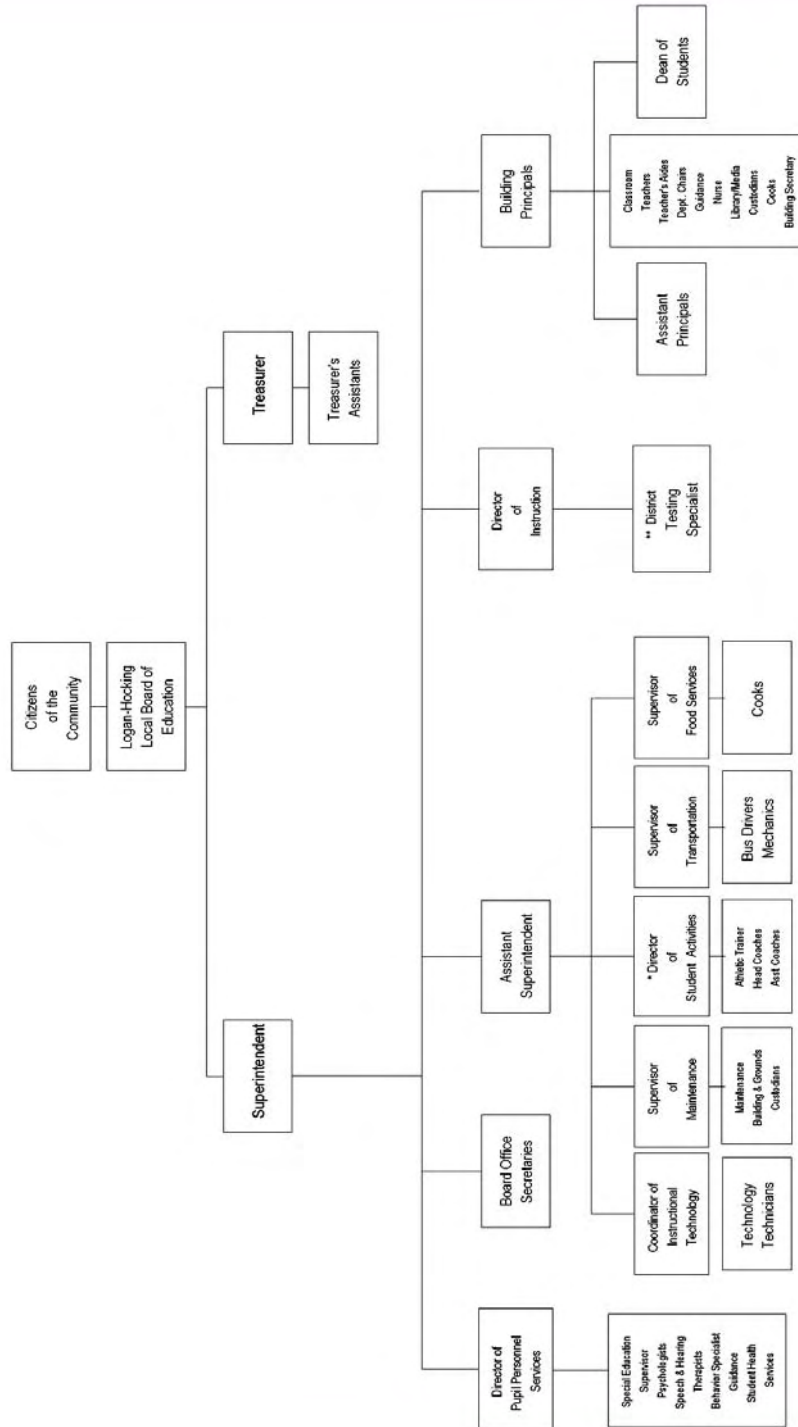
Brenda Gillespie	Accounts Payable
Gina D'Andrea	Accounts Receivable & Special Projects Accounting
Cathy Kerns	Construction & Budgetary Accounting
Cindy Spangler	Payroll Specialist

Other Administration – Non-Principals

Nina Andrews	School Psychologist
Keith Brown	Buildings & Grounds Supervisor
Debra Buck	School Psychologist
Paul Cummings	Instructional Technology Coordinator
Mike Erb	Food Service Director
Ron Janey	Director of Student Activities/Director of Athletics
Leigh Ann Leach	EMIS Coordinator
Joseph Mayhew	School Psychologist
Mike McGreevy	Dean of Students
Rebecca Osburn	Enrichment Coordinator
Graham Swaim	Transportation Supervisor
Nan Swinehart	Director of Pupil Personnel
Bob Tripp	District Testing Specialist
Kristy Walter	Supervisor/Behavior Specialist
Stan Wilson	Assistant Transportation Supervisor

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

School District Organizational Chart For the Fiscal Year Ended June 30, 2004



* Director of Student Activities also reports to the High School Principal

** District Testing Specialist also reports to the Assistant Superintendent

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

*Government Finance Officers Association of the United States and Canada
Certificate of Achievement for Excellence in Financial Reporting*

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

Presented to
**Logan-Hocking
Local School District,
Ohio**

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

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



Nancy L. Zjella

President

Jeffrey R. Emen

Executive Director

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

*Association of School Business Officials
Certificate of Excellence in Financial Reporting*

**ASSOCIATION OF SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**



This Certificate of Excellence in Financial Reporting is presented to

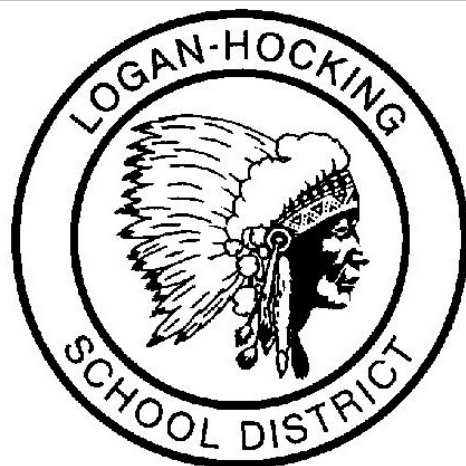
LOGAN-HOCKING LOCAL SCHOOL DISTRICT

For its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2003

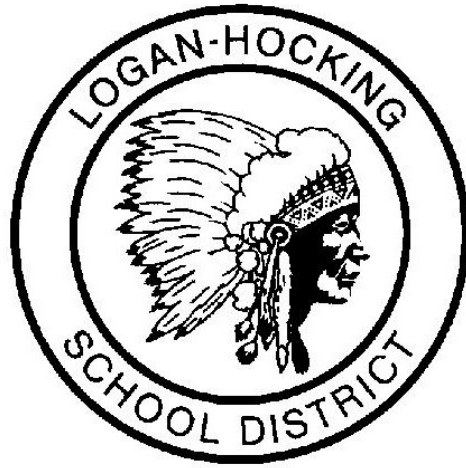
Upon recommendation of the Association's Panel of Review which has judged the Report substantially conforms to principles and standards of ASBO's Certificate of Excellence Program


President


Executive Director



FINANCIAL SECTION





**Auditor of State
Betty Montgomery**

INDEPENDENT ACCOUNTANTS' REPORT

Logan-Hocking Local School District
Hocking County
121 South Spring Street
Logan, Ohio 43138

To the Board of Education:

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

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

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, business-type activities, each major fund and the aggregate remaining fund information of the Logan-Hocking Local School District, Hocking County, as of June 30, 2004, and the respective changes in financial position and the cash flows, where applicable, thereof and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 20, 2005 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

We conducted our audit to form opinions on the financial statements that collectively comprise the District's basic financial statements. The Introductory Section, Combining and Individual Fund Statements and Schedules and the Statistical Section are presented for additional analysis and are not a required part of the basic financial statements. We subjected the Combining and Individual Fund Statements and Schedules to the auditing procedures applied in the audit of the basic financial statements. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the Introductory Section or Statistical Section to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

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

Betty Montgomery
Auditor of State

January 24, 2005

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

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

FINANCIAL HIGHLIGHTS

Key financial highlights for 2004 are as follows:

- ❑ In total, net assets increased \$4,015,116. Net assets of governmental activities increased \$4,052,832, which represents a 23.1% increase from 2003. Net assets of business-type activities decreased \$37,716 or 75 % from 2003.
- ❑ General revenues accounted for \$29,389,034 in revenue or 85% of all revenues. Program specific revenues in the form of charges for services and grants and contributions accounted for \$5,306,553, or 15% of total revenues of \$34,695,587.
- ❑ The District had \$29,205,689 in expenses related to governmental activities; only \$3,953,185 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$29,305,336 were adequate to provide for these programs.
- ❑ Among major funds, the General Fund had \$26,050,740 in revenues and \$24,125,674, in expenditures. The General Fund's fund balance increased from \$4,388,358 to \$5,253,799, an increase of \$865,441. The increase was due, in large part, to increases in revenues from unrestricted state grants received from 2003 to 2004. The fund balance of the Classroom Facilities Fund decreased by \$10,819,898, from \$11,827,397 to \$1,007,499, as expenditures related to contractual and construction services rose significantly.
- ❑ Net assets for enterprise funds decreased by \$37,716. This decrease was attributable to increases in salary expense, purchased services, and food costs.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of three parts – *management's discussion and analysis*, the *basic financial statements*, and an optional section that presents *combining statements* for nonmajor governmental funds. The basic financial statements include two kinds of statements that present different views of the District:

These statements are as follows:

1. *The Government-Wide Financial Statements* – These statements provide both long-term and short-term information about the District's overall financial status.
2. *The Fund Financial Statements* – These statements focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data.

Government-wide Statements

The government-wide statements report information about the District as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes all of the District's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statement of activities regardless of when cash is received or paid.

The two government-wide statements report the District's net assets and how they have changed. Net-assets (the difference between the District's assets and liabilities) is one way to measure the District's financial health or position.

- Over time, increases or decreases in the District's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
 - To assess the overall health of the District you need to consider additional nonfinancial factors such as the property tax base, current property tax laws, student enrollment growth and facility conditions.

The government-wide financial statements of the District are divided into two categories:

- *Governmental Activities* – Most of the District's programs and services are reported here including instruction, support services, operation and maintenance of plant, pupil transportation and extracurricular activities.
- *Business-Type Activities* – These services are provided on a charge for goods or services basis to recover all of the expenses of the goods or services provided. The District food service and uniform school supplies are reported as business activities.

Fund Financial Statements

The fund financial statements provide more detailed information about the District's most significant funds, not the District as a whole. Funds are accounting devices that the District uses to keep track of specific sources of funding and spending for particular purposes.

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

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

Proprietary Funds – Proprietary funds use the same basis of accounting as business-type activities; therefore, these statements will essentially match.

Fiduciary Funds – The District is the trustee, or fiduciary, for various student managed activity programs, various scholarship programs and other items listed as agency and private purpose. It is also responsible for other assets that, due to a trust arrangement can only be used for the trust beneficiaries. All of the District's fiduciary activities are reported in separate Statements of Fiduciary Net Assets and Changes in Fiduciary Net Assets. We exclude these activities from the District's other financial statements because the assets cannot be utilized by the District to finance its operations.

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT AS A WHOLE

The following table provides a summary of the District's net assets for 2004 compared to 2003:

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
Current and other assets	\$31,093,427	\$42,021,813	\$418	\$5,606	\$31,093,845	\$42,027,419
Capital assets, Net	36,679,907	23,981,508	89,422	86,423	36,769,329	24,067,931
Total assets	67,773,334	66,003,321	89,840	92,029	67,863,174	66,095,350
Long-term debt outstanding	31,876,292	32,891,730	35,011	36,307	31,911,303	32,928,037
Other liabilities	14,265,841	15,533,222	142,851	106,028	14,408,692	15,639,250
Total liabilities	46,142,133	48,424,952	177,862	142,335	46,319,995	48,567,287
Net assets						
Invested in capital assets, net of related debt	12,216,654	7,949,731	89,422	86,423	12,306,076	8,036,154
Restricted	8,503,853	6,001,364	0	0	8,503,853	6,001,364
Unrestricted	910,694	3,627,274	(177,444)	(136,729)	733,250	3,490,545
Total net assets	<u>\$21,631,201</u>	<u>\$17,578,369</u>	<u>(\$88,022)</u>	<u>(\$50,306)</u>	<u>\$21,543,179</u>	<u>\$17,528,063</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

Changes in Net Assets – The following table shows the changes in net assets for the fiscal year 2004 and 2003:

	Governmental Activities		Business-type Activities		Total	
	2004	2003	2004	2003	2004	2003
Revenues						
Program Revenues:						
Charges for Services and Sales	\$692,757	\$683,835	\$743,957	\$734,893	\$1,436,714	\$1,418,728
Operating Grants and Contributions	3,260,428	3,044,635	609,411	613,769	3,869,839	3,658,404
General revenues:						
Property Taxes	10,675,966	11,863,902	0	0	10,675,966	11,863,902
Grants and Entitlements	17,920,439	17,111,946	0	0	17,920,439	17,111,946
Other	792,629	999,443	0	13,000	792,629	1,012,443
Loss on Disposal of Fixed Assets	0	(44,069)	0	0	0	(44,069)
Total revenues	33,342,219	33,659,692	1,353,368	1,361,662	34,695,587	35,021,354
Program Expenses						
Instructional Services:						
Regular	10,181,036	12,773,911	0	0	10,181,036	12,773,911
Special	3,503,495	3,501,148	0	0	3,503,495	3,501,148
Vocational	423,118	416,225	0	0	423,118	416,225
Other	1,103	690	0	0	1,103	690
Support Services:						
Pupils	1,828,551	1,806,800	0	0	1,828,551	1,806,800
Instructional Staff	2,093,782	1,976,248	0	0	2,093,782	1,976,248
Board of Education	77,718	129,076	0	0	77,718	129,076
Administration	2,685,269	2,633,577	0	0	2,685,269	2,633,577
Fiscal Services	772,589	724,116	0	0	772,589	724,116
Operation and Maintenance of Plant	2,269,650	2,201,264	0	0	2,269,650	2,201,264
Pupil Transportation	2,047,696	2,126,738	0	0	2,047,696	2,126,738
Central	522,339	762,238	0	0	522,339	762,238
Operation of Non-Instructional Services	682,475	96,759	0	0	682,475	96,759
Extracurricular Activities	571,822	580,488	0	0	571,822	580,488
Debt Service:						
Interest and Fiscal Charges	1,545,046	1,594,820	0	0	1,545,046	1,594,820
Food Service	0	0	1,430,682	1,421,906	1,430,682	1,421,906
Uniform School Supplies	0	0	44,100	38,742	44,100	38,742
Total Program Expenses	29,205,689	31,324,098	1,474,782	1,460,648	30,680,471	32,784,746
Transfers	(83,698)	0	83,698	0	0	0
Total Change in Net Assets	4,052,832	2,335,594	(37,716)	(98,986)	4,015,116	2,236,608
Restated Beginning Net Assets	17,578,369	15,242,775	(50,306)	48,680	17,528,063	15,291,455
Ending Net Assets	\$21,631,201	\$17,578,369	(\$88,022)	(\$50,306)	\$21,543,179	\$17,528,063

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

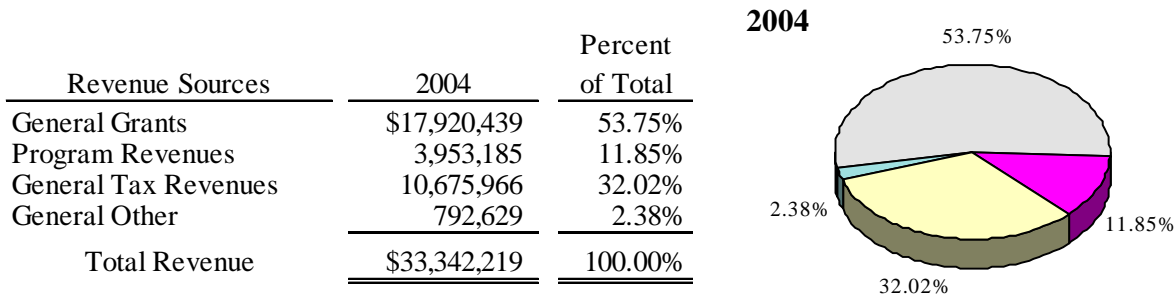
Unaudited

Governmental Activities

Net assets of the District's governmental activities increased by \$4,052,832. This was due to the continuation of revenues exceeding planned expenditures.

The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. In general, the overall revenue generated by the levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00. However, the assessed millage cannot be reduced below 20 mills, according to state statutes. The District's assessed millage has already been reduced to the 20 mill floor. Consequently, the District will receive some increased revenues as property values increase with reappraisals.

General grants made up 53.75% of revenues for governmental activities for the District in fiscal year 2004. The District's reliance upon grant revenues is demonstrated by the following graph:



Business-Type Activities

Net assets of the business-type activities decreased by \$37,716. This decline reflects recent trends of expenditures exceeding revenues. The District is currently taking steps to reduce labor costs and increase meal sales revenues in order to return to self-sufficiency. These programs had revenues of \$1,353,368 and expenses of \$1,474,782 for fiscal year 2004. Business activities receive no support from tax revenues and remain nearly self-supporting.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

FINANCIAL ANALYSIS OF THE SCHOOL DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$15,532,342, which is a decrease from last year's balance of \$25,155,581. The schedule below indicates the fund balance and the total change in fund balance by fund type as of June 30, 2004 and 2003.

	Fund Balance June 30, 2004	Fund Balance June 30, 2003	Increase (Decrease)
General	\$5,253,799	\$4,388,358	\$865,441
Bond Retirement	2,211,514	1,928,590	282,924
Permanent Improvements	2,030,741	2,040,347	(9,606)
Building Capital Projects	4,705,549	4,603,276	102,273
Classroom Facilities			
Capital Projects	1,007,499	11,827,397	(10,819,898)
Other Governmental	323,240	367,613	(44,373)
Total	\$15,532,342	\$25,155,581	(\$9,623,239)

General Fund – The District's General Fund balance increase is due to many factors. The tables that follow assist in illustrating the financial activities and balance of the General Fund:

	2004 Revenues	2003 Revenues	Increase (Decrease)
Taxes	\$7,424,199	\$7,586,602	(\$162,403)
Tuition	505,232	463,513	41,719
Investment Earnings	316,172	309,467	6,705
Intergovernmental - State	17,703,745	16,676,112	1,027,633
Intergovernmental - Federal	94,481	118,575	(24,094)
All Other Revenue	6,911	9,061	(2,150)
Total	\$26,050,740	\$25,163,330	\$887,410

General Fund revenues in 2004 increased approximately 3.5% compared to revenues in fiscal year 2003. Significant factors contributing to this increase were increases in State per pupil funding (2.2% increase) received by the District, offset by a reduction in tax revenues.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

	2004 <u>Expenditures</u>	2003 <u>Expenditures</u>	Increase <u>(Decrease)</u>
Instructional Services:			
Regular	\$10,174,180	\$9,656,400	\$517,780
Special	2,716,987	2,577,209	139,778
Vocational	461,557	374,135	87,422
Other	1,103	690	413
Supporting Services:			
Pupils	1,724,135	1,682,626	41,509
Instructional Staff	1,299,866	1,215,260	84,606
Board of Education	79,321	126,084	(46,763)
Administration	2,572,457	2,437,604	134,853
Fiscal Services	669,139	619,366	49,773
Operation & Maintenance of Plant	2,237,614	2,120,199	117,415
Pupil Transportation	1,850,448	1,690,850	159,598
Operation of Non-Instructional Services	2,111	0	2,111
Extracurricular Activities	336,756	325,091	11,665
Capital Outlay	0	1,395	(1,395)
Total	<u>\$24,125,674</u>	<u>\$22,826,909</u>	<u>\$1,298,765</u>

General Fund expenditures increased by \$1,298,765 or 5.7% over the prior year mostly due to increases in salary and wages, largely due to current negotiated agreements, the addition and expansion of staff to meet the needs of increased student enrollment and programming demands, and a high number of retirements in the year. Other factors that led to increased expenditures from 2003 to 2004 included higher fuel, supplies and utilities costs.

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

During the course of fiscal year 2004 the District amended its General Fund budget several times, none significant.

For the General Fund, final budget basis revenue of \$26.3 million did not significantly change over the original budget estimates of \$26.2 million. The General Fund had an adequate fund balance to cover expenditures.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

At the end of fiscal 2004 the District had \$36,769,329 net of accumulated depreciation invested in land, buildings, equipment and vehicles. Of this total, \$36,679,907 was related to governmental activities and \$89,422 to the business-type activities. The following table shows fiscal year 2004 and 2003 balances:

	Governmental Activities		Increase (Decrease)
	2004	2003	
Land	\$1,846,049	\$1,846,049	\$0
Land Improvements	2,299,131	2,299,131	0
Buildings and Improvements	37,833,160	16,842,654	20,990,506
Machinery and Equipment	6,743,122	6,569,414	173,708
Vehicles	2,391,168	2,184,360	206,808
Construction In Progress	28,129	7,613,718	(7,585,589)
Less: Accumulated Depreciation	(14,460,852)	(13,373,818)	(1,087,034)
Totals	\$36,679,907	\$23,981,508	\$12,698,399

	Business-Type Activities		Increase (Decrease)
	2004	2003	
Machinery and Equipment	\$543,950	\$544,893	(\$943)
Less: Accumulated Depreciation	(454,528)	(458,470)	3,942
Totals	\$89,422	\$86,423	\$2,999

The primary increase occurred in buildings. Buildings increased as a result of the District placing in service three new elementary school buildings in fiscal year 2004: Chieftain, Hocking Hills and Union Furnace.

As of June 30, 2004, the District has contractual commitments of \$866,009 for the construction of three elementary schools. Additional information on the District's capital assets can be found in Note 10.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

Debt

At June 30, 2004, the District had \$29.5 million in bonds outstanding, \$1,510,000 due within one year. The following table summarizes the District's debt outstanding as of June 30, 2004 and 2003:

	<u>2004</u>	<u>2003</u>
Governmental Activities:		
General Obligation Bonds	\$29,501,459	\$30,545,797
Capital Leases Payable	574,147	603,167
Compensated Absences	<u>1,800,686</u>	<u>1,742,766</u>
Total Governmental Activities	31,876,292	32,891,730
Business-Type Activities:		
Compensated Absences	<u>35,011</u>	<u>36,307</u>
Totals	<u>\$31,911,303</u>	<u>\$32,928,037</u>

Under current state statutes, the District's general obligation bonded debt issues are subject to a legal limitation based on 9% of the total assessed value of real and personal property. At June 30, 2004, the District's outstanding debt was below the legal limit. Additional information on the District's long-term debt can be found in Note 12.

ECONOMIC FACTORS

The Logan-Hocking Local School District relies upon local property taxes and the State of Ohio to fund its operations. In fiscal year 2004 the District received approximately 32% of its revenues from local sources and 68% from the State. In contrast, in 1984 the District received 46% of its funding from local property taxes and 54% from the State. The shift in funding over the last twenty years is mainly the result of two factors: 1) increased financial effort toward public schools by the State of Ohio, and 2) the fact that local taxpayers have not been asked to approve any new operating tax levies since 1981.

Increased funding from the State of Ohio reduces reliance on local taxpayers. However, it does put the District at risk when the State reduces its effort towards the funding of public education. For example, the District absorbed a \$194,281 reduction in State funds in fiscal year 2003. The reduction was announced by Governor Bob Taft in March 2003 as part of a \$99.9 million cut to primary and secondary education and absorbed by the District in the last three months of the fiscal year ending in June 2003.

Despite a sluggish economy, state-funding cuts and diminished investment income, the District's most recent five-year financial forecast indicates that its financial condition is stable and relatively strong. The District forecasted that it expects to operate in the black in the next three years and to incur deficits in fiscal years 2008 and 2009. The District has actively managed carryover funds which could be used, if necessary, to cover 2008 and 2009 deficits.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

Unaudited

A huge challenge facing the District and others across the State of Ohio is the future of state funding of public education. On September 6, 2001, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision identified aspects of the current plan that require modification if the plan is to be considered constitutional, including a change in the school districts that are used as the basis for determining the base cost support amount and fully funding parity aid no later than the beginning of fiscal year 2004. In November 2001, the Court granted the state's motion for reconsideration but also ordered the parties to participate in a settlement conference with a court appointed mediator. On March 21, 2002, the mediator issues his final report indicating that the conference was unable to produce a settlement. On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current school-funding decision is unconstitutional. The Supreme Court relinquished jurisdiction over the case and directed "...the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient..." As of the date of these financial statements, the District is unable to determine what effect, if any, the decision and the reconsideration will have on its future state funding and on its financial operations.

In conclusion, the District appears to be in stable financial condition. However, forecasted deficits in fiscal years 2008 and 2009 and the current challenges facing state funding of public education in Ohio are areas of concern. Through the use of current, consistent and credible financial forecasts, the District will continue to manage the resources entrusted to it and to make decisions that are in the best interests of children, staff, community and taxpayers. The Logan-Hocking Local School District's management has committed itself to financial prudence today and in the years to come.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information contact Paul Shaw, Treasurer of the Logan-Hocking Local School District.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Statement of Net Assets **June 30, 2004**

	Governmental Activities	Business-Type Activities	Total
Assets:			
Cash and Cash Equivalents	\$ 3,654,924	\$ 50,949	\$ 3,705,873
Investments	13,874,686	0	13,874,686
Receivables:			
Taxes	12,808,471	0	12,808,471
Accounts	2,434	754	3,188
Intergovernmental	435,453	64,720	500,173
Interest	46,835	0	46,835
Internal Balances	130,000	(130,000)	0
Inventory Held for Resale	127,789	13,995	141,784
Prepaid Items	12,835	0	12,835
Non-Depreciable Capital Assets	1,874,178	0	1,874,178
Depreciable Capital Assets, Net	34,805,729	89,422	34,895,151
Total Assets	67,773,334	89,840	67,863,174
Liabilities:			
Accounts Payable	284,642	801	285,443
Accrued Wages and Benefits	2,830,240	68,777	2,899,017
Intergovernmental Payable	742,089	73,273	815,362
Deferred Revenue - Taxes	10,323,838	0	10,323,838
Accrued Interest Payable	85,032	0	85,032
Long Term Liabilities:			
Due Within One Year	1,774,583	2,170	1,776,753
Due in More Than One Year	30,101,709	32,841	30,134,550
Total Liabilities	46,142,133	177,862	46,319,995
Net Assets:			
Invested in Capital Assets, Net of Related Debt	12,216,654	89,422	12,306,076
Restricted For:			
Capital Projects	5,922,461	0	5,922,461
Debt Service	2,226,032	0	2,226,032
Other Purposes	355,360	0	355,360
Unrestricted (Deficit)	910,694	(177,444)	733,250
Total Net Assets	\$ 21,631,201	\$ (88,022)	\$ 21,543,179

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Statement of Activities For the Fiscal Year Ended June 30, 2004

	Program Revenues		
	Expenses	Charges for Services and Sales	Operating Grants and Contributions
Governmental Activities:			
Instructional Services:			
Regular	\$ 10,181,036	\$ 502,140	\$ 905,133
Special	3,503,495	2,218	940,843
Vocational	423,118	0	3,000
Other	1,103	874	0
Support Services:			
Pupils	1,828,551	0	84,857
Instructional Staff	2,093,782	0	540,202
Board of Education	77,718	0	0
Administration	2,685,269	0	103,170
Fiscal Services	772,589	0	7,301
Operation and Maintenance of Plant	2,269,650	0	5,972
Pupil Transportation	2,047,696	0	65,775
Central	522,339	0	529,677
Operation of Non-Instructional Services	682,475	0	74,498
Extracurricular Activities	571,822	187,525	0
Debt Service:			
Interest and Fiscal Charges	1,545,046	0	0
Total Governmental Activities	29,205,689	692,757	3,260,428
Business-Type Activities:			
Food Service	1,430,682	706,263	609,411
Uniform School Supplies	44,100	37,694	0
Total Business-Type Activities	1,474,782	743,957	609,411
Totals	\$ 30,680,471	\$ 1,436,714	\$ 3,869,839

General Revenues

Property Taxes Levied for:

 General Purposes

 Debt Service

 Capital Outlay

Grants and Entitlements not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Transfers

Total General Revenues and Transfers

Change in Net Assets

Restated Net Assets Beginning of Year

Net Assets End of Year

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Net (Expense) Revenue
and Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (8,773,763)	\$ 0	\$ (8,773,763)
(2,560,434)	0	(2,560,434)
(420,118)	0	(420,118)
(229)	0	(229)
(1,743,694)	0	(1,743,694)
(1,553,580)	0	(1,553,580)
(77,718)	0	(77,718)
(2,582,099)	0	(2,582,099)
(765,288)	0	(765,288)
(2,263,678)	0	(2,263,678)
(1,981,921)	0	(1,981,921)
7,338	0	7,338
(607,977)	0	(607,977)
(384,297)	0	(384,297)
(1,545,046)	0	(1,545,046)
<u>(25,252,504)</u>	<u>0</u>	<u>(25,252,504)</u>
0	(115,008)	(115,008)
<u>0</u>	<u>(6,406)</u>	<u>(6,406)</u>
<u>0</u>	<u>(121,414)</u>	<u>(121,414)</u>
<u>(25,252,504)</u>	<u>(121,414)</u>	<u>(25,373,918)</u>
6,915,377	0	6,915,377
3,017,936	0	3,017,936
742,653	0	742,653
17,920,439	0	17,920,439
653,882	0	653,882
138,747	0	138,747
<u>(83,698)</u>	<u>83,698</u>	<u>0</u>
<u>29,305,336</u>	<u>83,698</u>	<u>29,389,034</u>
4,052,832	(37,716)	4,015,116
<u>17,578,369</u>	<u>(50,306)</u>	<u>17,528,063</u>
<u>\$ 21,631,201</u>	<u>\$ (88,022)</u>	<u>\$ 21,543,179</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Balance Sheet
Governmental Funds
June 30, 2004

	General	Bond Retirement	Permanent Improvement
Assets:			
Cash and Cash Equivalents	\$ 1,383,534	\$ 365,614	\$ 386,148
Investments	5,898,928	1,558,856	1,646,406
Receivables:			
Taxes	8,890,179	3,148,984	769,308
Accounts	2,412	0	0
Intergovernmental	6,997	2,739	667
Interest	42,497	0	0
Interfund Loan Receivable	219,389	0	0
Inventory of Supplies at Cost	127,789	0	0
Prepaid Items	12,835	0	0
Total Assets	\$ 16,584,560	\$ 5,076,193	\$ 2,802,529
Liabilities:			
Accounts Payable	\$ 42,553	\$ 0	\$ 26,940
Accrued Wages and Benefits	2,643,986	0	0
Intergovernmental Payable	462,907	0	0
Interfund Loans Payable	0	0	55,000
Deferred Revenue - Taxes	8,167,754	2,864,679	689,848
Deferred Revenue	13,561	0	0
Total Liabilities	11,330,761	2,864,679	771,788
Fund Balances:			
Reserved for Encumbrances	178,246	0	188,507
Reserved for Prepaid Items	12,835	0	0
Reserved for Supplies Inventory	127,789	0	0
Reserved for Debt Service	0	1,931,421	0
Reserved for Property Taxes	720,740	280,093	68,510
Unreserved, Undesignated in:			
General Fund	4,214,189	0	0
Special Revenue Funds	0	0	0
Capital Projects Funds	0	0	1,773,724
Total Fund Balances	5,253,799	2,211,514	2,030,741
Total Liabilities and Funds Balances	\$ 16,584,560	\$ 5,076,193	\$ 2,802,529

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Building	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
\$ 895,090	\$ 223,782	\$ 400,756	\$ 3,654,924
3,816,364	954,132	0	13,874,686
0	0	0	12,808,471
0	0	22	2,434
0	0	425,050	435,453
4,338	0	0	46,835
0	0	0	219,389
0	0	0	127,789
0	0	0	12,835
<u>\$ 4,715,792</u>	<u>\$ 1,177,914</u>	<u>\$ 825,828</u>	<u>\$ 31,182,816</u>
\$ 10,243	\$ 170,415	\$ 34,491	\$ 284,642
0	0	186,254	2,830,240
0	0	38,876	501,783
0	0	34,389	89,389
0	0	0	11,722,281
0	0	208,578	222,139
<u>10,243</u>	<u>170,415</u>	<u>502,588</u>	<u>15,650,474</u>
320,779	921,397	167,849	1,776,778
0	0	0	12,835
0	0	0	127,789
0	0	0	1,931,421
0	0	0	1,069,343
0	0	0	4,214,189
0	0	136,364	136,364
4,384,770	86,102	19,027	6,263,623
<u>4,705,549</u>	<u>1,007,499</u>	<u>323,240</u>	<u>15,532,342</u>
<u>\$ 4,715,792</u>	<u>\$ 1,177,914</u>	<u>\$ 825,828</u>	<u>\$ 31,182,816</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Reconciliation Of Total Governmental Fund Balances To Net Assets Of Governmental Activities June 30, 2004

Total Governmental Fund Balances \$ 15,532,342

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

Capital Assets used in governmental activities are not
resources and therefore are not reported in the funds. 36,679,907

Other long-term assets are not available to pay for current-
period expenditures and therefore are deferred in the funds. 1,620,582

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

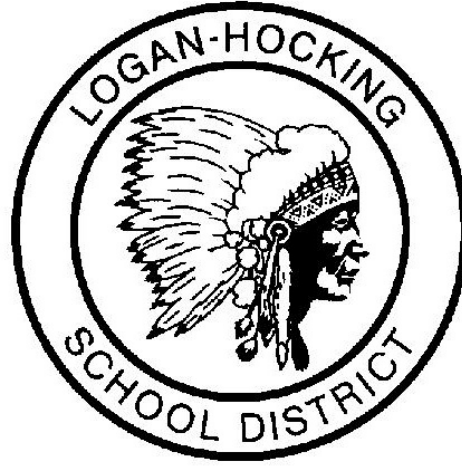
General Obligation Bonds Payable	(29,501,459)
Compensated Absences Payable	(1,800,686)
Capital Leases Payable	(574,147)
Accrued Interest Payable	(85,032)
Pension Obligation	(240,306)

(32,201,630)

Net Assets of Governmental Activities

\$ 21,631,201

See accompanying notes to the basic financial statements



LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

	General	Bond Retirement	Permanent Improvement
Revenues:			
Taxes	\$ 7,424,199	\$ 2,652,390	\$ 663,024
Tuition	505,232	0	0
Investment Earnings	316,172	0	0
Extracurricular Activities	0	0	0
Intermediate Sources	0	0	0
Intergovernmental - State	17,703,745	300,738	73,437
Intergovernmental - Federal	94,481	0	0
All Other Revenue	6,911	0	20,950
Total Revenue	26,050,740	2,953,128	757,411
Expenditures:			
Current:			
Instructional Services:			
Regular	10,174,180	0	275,861
Special	2,716,987	0	10,323
Vocational	461,557	0	0
Other	1,103	0	0
Supporting Services:			
Pupils	1,724,135	0	3,948
Instructional Staff	1,299,866	0	222,745
Board of Education	79,321	0	0
Administration	2,572,457	0	4,848
Fiscal Services	669,139	75,179	18,595
Operation & Maintenance of Plant	2,237,614	0	42,040
Pupil Transportation	1,850,448	0	285,322
Central	0	0	4,542
Operation of Non-Instructional Services	2,111	0	11,616
Extracurricular Activities	336,756	0	0
Capital Outlay	0	0	228,677
Debt Service:			
Principal Retirement	0	1,385,000	0
Interest & Fiscal Charges	0	1,210,025	0
Total Expenditures	24,125,674	2,670,204	1,108,517
Excess (Deficiency) of Revenues Over Expenditures	1,925,066	282,924	(351,106)
Other Financing Sources (Uses):			
Other Financing Sources - Capital Lease	0	0	94,500
Transfers In	0	0	247,000
Transfers Out	(1,080,698)	0	0
Total Other Financing Sources (Uses)	(1,080,698)	0	341,500
Net Change in Fund Balance	844,368	282,924	(9,606)
Fund Balances at Beginning of Year	4,388,358	1,928,590	2,040,347
Increase in Inventory Reserve	21,073	0	0
Fund Balances End of Year	\$ 5,253,799	\$ 2,211,514	\$ 2,030,741

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Building	Classroom Facilities	Other Governmental Funds	Total Governmental Funds
\$ 0	\$ 0	\$ 0	\$ 10,739,613
0	0	0	505,232
145,754	192,996	0	654,922
0	0	187,547	187,547
0	0	21,538	21,538
0	0	1,131,759	19,209,679
0	0	1,906,809	2,001,290
0	20,352	47,901	96,114
<u>145,754</u>	<u>213,348</u>	<u>3,295,554</u>	<u>33,415,935</u>
0	0	954,610	11,404,651
0	0	764,412	3,491,722
0	0	200	461,757
0	0	0	1,103
0	0	84,685	1,812,768
11	0	575,145	2,097,767
0	0	0	79,321
0	0	125,072	2,702,377
0	0	1,523	764,436
0	0	5,331	2,284,985
0	0	11,610	2,147,380
0	0	517,797	522,339
0	529,822	101,704	645,253
0	0	197,838	534,594
43,470	11,253,424	0	11,525,571
0	0	0	1,385,000
0	0	0	1,210,025
<u>43,481</u>	<u>11,783,246</u>	<u>3,339,927</u>	<u>43,071,049</u>
102,273	(11,569,898)	(44,373)	(9,655,114)
0	0	0	94,500
0	750,000	0	997,000
0	0	0	(1,080,698)
0	750,000	0	10,802
102,273	(10,819,898)	(44,373)	(9,644,312)
4,603,276	11,827,397	367,613	25,155,581
0	0	0	21,073
<u>\$ 4,705,549</u>	<u>\$ 1,007,499</u>	<u>\$ 323,240</u>	<u>\$ 15,532,342</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Reconciliation Of The Statement Of Revenues, Expenditures
And Changes In Fund Balances Of Governmental Funds
To The Statement Of Activities
For The Fiscal Year Ended June 30, 2004***

Net Change in Fund Balances - Total Governmental Funds \$ (9,644,312)

Amounts reported for governmental activities in the statement of activities are different because

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which depreciation exceeded capital outlays in the current period. 12,733,659

The net effect of various miscellaneous transactions involving capital assets (i.e. disposals and donations) is to increase net assets.

The statement of activities reports losses arising from the disposal of capital assets. Conversely, the governmental funds do not report any loss on the disposal of capital assets. (35,260)

Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. (94,789)

The issuance of long-term debt provides current financial resources to governmental funds, but has no effect on net assets. In addition, 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 assets 1,414,020

In the statement of activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (335,021)

Some expenses reported in the statement of activities, such as compensated absences and intergovernmental payable which represents contractually required pension contributions, do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds. 14,535

Change in Net Assets of Governmental Activities \$ 4,052,832

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Statement of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
General Fund
For the Fiscal Year Ended June 30, 2004**

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local Sources:				
Taxes	\$ 7,527,814	\$ 7,557,000	\$ 7,535,937	\$ (21,063)
Tuition	9,600	494,900	505,232	10,332
Investment Earnings	322,432	300,000	306,856	6,856
Intergovernmental - State	17,945,056	17,830,329	17,696,748	(133,581)
Intergovernmental - Federal	82,000	134,000	134,834	834
All Other Revenues	375,000	6,050	6,981	931
Total Revenues	<u>26,261,902</u>	<u>26,322,279</u>	<u>26,186,588</u>	<u>(135,691)</u>
Expenditures:				
Current:				
Instructional Services:				
Regular	10,511,511	10,520,378	10,169,936	350,442
Special	2,316,512	2,727,746	2,701,708	26,038
Vocational	458,610	470,617	464,935	5,682
Other	1,200	1,446	1,113	333
Support Services:				
Pupils	1,830,715	1,744,653	1,734,515	10,138
Instructional Staff	1,237,694	1,336,980	1,299,230	37,750
Board of Education	134,625	144,774	76,681	68,093
Administration	2,676,476	2,601,399	2,580,357	21,042
Fiscal Services	682,750	671,363	663,190	8,173
Operation and Maintenance of Plant	2,352,611	2,311,511	2,252,402	59,109
Pupil Transportation	1,956,041	1,882,208	1,848,674	33,534
Operation of Non-Instructional Services	0	15,175	9,210	5,965
Extracurricular Activities	369,600	352,194	337,580	14,614
Total Expenditures	<u>24,528,345</u>	<u>24,780,444</u>	<u>24,139,531</u>	<u>640,913</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	1,733,557	1,541,835	2,047,057	505,222
Other Financing Sources (Uses):				
Transfers Out	(190,000)	(1,080,698)	(1,080,698)	0
Advances In	250,000	385,800	385,800	0
Advances Out	(250,000)	(250,000)	(219,389)	30,611
Refund of Prior Year's Expenditures	100	278	278	0
Total Other Financing Sources (Uses)	<u>(189,900)</u>	<u>(944,620)</u>	<u>(914,009)</u>	<u>30,611</u>
Net Change in Fund Balance	1,543,657	597,215	1,133,048	535,833
Fund Balance at Beginning of Year	5,642,207	5,642,207	5,642,207	0
Prior Year Encumbrances	290,939	290,939	290,939	0
Fund Balance at End of Year	<u>\$ 7,476,803</u>	<u>\$ 6,530,361</u>	<u>\$ 7,066,194</u>	<u>\$ 535,833</u>

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Statement of Net Assets
Proprietary Funds
June 30, 2004

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Uniform School Supplies	Total
Assets:			
<i>Current Assets:</i>			
Cash and Cash Equivalents	\$ 48,677	\$ 2,272	\$ 50,949
Receivables:			
Accounts	404	350	754
Intergovernmental	64,720	0	64,720
Inventory of Supplies at Cost	13,995	0	13,995
Total Current Assets	<u>127,796</u>	<u>2,622</u>	<u>130,418</u>
<i>Non Current Assets:</i>			
Capital Assets, Net	89,422	0	89,422
Total Assets	<u>217,218</u>	<u>2,622</u>	<u>219,840</u>
Liabilities:			
<i>Current Liabilities:</i>			
Accounts Payable	500	301	801
Accrued Wages and Benefits	68,777	0	68,777
Intergovernmental Payable	73,273	0	73,273
Interfund Loans Payable	130,000	0	130,000
Total Current Liabilities	<u>272,550</u>	<u>301</u>	<u>272,851</u>
<i>Long Term Liabilities:</i>			
Compensated Absences Payable	35,011	0	35,011
Total Liabilities	<u>307,561</u>	<u>301</u>	<u>307,862</u>
Net Assets:			
Invested in Capital Assets	89,422	0	89,422
Unrestricted	(179,765)	2,321	(177,444)
Total Net Assets	<u>\$ (90,343)</u>	<u>\$ 2,321</u>	<u>\$ (88,022)</u>

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Statement of Revenues, Expenses and Changes in Fund Net Assets
Proprietary Funds
For the Fiscal Year Ended June 30, 2004

	Business-Type Activities		
	Enterprise Funds		
	Food Service	Uniform School Supplies	Total
Operating Revenues:			
Tuition and Fees	\$ 0	\$ 37,694	\$ 37,694
Sales	706,201	0	706,201
Total Operating Revenues	706,201	37,694	743,895
Operating Expenses:			
Salaries and Wages	384,155	0	384,155
Fringe Benefits	256,135	0	256,135
Contractual Services	128,380	0	128,380
Supplies and Materials	634,147	44,100	678,247
Depreciation	22,757	0	22,757
Other Operating Expenses	5,108	0	5,108
Total Operating Expenses	1,430,682	44,100	1,474,782
Operating Loss	(724,481)	(6,406)	(730,887)
Nonoperating Revenue (Expenses):			
Operating Grants	609,411	0	609,411
Investment Earnings	62	0	62
Total Nonoperating Revenues (Expenses)	609,473	0	609,473
Transfers:			
Transfers In	78,698	5,000	83,698
Total Transfers	78,698	5,000	83,698
Change in Net Assets	(36,310)	(1,406)	(37,716)
Net Assets Beginning of Year	(54,033)	3,727	(50,306)
Net Assets End of Year	\$ (90,343)	\$ 2,321	\$ (88,022)

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2004

	Business-Type Activities		
	Enterprise Funds		
	Food Services	Uniform School Supplies	Total
<u>Cash Flows from Operating Activities:</u>			
Cash Received from Customers	\$706,652	\$0	\$706,652
Cash Received from Tuition and Fee Payments	0	38,350	38,350
Cash Payments for Goods and Services	(708,063)	(43,799)	(751,862)
Cash Payments to Employees for Services and Benefits	(602,655)	0	(602,655)
Net Cash Used for Operating Activities	<u>(604,066)</u>	<u>(5,449)</u>	<u>(609,515)</u>
<u>Cash Flows from Noncapital Financing Activities:</u>			
Operating Grants Received	563,103	0	563,103
Operating Transfers In	78,698	5,000	83,698
Advances In	130,000	0	130,000
Advances Out	(95,000)	0	(95,000)
Net Cash Provided by Noncapital Financing Activities	<u>676,801</u>	<u>5,000</u>	<u>681,801</u>
<u>Cash Flows from Capital and Related Financing Activities:</u>			
Acquisition of Equipment	(25,756)	0	(25,756)
Net Cash Used for Capital and Related Financing Activities	<u>(25,756)</u>	<u>0</u>	<u>(25,756)</u>
<u>Cash Flows from Investing Activities:</u>			
Receipts of Interest	62	0	62
Net Cash Provided by Investing Activities	<u>62</u>	<u>0</u>	<u>62</u>
Net Increase (Decrease) in Cash and Cash Equivalents	47,041	(449)	46,592
Cash and Cash Equivalents at Beginning of Year	1,636	2,721	4,357
Cash and Cash Equivalents at End of Year	<u>\$48,677</u>	<u>\$2,272</u>	<u>\$50,949</u>
<u>Reconciliation of Operating Loss to Net Cash</u>			
<u>Used for Operating Activities:</u>			
Operating Loss	(\$724,481)	(\$6,406)	(\$730,887)
Adjustments to Reconcile Operating Loss to			
Net Cash Used for Operating Activities:			
Depreciation Expense	22,757	0	22,757
Donated Commodities Used During the Year	63,465	0	63,465
Changes in Assets and Liabilities:			
Decrease in Accounts Receivable	451	656	1,107
Increase in Inventory	(1,484)	0	(1,484)
Increase in Accounts Payable	500	301	801
Decrease in Accrued Wages and Benefits	(3,173)	0	(3,173)
Increase in Intergovernmental Payables	42,104	0	42,104
Decrease in Deferred Revenue	(2,909)	0	(2,909)
Decrease in Compensated Absences	(1,296)	0	(1,296)
Total Adjustments	<u>120,415</u>	<u>957</u>	<u>121,372</u>
Net Cash Used for Operating Activities	<u>(\$604,066)</u>	<u>(\$5,449)</u>	<u>(\$609,515)</u>

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Statement of Net Assets
Fiduciary Funds
June 30, 2004

	Private Purpose Trust <u>Special Trust</u> Fund	<u>Agency Funds</u>
Assets:		
Cash and Cash Equivalents	\$ 51,672	\$ 530,264
Investments	220,313	0
Receivables:		
Accounts	0	130
Interest	203	0
Total Assets	<u>272,188</u>	<u>530,394</u>
Liabilities:		
Due to Others	0	477,700
Due to Students	0	52,694
Deferred Revenue	203	0
Total Liabilities	<u>203</u>	<u>530,394</u>
Net Assets:		
Unrestricted	271,985	0
Total Net Assets	<u>\$ 271,985</u>	<u>\$ 0</u>

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Statement of Changes in Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2004

	Private Purpose Trust <u>Special Trust</u> <u>Fund</u>
Additions:	
Contributions:	
Private Donations	\$ 40,249
Total Contributions	<u>40,249</u>
Investment Earnings:	
Interest	3,315
Total Investment Earnings	<u>3,315</u>
Total Additions	<u>43,564</u>
Deductions:	
Administrative Expenses	106
Community Gifts, Awards and Scholarships	10,993
Total Deductions	<u>11,099</u>
Change in Net Assets	32,465
Net Assets at Beginning of Year	<u>239,520</u>
Net Assets End of Year	<u>\$ 271,985</u>

See accompanying notes to the basic financial statements

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Logan-Hocking Local School District, Ohio (the 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 District is governed by a locally elected five member Board of Education (the Board) which provides educational services. The Board controls the District's instructional support facilities staffed by approximately 158 noncertified and approximately 282 certified teaching personnel and administrative employees providing education to 4,030 students.

The accompanying basic financial statements comply with the provisions of Governmental Accounting Standards Board (GASB) Statement No. 14, "*The Financial Reporting Entity*," in that the financial statements include all organizations, activities, functions and component units for which the District (the reporting entity) is financially accountable. Financial accountability is defined as the appointment of a voting majority of a legally separate organization's governing body and either the District's ability to impose its will over the organization or the possibility that the organization will provide a financial benefit to, or impose a financial burden on, the District. There were no potential component units that met the criteria imposed by GASB Statement No. 14 to be included in the District's reporting entity. The District is a member of the Southeastern Ohio Voluntary Educational Cooperative (SEOVEC), a jointly governed organization which provides computer service to thirty-eight (38) class "C" sites in a ten (10) county area. The District is a participant in two other jointly governed organizations, the Tri-County Career Center and the Coalition of Rural and Appalachian Schools. See Note 18, "Jointly Governed Organizations." The District is also a participant in the Ohio School Boards Association Workers' Compensation Group Rating Plan, an insurance purchasing pool, see Note 19. Based on the foregoing, the reporting entity of the District includes the following services: instructional (regular, special education, vocational), student guidance, extracurricular activities, food service, pupil transportation and care and upkeep of grounds and buildings.

The accounting policies and financial reporting practices of the District conform to generally accepted accounting principles as applicable to governmental units. The following is a summary of its significant accounting policies.

B. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures/expenses. The various funds are summarized by type in the basic financial statements.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

The following fund types are used by the District:

Governmental Funds - These are funds through which most governmental functions typically are financed. The acquisition, use and balances of the District's expendable financial resources and the related current liabilities (except those accounted for in the proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of "financial flow" (sources, uses and balances of financial resources). The following are the District's major governmental funds:

General Fund - This fund is the general operating fund of the District and is used to account for all financial resources except those accounted for in another fund. The general fund balance is available to the District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Bond Retirement Fund - This fund is used for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

Permanent Improvement Fund - This fund is used to account for the acquisition, construction and improvement of capital facilities other than those financed by proprietary and trust funds.

Building Fund - This fund is used to account for the receipts and expenditures related to all special bond funds in the District. All proceeds from the sale of bonds, notes, or certificates of indebtedness, except premium and accrued interest, must be paid into this fund. Expenditures represent the costs of acquiring capital facilities, including real property.

Classroom Facilities Fund - This fund is used to account for monies received and expended in connection with contracts entered into by the District and the Ohio Department of Education for the building and equipping of classroom facilities.

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

Proprietary Funds - The proprietary funds are accounted for on a "economic resources" measurement focus. This measurement focus provides that all assets and all liabilities associated with the operation of the proprietary funds are included on the balance sheet. The proprietary fund operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

B. Basis of Presentation - Fund Accounting (Continued)

Enterprise Funds - These funds are used to account for operations that are financed and operated in a manner similar to private business enterprises in which the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges. The District's major enterprise funds are:

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

Uniform School Supplies Fund – This fund accounts for the purchase and sale of school supplies for use in the District. Profits derived from such sales are used for school purposes or activities connected with the school.

Fiduciary Funds – Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary category is split into two classifications: private-purpose trust funds and agency funds. Trust funds are used to account for assets held by the District under a trust agreement for individuals, private organizations or other governments and therefore not available to support the District's own programs. The District's only trust fund is a private purpose trust that accounts for scholarship programs for students. State law permits the District to appropriate for purposes consistent with the endowment's intent, net appreciation, both realized and unrealized. The agency funds are custodial in nature (assets equal liabilities) and do not involve the measurement of results of operation.

C. Basis of Presentation – Financial Statements

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

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

C. Basis of Presentation and Measurement Focus – Financial Statements (Continued)

The government-wide statements are prepared using the economic resources measurement focus. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The government-wide statement of activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the District and for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program or department and therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues which are not classified as program revenues are presented as general revenues of the District, with certain limited exceptions. The comparison of direct expenses with program revenues identifies the extent to which each business segment or governmental function is self-financing or draws from the general revenues of the District.

Fund Financial Statements – Fund financial statements report detailed information about the District. The focus of governmental and enterprise fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column. Fiduciary funds are reported by fund type.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental fund types are accounted for using a flow of current financial resources measurement focus. The financial statements for governmental funds are a balance sheet, which generally includes only current assets and current liabilities, and a statement of revenues, expenditures and changes in fund balances, which reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources.

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

Fiduciary funds are reported using the economic resources measurement focus.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting

Basis of accounting represents the methodology utilized in the recognition of revenues and expenditures or expenses reported in the financial statements. The accounting and reporting treatment applied to a fund is determined by its measurement focus.

The modified accrual basis of accounting is followed by the governmental funds. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. The term "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, which for the District is considered to be 60 days after fiscal year end. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt which is recognized when due.

Revenue considered susceptible to accrual at year end includes property taxes, tuition, grants and entitlements, student fees, and interest on investments.

Current property taxes measurable at June 30, 2004, which are not intended to finance fiscal 2004 operations, have been recorded as receivables and deferred revenues. Delinquent property taxes measurable and available (received within 60 days) and amounts available as an advance on future tax settlements are recognized as revenue at year end. Taxes available for advance and recognized as revenue but not received by the District prior to June 30, 2004 are reflected as a reservation of fund balance for future appropriations. The District is prohibited by law from appropriating this revenue in accordance with ORC Section 5705.35, since an advance of revenue was not requested or received prior to the fiscal year end.

The accrual basis of accounting is utilized for reporting purposes by the government-wide financial statements, proprietary funds, agency funds and the private-purpose trust fund. Revenues are recognized when they are earned and expenses are recognized when incurred.

Pursuant to GASB Statement No. 20, "*Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities that Use Proprietary Fund Accounting*," the District follows GASB guidance as applicable to proprietary funds and business-type activities and FASB Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins issued on or before November 30, 1989 that do not conflict with or contradict GASB pronouncements.

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.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Basis of Accounting (Continued)

Nonexchange transactions, in which the District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Grants and entitlements received before eligibility requirements are met are recorded as deferred revenue.

Eligibility requirements include timing requirements, which specify the year when the resources are required to be used or the fiscal year when use is first permitted, matching requirements, in which the District must provide local resources to be used for a specified purpose, and expenditure requirements, in which the resources are provided to the District on a reimbursement basis. On a modified accrual basis, revenue from nonexchange transactions must also be available before it can be recognized.

E. Budgetary Process

The budgetary process is prescribed by provisions of the Ohio Revised Code and entails the preparation of budgetary documents within an established timetable. The major documents prepared are the tax budget, the certificate of estimated resources and the appropriation resolution, all of which are prepared on the budgetary basis of accounting. The certificate of estimated resources and the appropriation resolution are subject to amendment throughout the year.

All funds other than agency funds are legally required to be budgeted and appropriated; however, only governmental funds are required to be reported. The primary level of budgetary control is at the object level within each department. Budgetary modifications may only be made by resolution of the Board of Education.

1. Tax Budget

By January 15, the Superintendent and Treasurer submit an annual operating budget for the following fiscal year to the Board of Education for consideration and passage. The adopted budget is submitted to the County Auditor, as Secretary of the County Budget Commission, by January 20 of each year for the period July 1 to June 30 of the following fiscal year.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

2. Estimated Resources

Prior to March 15, the Board accepts by formal resolution, the tax rates as determined by the County Budget Commission and receives the Commission's Certificate of Estimated Resources which states the projected revenue of each fund. Prior to June 30, the District must revise its budget so that the total contemplated expenditures from any fund during the ensuing fiscal year will not exceed the amount available as stated in the certificate of estimated resources. The revised budget then serves as the basis for the annual appropriations measure. On or about July 1, the certificate of estimated resources is amended to include any unencumbered fund balances from the preceding year. The certificate may be further amended during the year if a new source of revenue is identified or actual receipts exceed current estimates. The amounts reported on the budgetary statement reflect the amounts in the final amended official certificate of estimated resources issued during fiscal year 2004.

3. Appropriations

A temporary appropriation measure to control expenditures may be passed on or about July 1 of each year for the period July 1 through September 30. An annual appropriation resolution must be passed by October 1 of each year for the period July 1 through June 30. The appropriation resolution establishes spending controls at the fund, department and object level. The appropriation resolution may be amended during the year as additional information becomes available, provided that total fund appropriations do not exceed the current estimated resources as certified. The allocation of appropriations among departments and objects within a fund may be modified during the year with approval of the Board. During the year, several supplemental appropriations were necessary to budget the use of contingency funds. Administrative control is maintained through the establishment of more detailed line-item budgets. The budgetary figures which appear in the "Combined Statement of Revenues, Expenditures, and Changes in Fund Balances-Budget and Actual (Non-GAAP Budgetary Basis)-General Fund" are provided on the budgetary basis to provide a comparison of actual results to the final budget, including all amendments and modifications.

4. Lapsing of Appropriations

At the close of each fiscal year, the unencumbered balance of each appropriation reverts to the respective fund from which it was appropriated and becomes subject to future appropriations. The encumbered appropriation balance is carried forward to the subsequent fiscal year and need not be reappropriated.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

E. Budgetary Process (Continued)

5. Budgetary Basis of Accounting

The District's budgetary process accounts for certain transactions on a basis other than generally accepted accounting principles (GAAP). The major differences between the budgetary basis and the GAAP basis lie in the manner in which revenues and expenditures are recorded. Under the budgetary basis, revenues and expenditures are recognized on a cash basis. Utilizing the cash basis, revenues are recorded when received in cash and expenditures when paid. Under the GAAP basis, revenues and expenditures are recorded on the modified accrual basis of accounting. Encumbrances are recorded as the equivalent of expenditures (budgetary basis) as opposed to reservations of fund balance (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP basis statements to the budgetary basis statements for the general fund:

	Net Change in Fund Balance
	General Fund
GAAP Basis (as reported)	\$844,368
Increase (Decrease):	
Accrued Revenues at June 30, 2004, received during FY 2005	(980,159)
Accrued Revenues at June 30, 2003, received during FY 2004	1,284,683
Accrued Expenditures at June 30, 2004, paid during FY 2005	3,149,446
Accrued Expenditures at June 30, 2003, paid during FY 2004	(3,002,227)
FY 2003 Prepays for FY 2004	66,038
FY 2004 Prepays for FY 2005	(12,835)
Encumbrances Outstanding	(216,266)
Budget Basis	\$1,133,048

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

F. Cash and Cash Equivalents

During fiscal year 2004, cash and cash equivalents included amounts in demand deposits, repurchase agreements, investments with original maturities of less than three months and the State Treasury Asset Reserve (STAR Ohio). STAR Ohio is a very liquid investment and is reported as a cash equivalent in the basic financial statements.

The District pools its cash for investment and resource management purposes. Each fund's equity in pooled cash and investments represents the balance on hand as if each fund maintained its own cash and investment account. See Note 5, "Cash, Cash Equivalents and Investments."

G. Investments

Investment procedures and interest allocations are restricted by provisions of the Ohio Constitution and the Ohio Revised Code. In accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, the District records all its investments at fair value except for nonparticipating investment contracts (repurchase agreements and certificates of deposit) which are reported at cost. See Note 5, "Cash, Cash Equivalents and Investments."

The District has invested funds in the STAROhio during 2004. STAROhio is an investment pool managed by the State Treasurer's Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio's share price which is the price the investment could be sold for on June 30, 2004.

H. Inventory

On government-wide financial statements, inventories are presented at the lower of cost or market on a first-in, first-out basis and are expensed when used.

On fund financial statements, inventories of governmental funds are stated at cost while inventories of proprietary funds are stated at the lower of cost or market. For all funds, cost is determined on a first-in, first-out basis. Inventory in governmental funds consists of expendable supplies held for consumption. The cost of inventory items is recorded as an expenditure in the governmental fund types when purchased.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

I. Prepaid Items

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

J. Capital Assets and Depreciation

1. Property, Plant and Equipment - Governmental Activities and Governmental Funds

Governmental activities capital assets are those not directly related to the business-type funds. These generally are acquired or constructed for governmental activities and are capitalized at cost (or estimated historical cost for assets not purchased in recent years) in the Governmental Activities column of the Government-wide Statement of Net Assets. These costs are reported as expenditures when incurred in the Fund Financial Statements. The District follows the policy of not capitalizing assets with a cost of less than \$500.

Contributed capital assets are recorded at fair market value at the date received. The District does not possess any infrastructure. Estimated historical costs for governmental activities capital asset values were initially determined by identifying historical costs where such information was available. In cases where information supporting original cost was not obtainable, estimated historical costs were developed. For certain capital assets, the estimates were arrived at by indexing estimated current costs back to the estimated year of acquisition.

2. Property, Plant and Equipment – Business-Type Activities

Property, plant and equipment acquired by the proprietary funds are stated at cost (or estimated historical cost). Contributed capital assets are recorded at fair market value at the date received. These assets are reported in both the Business-Type Activities column of the Government-wide Statement of Net Assets and in the respective funds.

3. Depreciation

All capital assets are depreciated, excluding land and construction in progress. Depreciation has been provided using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives (in years)</u>
Land Improvements	20
Buildings and Improvements	20-50
Machinery and Equipment	5-20
Vehicles	10

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

K. Long-Term Obligations

Long-term liabilities are being repaid from the following funds:

<u>Obligation</u>	<u>Fund</u>
General Obligation Bonds	Bond Retirement Fund
Installment Loans	Bond Retirement Fund
Capital Leases	General Fund, Permanent Improvement Fund
Compensated Absences	General Fund, Food Services Fund

L. Compensated Absences

In accordance with GASB Statement No. 16, "Accounting for Compensated Absences," vacation benefits are accrued as a liability when an employee's right to receive compensation is attributable to services already rendered, and it is probable that the employee will be compensated through paid time off or some other means, such as cash payments at termination or retirement. Administrators and classified staff who work twelve-month contracts are granted vacation leave based on length of service and position. Sick leave benefits are accrued as a liability using the vesting method. Employees may earn 15 days of sick leave per year up to a maximum of 280 days. Upon retirement, employees will receive one-fourth of the accumulated sick leave up to a maximum of 60 days. For governmental funds, that portion of unpaid compensated absences that is due at year-end is reported as an expenditure in the fund from which the individual earning the leave is paid, and a corresponding liability is reflected in the account "Compensated Absences Payable." Compensated absences are expensed in the proprietary funds when earned and the related liability is reported within the fund.

M. Net Assets

Net assets represent the difference between assets and liabilities. Net assets invested in capital assets, net of related debt consists of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction or improvement of those assets. Net assets are reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

N. Pensions

The provision for pension costs is recorded when the related payroll is accrued and the obligation is incurred.

O. 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.

Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as internal balances.

P. Reservations of Fund Balance

Reserves indicate that a portion of fund balance is not available for expenditure or is legally segregated for a specific future use. Fund balances are reserved for debt service, prepaid items and encumbered amounts which have not been accrued at year end.

Q. Estimates

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

R. Operating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues are those revenues that are generated directly from the primary activity of the proprietary funds. For the District, these revenues are sales for food service and tuition and fees for uniform school supplies. Operating expenses are necessary costs incurred to provide the good or service that is the primary activity of the fund. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 2 – RESTATEMENT OF NET ASSETS

The beginning net asset balance of the District’s Governmental and Business-Type Activities were restated as a result of the reclassification of the Employee Benefit Fund from an internal service fund to an agency fund.

This reclassification had the following effect on the District’s net assets at June 30, 2003:

	Governmental Activities	Business-Type Activities
Net Assets June 30, 2003	\$18,033,877	(\$44,426)
Adjustments:		
Fund Reclassifications	(455,508)	(5,880)
Total Prior Period Adjustments	(455,508)	(5,880)
Restated Net Assets, June 30, 2003	\$17,578,369	(\$50,306)

NOTE 3 – EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government – wide statement of activities. The following is a detailed listing of those reconciling items that are net adjustments or a combination of several transactions:

Amount by which capital outlays exceeded depreciation in the current period:

Capital Outlay	\$14,178,853
Depreciation Expense	(1,445,194)
	\$12,733,659

Governmental revenues not reported in the funds:

Decrease in Taxes Revenue	(\$63,647)
Decrease in Investment Earnings Revenue	(1,040)
Decrease in Intergovernmental - Federal Revenue	(30,102)
	(\$94,789)

Net amount of long-term debt issuance and bond and lease principal payments:

Bond Principal Payment	\$1,385,000
Capital Lease Payment	123,520
Capital Lease Issuance	(94,500)
	\$1,414,020

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 4 - COMPLIANCE AND ACCOUNTABILITY

Fund Deficits - The fund deficits at June 30, 2004 of \$1,110 in the Disadvantaged Pupil Impact Aid Fund, and \$3,179 in the Alternative Schools Fund (special revenue funds) arose from the recognition of expenditures on the modified accrual basis of accounting which are greater than expenditures recognized on the budgetary basis. The fund deficit at June 30, 2004 of \$90,343 in the Food Service Fund (enterprise fund) arose from the recognition of expenses on the accrual basis, which is greater than expenses recognized under the cash basis. Deficits did not exist under the cash basis of accounting.

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS

Cash resources of several individual funds are combined to form a pool of cash, cash equivalents and investments. In addition, investments are separately held by a number of individual funds.

Statutes require the classification of funds held by the District into three categories. Category 1 consists of “active” funds - those funds required to be kept in a “cash” or “near cash” status for immediate use by the District. Such funds must be maintained either as cash in the District Treasury or in depository accounts payable or withdrawable on demand, including negotiable order of withdrawal (NOW) accounts.

Category 2 consists of “inactive” funds - those funds not required for use within the current five year period of designation of depositories. Inactive funds may be deposited or invested only as 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.

Category 3 consists of “interim” funds - those funds which are not needed for immediate use but, which will be needed before the end of the current period of designation of depositories.

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

- United States treasury notes, bills, bonds, or any other obligation or security issued by the United States treasury or any other obligation guaranteed as to principal or interest by the United States;
- 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;
- 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;

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

- Bonds and other obligations of the State of Ohio;
- No-load money market mutual funds consisting exclusively of obligations described in the first two bullets of this section and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions, and
- The State Treasury Asset Reserve of Ohio (STAR Ohio).

Ohio Law requires that deposits be placed in eligible banks or savings and loan associations located in Ohio. Any public depository in which the District places deposits must pledge as collateral eligible securities of aggregate market value equal to the excess of deposits not insured by the Federal Deposit Insurance Corporation (FDIC). The securities pledged as collateral are pledged to a pool for each individual financial institution in amounts equal to at least 105% of the carrying value of all public deposits held by each institution. Obligations that may be pledged as collateral are limited to obligations of the United States and its agencies and obligations of any state, county, municipal corporation or other legally constituted authority of any other state, or any instrumentality of such county, municipal corporation or other authority. Based upon criteria described in GASB Statement No. 3, "*Deposits With Financial Institutions, Investments (including Repurchase Agreements) and Reverse Repurchase Agreements,*" collateral held in single financial institution collateral pools with securities being held by the pledging financial institutions' agent in the pool's name are classified as Category 3.

The Governmental Accounting Standards Board has established risk categories for deposits and investments as follows:

Deposits:

- Category 1 Insured or collateralized with securities held by the District or by its agent in the District's name.
- Category 2 Collateralized with securities held by the pledging financial institution's trust department or agent, in the District's name.
- Category 3 Collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Investments:

- Category 1 Insured or registered, or securities held by the District or its agent in the District's name.
- Category 2 Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the District's name.
- Category 3 Uninsured and unregistered, with securities held by the counterparty or by its trust department or agent but not in the District's name.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 5 - CASH, CASH EQUIVALENTS AND INVESTMENTS (Continued)

STAR Ohio is an unclassified investment since it is not evidenced by securities that exist in physical or book entry form.

A. Deposits

At year end the carrying amount of the District's deposits was \$12,108,653 and the bank balance was \$12,506,000. The Federal Deposit Insurance Corporation (FDIC) covered \$900,000 of the bank balance and all remaining deposits were classified as Category 3.

B. Investments

The District's investments at June 30, 2004 are summarized below:

	<u>Category 2</u>	<u>Fair Value</u>
Categorized Investments		
Repurchase Agreements	\$4,163,863	\$4,163,863
U.S. Government Securities	1,600,000	1,600,000
Total Categorized Investments	5,763,863	5,763,863
Noncategorized Investments		
STAR Ohio	N/A	510,292
Total Investments	\$5,763,863	\$6,274,155

C. Reconciliation of Cash, Cash Equivalents and Investments

The classification of cash, cash equivalents and investments on the combined financial statements is based on criteria set forth in GASB Statement No. 9. Certificates of deposit with an original maturity of three months or less are treated as cash equivalents. The classification of cash and cash equivalents (deposits) for purposes of this note are based on criteria set forth in GASB Statement No. 3.

	<u>Cash and Cash Equivalents</u>	<u>Investments</u>
Per Financial Statements	\$4,287,809	\$14,094,999
Certificates of Deposit (with maturities of more than 3 months)	12,494,999	(12,494,999)
Investments:		
Repurchase Agreements	(4,163,863)	4,163,863
STAR Ohio	(510,292)	510,292
Per GASB Statement No. 3	\$12,108,653	\$6,274,155

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 6 - TAXES

Property taxes include amounts levied against all real estate and public utility property, and tangible personal property used in business and located in the District. Real property taxes (other than public utility) collected during 2004 were levied after October 1, 2003 on assessed values as of January 1, 2003, the lien date. Assessed values are established by the County Auditor at 35 percent of appraised market value. All property is required to be reappraised every six years and equalization adjustments made the third year following reappraisal. The last revaluation was completed in 1998. A statistical update was completed in 2001. Real property taxes are payable annually or semi-annually. The first payment is due January 20, with the remainder payable by June 20.

Taxes collected from tangible personal property (other than public utility) in one calendar year are levied in the prior calendar year on assessed values during and at the close of the most recent fiscal year of the taxpayer that ended on or before March 31 of that calendar year, and at the tax rates determined in the preceding year. Tangible personal property used in business (except for public utilities) is currently assessed for ad valorem taxation purposes at 25 percent of its true value. Amounts paid by multi-county taxpayers are due September 20 of the year assessed. Single county taxpayers may pay annually or semi-annually, the first payment is due April 30; with the remainder payable by September 20.

Public utility real and tangible personal property taxes collected in one calendar year are levied in the preceding calendar year on assessed values determined as of December 31 of the second year preceding the tax collection year, the lien date. Certain public utility tangible personal property is currently assessed at 100 percent of its true value. Public utility property taxes are payable on the same dates as real property described previously.

The County Treasurer collects property taxes on behalf of all taxing districts in the County including the District. The County Auditor periodically remits to the District its portion of the taxes collected. The assessed values for collection in 2004, upon which the 2003 levies were based, were as follows:

	2003 Second Half <u>Collections</u>	2004 First Half <u>Collections</u>
Agricultural/Residential and Other Real Estate	\$297,406,300	\$267,300,390
Public Utility Personal	38,289,720	38,742,620
Tangible Personal Property	<u>31,189,138</u>	<u>68,112,974</u>
Total Assessed Value	<u>\$366,885,158</u>	<u>\$374,155,984</u>
Tax rate per \$1,000 of assessed valuation	\$39.00	\$39.00

NOTE 7 - RECEIVABLES

Receivables at June 30, 2004 consisted of taxes, interest, accounts receivable, interfund loans receivables and intergovernmental receivables.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 8 – INTERFUND LOANS

Individual interfund loans receivable and loans payable balances at June 30, 2004, are as follows:

<u>Fund</u>	<u>Interfund Loans Receivable</u>	<u>Interfund Loans Payable</u>
General Fund	\$219,389	\$0
Permanent Improvement Fund	0	55,000
Other Governmental Fund		34,389
Food Services Fund	0	130,000
Totals	<u>\$219,389</u>	<u>\$219,389</u>

NOTE 9 - TRANSFERS

Following is a summary of transfers in and out for all funds for the year ended June 30, 2004:

<u>Fund</u>	<u>Transfer In</u>	<u>Transfer Out</u>
General Fund	\$0	\$1,080,698
Permanent Improvement Fund	247,000	0
Classroom Facilities Fund	750,000	0
Food Service Fund	78,698	0
Uniform School Supplies Fund	5,000	0
Total All Funds	<u>\$1,080,698</u>	<u>\$1,080,698</u>

Transfers are used to (a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to (b) use unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 10 - CAPITAL ASSETS

A. Governmental Activities Capital Assets

Summary by category of changes in governmental activities capital assets at June 30, 2004:

Historical Cost:

Class	June 30, 2003	Additions	Deletions	June 30, 2004
Capital assets not being depreciated:				
Land	\$1,846,049	\$0	\$0	\$1,846,049
Construction In Progress	7,613,718	13,330,104	(20,915,693)	28,129
Capital assets being depreciated:				
Land Improvements	2,299,131	0	0	2,299,131
Buildings and Improvements	16,842,654	20,990,506	0	37,833,160
Machinery and Equipment	6,569,414	445,192	(271,484)	6,743,122
Vehicles	2,184,360	328,744	(121,936)	2,391,168
Total Cost	<u>\$37,355,326</u>	<u>\$35,094,546</u>	<u>(\$21,309,113)</u>	<u>\$51,140,759</u>

Accumulated Depreciation:

Class	June 30, 2003	Additions	Deletions	June 30, 2004
Land Improvements	(\$1,530,033)	(\$87,381)	\$0	(\$1,617,414)
Buildings and Improvements	(6,557,119)	(528,066)	0	(7,085,185)
Machinery and Equipment	(4,232,790)	(612,538)	260,516	(4,584,812)
Vehicles	(1,053,876)	(217,209)	97,644	(1,173,441)
Total Depreciation	<u>(\$13,373,818)</u>	<u>(\$1,445,194) *</u>	<u>\$358,160</u>	<u>(\$14,460,852)</u>
Net Value:	<u>\$23,981,508</u>	<u>\$33,649,352</u>	<u>(\$20,950,953)</u>	<u>\$36,679,907</u>

* Depreciation expenses were charged to governmental functions as follows:

Instructional Services:	
Regular	\$896,531
Special	26,234
Vocational	4,911
Support Services:	
Pupils	22,148
Instructional Staff	65,908
Administration	49,394
Operations & Maintenance of Plant	68,409
Pupil Transportation	219,275
Operation of Non-Instructional Services	39,536
Extracurricular Activities	52,848
Total Depreciation Expense	<u>\$1,445,194</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 10 - CAPITAL ASSETS (Continued)

B. Business-Type Activities Capital Assets

Summary by Category at June 30, 2004:

Historical Cost:

<u>Class</u>	<u>June 30, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2004</u>
Machinery and Equipment	\$544,893	\$25,756	(\$26,699)	\$543,950
Total Cost	<u>\$544,893</u>	<u>\$25,756</u>	<u>(\$26,699)</u>	<u>\$543,950</u>

Accumulated Depreciation:

<u>Class</u>	<u>June 30, 2003</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2004</u>
Machinery and Equipment	(\$458,470)	(\$22,757)	\$26,699	(\$454,528)
Total Depreciation	<u>(\$458,470)</u>	<u>(\$22,757)</u>	<u>\$26,699</u>	<u>(\$454,528)</u>

<i>Net Value:</i>	<u>\$86,423</u>	<u>\$2,999</u>	<u>\$0</u>	<u>\$89,422</u>
--------------------------	-----------------	----------------	------------	-----------------

NOTE 11 - DEFINED BENEFIT PENSION PLANS

All of the District's full-time employees participate in one of two separate retirement systems, which are cost-sharing, multiple-employer defined benefit pension plans.

A. School Employees Retirement System of Ohio (SERS of Ohio)

All non-certified employees of the District, with minor exceptions, performing duties that do not require a certificate issued by the Ohio Department of Education are eligible to participate in the School Employees Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The SERS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and survivor benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by state statute per Chapter 3309 of the Ohio Revised Code. The SERS of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the SERS of Ohio. Interested parties may obtain a copy by making a written request to SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling (614) 222-5853.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

A. School Employees Retirement System of Ohio (SERS of Ohio) (Continued)

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 9% respectively. The contribution rates are determined actuarially, and are established and may be amended, up to statutory amounts, by the School Employees Retirement Board (Retirement Board) within the rates allowed by State statute. The required employer contribution rate is allocated to basic retirement benefits and health care by the Retirement Board. At June 30, 2004, 8.17% was allocated to fund the pension benefit and 4.91% to fund health care. The District's contributions to the SERS of Ohio for the years ending June 30, 2004, 2003, and 2002 were \$599,028, \$684,622, and \$590,714, respectively, which were equal to the required contributions for each year.

The Ohio Revised Code gives SERS the discretionary authority to provide postretirement health care to retirees and their dependents. Coverage is made available to service retirees with ten or more years of qualifying service credit, disability and survivor benefit recipients. Members retiring on or after August 1, 1989 with less than twenty-five years of service credit must pay a portion of their premium for health care. The portion is based on years of service up to a maximum of 75% of the premium. The portion of the 2004 employer contribution rate that was used to fund health care for the year 2004 was 4.91%. In addition, SERS levies a surcharge to fund health care benefits equal to 14% of the difference between minimum pay and the member's pay, prorated for partial service credit. For fiscal year 2004, the minimum pay has been established as \$24,500. The amount contributed to fund health care benefits, including the surcharge amounted to \$235,175.

Health care benefits are financed on a pay-as-you-go basis. The number of retirees and covered dependents currently receiving benefits is approximately 50,000. The target level for the health care reserve is 150% of annual health care expenses. Expenses for health care at June 30, 2004 were \$223,443,805 and the target level was \$335.2 million. Net assets available for payment of benefits at June 30, 2003 was \$300.8 million.

B. State Teachers Retirement System of Ohio (STRS of Ohio)

All certified employees of the District are eligible to participate in the State Teachers Retirement System of Ohio, a cost-sharing, multiple-employer public employee retirement system.

The STRS of Ohio provides retirement and disability benefits, annual cost-of-living adjustments and survivor benefits based on eligible service credit to plan members and beneficiaries. Benefits are established by Chapter 3307 of the Ohio Revised Code. The STRS of Ohio issues a stand-alone financial report that includes financial statements and required supplementary information for the STRS of Ohio. Interested parties may obtain a copy by making a written request to STRS Ohio, 275 East Broad Street, Columbus, Ohio 43215-3371 or by calling (614) 227-4090.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 11 - DEFINED BENEFIT PENSION PLANS (Continued)

B. State Teachers Retirement System of Ohio (STRS of Ohio) (Continued)

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

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

The Ohio Revised Code provides statutory authority for District and employee contributions of 14% and 10%, respectively. The contribution requirements of plan members and the District are established and may be amended by the State Teachers Retirement Board, upon recommendation of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers. At June 30, 2004, 13% was allocated to fund the pension benefit and 1% to fund health care. The District's contributions to the STRS of Ohio for the years ending June 30, 2004, 2003, and 2002 were \$1,764,480, \$1,708,896, and \$1,706,244, respectively, which were equal to the required contributions for each year.

STRS provides postemployment health care benefits to retirees and their dependents. Coverage includes hospitalization, physician fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. All benefit recipients and sponsored dependents are eligible for health care coverage. Pursuant to the Revised Code, the State Teachers Retirement Board has discretionary authority over how much, if any, of the health care cost will be absorbed by STRS. Most benefit recipients pay a portion of the health care cost in the form of a monthly premium.

Benefits are funded on a pay-as-you-go basis through an allocation of employer contributions to a Health Care Reserve Fund. For the fiscal year ended June 30, 2004, the board allocated employer contributions are equal to 1% of covered payroll to the Health Care Reserve Fund, which amounted to \$126,034 for the District. The balance of the Health Care Reserve Fund was \$3.1 billion at June 30, 2004. For the fiscal year ended June 30, 2004, the net health care costs paid by STRS were \$268,739,000. There were 111,853 eligible benefit recipients.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 12 - GENERAL LONG-TERM DEBT AND OTHER GENERAL LONG-TERM OBLIGATIONS

Detail of the changes in the bonds, compensated absences, and capital leases of the District for the year ended June 30, 2004 is as follows:

	Balance			Balance	Due Within
	June 30, 2003	Additions	Deductions	June 30, 2004	One Year
Governmental Activities					
(General Obligation Bonds)					
Construction Bond - 1993	\$4,697,410	\$0	(\$960,000)	\$3,737,410	\$1,025,000
Construction Bond - 2001	23,340,000	0	(425,000)	22,915,000	485,000
	<u>28,037,410</u>	<u>0</u>	<u>(1,385,000)</u>	<u>26,652,410</u>	<u>1,510,000</u>
Interest Accretion	2,508,387	340,662	0	2,849,049	0
Total General Obligation Bonds	<u>30,545,797</u>	<u>340,662</u>	<u>(1,385,000)</u>	<u>29,501,459</u>	<u>1,510,000</u>
Compensated Absences	1,742,766	757,672	(699,752)	1,800,686	139,534
Capital Leases	603,167	94,500	(123,520)	574,147	125,049
Total Governmental Activities	<u>32,891,730</u>	<u>1,192,834</u>	<u>(2,208,272)</u>	<u>31,876,292</u>	<u>1,774,583</u>
Business-Type Activities:					
Compensated Absences	36,307	25,076	(26,372)	35,011	2,170
Total Long Term Liabilities	<u>\$32,928,037</u>	<u>\$1,217,910</u>	<u>(\$2,234,644)</u>	<u>\$31,911,303</u>	<u>\$1,776,753</u>

During 1993 the District issued a general obligation bond in the amount of \$9,682,410 at an interest rate that varies between 2.500% and 10.333% for the purpose of constructing a middle school building and constructing additions to existing elementary school buildings. The District issued another general obligation bond in 2001 with an interest rate that fluctuates between 3.000% and 12.507%. Its proceeds of \$23,680,000 are financing the acquisition of land, the construction of three elementary school buildings, the renovation of the middle school building, improvements to athletic facilities and classrooms, and the construction of an auditorium at the high school.

Energy conservation installment loans were issued in 1994 and 1998. The District received proceeds of \$55,000 from the 1994 issue, which has an interest rate of 5.280%. Proceeds of \$334,641 were received by the District from the 1998 energy conservation installment loan, which has an interest rate of 4.750%. Proceeds from the 1994 and 1998 energy conservation installment loans are being used for boiler replacements and disposals, window and lighting replacements, and air conditioning unit replacements and disposals. These loans were repaid prematurely during 2003.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 12 - GENERAL LONG-TERM DEBT AND OTHER GENERAL LONG-TERM OBLIGATIONS (Continued)

A. Principal and Interest Requirements

The General Obligation Bonds-1993 Series consist of 2.500%-5.300% current interest bonds and 10.333% term capital appreciation bonds. In the case of the capital appreciation bonds, unearned accreted interest is included in the maturity amount outstanding.

A summary of the District's future long-term debt funding requirements, including principal and interest payments as of June 30, 2004, follows:

Years	General Obligation Bonds	
	Principal	Interest
2005	\$1,510,000	\$1,145,973
2006	1,660,000	1,075,398
2007	910,788	1,887,472
2008	581,643	1,906,457
2009	557,509	1,936,392
2010-2014	4,707,470	8,772,892
2015-2019	3,835,000	3,776,488
2020-2024	5,015,000	2,620,375
2025-2030	7,875,000	1,237,126
Totals	<u>\$26,652,410</u>	<u>\$24,358,572</u>

B. Defeased Debt

In June 1993, the District defeased \$11,690,000 of General Obligation Bonds for construction through the issuance of \$9,682,410 of General Obligation Bonds for construction. The net proceeds of the 1993 bond have been invested in obligations guaranteed as to both principal and interest by the United States Government and placed in irrevocable escrow accounts which, including interest earned, will be used to pay the principal and interest on the refunded bonds. The refunded bonds, which have an outstanding balance of \$7,765,000 at June 30, 2004, are not included in the District's outstanding debt since the District has in-substance satisfied its obligations through the advance refunding.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 13 - CAPITAL LEASE COMMITMENTS

The District is obligated under three leases accounted for as capital leases. The cost of the leased assets (copiers and computer equipment) is accounted for in the Governmental Activities Capital Assets and the related liability in the Governmental Activities Long-Term Liabilities. The original cost of the assets under capital lease was \$937,021.

The following is a schedule of the future minimum lease payments under the capital leases together with the present value of the net minimum lease payments as of June 30, 2004:

<u>Year Ending June 30,</u>	<u>Capital Leases</u>
2005	\$156,732
2006	156,731
2007	123,060
2008	235,298
Minimum Lease Payments	671,821
Less: Amount representing interest at the District's incremental borrowing rate of interest	<u>(97,674)</u>
Present Value of minimum lease payments	<u><u>\$574,147</u></u>

NOTE 14 - RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and natural disasters; injuries to employees and natural disasters. During fiscal year 2004 the District contracted with several different insurance providers for various insurance coverages, as follows:

<u>Insurance Provider</u>	<u>Coverage</u>	<u>Deductible</u>
Indiana Insurance Company	General Liability	\$0
Indiana Insurance Company	Automobile	\$500
Indiana Insurance Company	Property, Boiler and Machinery	\$1,000

There has been no significant reduction in insurance coverages from coverages in the prior year. In addition, settled claims resulting from these risks have not exceeded commercial insurance coverages in any of the past three fiscal years.

Workers' compensation claims are covered through the District's participation in the State of Ohio's program. The District pays the State Workers' Compensation System a premium based upon a rate per \$100 of payroll. The rate is determined based on accident history and administrative costs.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 15 - STATUTORY RESERVES

The District is required by state law to set aside certain general fund revenue amounts, as defined, into various reserves. During the fiscal year ended June 30, 2004, the reserve activity (cash-basis) was as follows:

	Textbook Reserve	Capital Acquisition Reserve	Total
Set-aside Cash Balance as of June 30, 2003	\$0	\$0	\$0
Current Year Set-Aside Requirement	556,283	556,283	1,112,566
Current Year Offset Credits	(389,288)	(1,612,496)	(2,001,784)
Qualifying Disbursements	(181,826)	(165,219)	(347,045)
Total	<u>(\$14,831)</u>	<u>(\$1,221,432)</u>	<u>(\$1,236,263)</u>
Set-aside Balance Carried Forward to Future Fiscal Years	<u>(\$14,831)</u>	<u>(\$1,221,432)</u>	<u>(\$1,236,263)</u>
Set-aside Cash Balance as of June 30, 2004	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

The District had offsets and qualifying disbursements during the year that reduced the set-aside amounts below zero. These extra amounts may be used to reduce the set-aside requirement in future years. The total reserve balance at June 30, 2004 was zero.

NOTE 16 - CONSTRUCTION COMMITMENTS

As of June 30, 2004, the District had the following commitments with respect to capital projects:

Project	Remaining Construction Commitment	Expected Date of Completion
Chieftain Elementary School Construction	\$244,175	September 2005
Hocking Hills Elementary School Construction	164,953	September 2005
Union Furnace Elementary School Construction	456,881	September 2005
Total	<u>\$866,009</u>	

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 17 - CONTINGENCIES

A. Grants

The District receives financial assistance from federal and state agencies in the form of grants. The disbursement 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, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the District at June 30, 2004.

B. Litigation

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

C. State School Funding

On December 11, 2002, the Ohio Supreme Court issued its latest opinion regarding the State's school funding plan. The decision reaffirmed earlier decisions that Ohio's current-funding plan is unconstitutional.

The Supreme Court relinquished jurisdiction over the case and directed, 'the Ohio General Assembly to enact a school-funding scheme that is thorough and efficient.' The District is currently unable to determine what effect, if any, this decision will have on its future State funding and its financial operations.

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS

Southeast Ohio Voluntary Educational Consortium (SEOVEC) - SEOVEC was created as a regional council of governments pursuant to state statutes. SEOVEC is a computer consortium formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. SEOVEC has 38 participants consisting of 30 school districts and 8 educational service centers. SEOVEC is governed by a governing board which is selected by member districts. SEOVEC possesses its own budgeting and taxing authority. To obtain financial information, write to: Southeast Ohio Voluntary Educational Consortium, Bobbi Weidner, Treasurer, at 221 North Columbus Road, Athens, Ohio 45701.

Tri-County Career Center - The Tri-County Career Center is a distinct political subdivision of the State of Ohio operated under the direction of a Board consisting of eleven appointed representatives from the eight participating school districts. The Board possesses its own budgeting and taxing authority. To obtain financial information, write to: Tri-County Career Center, Laura Dukes, CPA, Treasurer, at 15676 State Route 691, Nelsonville, Ohio 45764.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

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

NOTE 18 - JOINTLY GOVERNED ORGANIZATIONS (Continued)

Coalition of Rural and Appalachian Schools – The Coalition of Rural and Appalachian Schools is a jointly governed organization including over 100 school districts in southeastern Ohio. The Coalition is operated by a Board which is composed of fourteen members. The Board members are composed of one superintendent from each County elected by the school districts within that County. The Coalition provides various services for school district administrative personnel; gathers data regarding conditions of education in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for school district personnel. The Coalition is not dependent upon the continued participation of the School District and the School District does not maintain an equity interest in or a financial responsibility for the Coalition. The School District made no significant payments for membership in fiscal year 2004.

NOTE 19 – INSURANCE PURCHASING POOL

The District participates in the Ohio School Boards Association Workers' Compensation Group Rating Plan (the "Plan"). This is a group rating plan as established under Section 4123.29 of the Ohio Revised Code. The Plan was established through the Ohio School Boards Association (OSBA) as a group purchasing pool.

The Plan's business and affairs are conducted by a three member Board of Directors consisting of the President, the President Elect and the Immediate Past President of the OSBA. The Executive Director of the OSBA, or his designee, serves as the coordinator of the program. Each year, the participating school districts pay an enrollment fee to the Plan to cover the costs of administering the program.

*COMBINING AND INDIVIDUAL FUND
STATEMENTS AND SCHEDULES*

*THE FOLLOWING COMBINING STATEMENTS AND SCHEDULES INCLUDE
THE MAJOR AND NONMAJOR GOVERNMENTAL FUNDS, AND FIDUCIARY
FUNDS.*

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Nonmajor Governmental Funds

Special Revenue Funds

Special Revenue funds are used to account for the proceeds of specific revenue sources (other than amounts relating to expendable trusts or major capital projects) that are legally restricted to expenditures for specified purposes.

Public School Support Fund

To account for school site sales revenues, and expenditures for field trips, assemblies, and other activity costs.

Other Local Grants Fund

To account for the proceeds of specific revenue sources, except for state and federal grants that are legally restricted to expenditures for specified purposes.

Computer Network Fund

To account for monies received, as fiscal agent of the Southeast Ohio Voluntary Educational Consortium (SEOVEC), for the operations of class "A" sites of the computer network of the Department of Education.

District Managed Student Activity Fund

To account for gate receipts and other revenues from athletic events and all costs (except supplemental coaching contracts) of the District's athletic program.

Auxiliary Services Fund

To account for monies which provide services and materials to pupils attending non-public schools within the District.

Management Information System Fund

To account for State monies provided for hardware and software development, or other costs associated with the requirements of the management information system.

Disadvantaged Pupil Impact Aid Fund

To account for State monies provided in support of academic and enrichment programs focusing on children from families qualifying for aid to dependent children.

OneNet Public Communications Subsidy Fund

To account for monies appropriated for Ohio Educational Computer Network Connections. (The Balance Sheet is not presented because there are no assets or liabilities at year end.)

SchoolNet Professional Development Fund

To account for funds from State grants to provide professional development for staff in technology.

OhioReads Fund

To account for grant monies to be used for improving reading outcomes, especially on the fourth grade reading proficiency test and for operating expenditures associated with administering the program

Student Intervention Fund

To account for summer intervention services satisfying criteria defined in division (E) of section 3313.608 of the Revised Code.

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Special Revenue Funds

Alternative Schools Fund

To account for alternative educational programs for existing and new at-risk and delinquent youth

Miscellaneous State Grants Fund

To account for various monies received from state agencies which are not classified elsewhere. A separate special cost center must be used for each grant and be approved by the Auditor of State.

Title VI-B Fund

To account for monies received through grants to assist in the 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

To account for federal monies used to assist the District in meeting the special needs of educationally deprived children

Title VI Fund

To account for federal revenues which support the implementation of computer education programs, gifted and talented programs, in-service training and staff development.

Drug-Free School Grant Fund

To account for federal revenues which support the implementation of programs for drug abuse education and prevention.

Reducing Class Size Fund

To account for monies used to hire additional classroom teachers in grades 1 through 3, so that the number of students per teacher will be reduced.

Miscellaneous Federal Grants Fund

To account for various monies received through state agencies from the federal government or directly from the federal government which are not classified elsewhere.

Capital Projects Funds

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

SchoolNet Plus Fund

To account for wiring all classrooms in the State and to provide a computer workstation and related technology for every classroom in Ohio's low-wealth Districts.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2004**

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Assets:			
Cash and Cash Equivalents	\$ 381,030	\$ 19,726	\$ 400,756
Receivables:			
Accounts	22	0	22
Intergovernmental	425,050	0	425,050
Total Assets	\$ 806,102	\$ 19,726	\$ 825,828
Liabilities:			
Accounts Payable	\$ 34,491	\$ 0	\$ 34,491
Accrued Wages and Benefits	186,254	0	186,254
Intergovernmental Payable	38,876	0	38,876
Interfund Loans Payable	34,389	0	34,389
Deferred Revenue	208,578	0	208,578
Total Liabilities	502,588	0	502,588
Fund Balances:			
Reserved for Encumbrances	167,150	699	167,849
Unreserved, Undesignated in:			
Special Revenue Funds	136,364	0	136,364
Capital Projects Funds	0	19,027	19,027
Total Fund Balances	303,514	19,726	323,240
Total Liabilities and Funds Balances	\$ 806,102	\$ 19,726	\$ 825,828

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Governmental Funds For the Fiscal Year Ended June 30, 2004

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues:			
Extracurricular Activities	\$ 187,547	\$ 0	\$ 187,547
Intermediate Sources	21,538	0	21,538
Intergovernmental - State	1,046,234	85,525	1,131,759
Intergovernmental - Federal	1,906,809	0	1,906,809
All Other Revenue	47,901	0	47,901
Total Revenue	3,210,029	85,525	3,295,554
Expenditures:			
Current:			
Instructional Services:			
Regular	869,784	84,826	954,610
Special	764,412	0	764,412
Vocational	200	0	200
Supporting Services:			
Pupils	84,685	0	84,685
Instructional Staff	559,188	15,957	575,145
Administration	125,072	0	125,072
Fiscal Services	1,523	0	1,523
Operation & Maintenance of Plant	5,331	0	5,331
Pupil Transportation	11,610	0	11,610
Central	517,797	0	517,797
Operation of Non-Instructional Services	101,704	0	101,704
Extracurricular Activities	197,838	0	197,838
Total Expenditures	3,239,144	100,783	3,339,927
Net Change in Fund Balance	(29,115)	(15,258)	(44,373)
Fund Balances at Beginning of Year	332,629	34,984	367,613
Fund Balances End of Year	\$ 303,514	\$ 19,726	\$ 323,240

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2004**

	Public School Support	Other Local Grants	Computer Network	District Managed Student Activity
Assets:				
Cash and Cash Equivalents	\$ 23,429	\$ 7,397	\$ 11,880	\$ 36,775
Receivables:				
Accounts	22	0	0	0
Intergovernmental	0	0	0	0
Total Assets	<u>\$ 23,451</u>	<u>\$ 7,397</u>	<u>\$ 11,880</u>	<u>\$ 36,775</u>
Liabilities:				
Accounts Payable	\$ 120	\$ 702	\$ 0	\$ 2,185
Accrued Wages and Benefits	0	0	0	0
Intergovernmental Payable	0	192	0	18
Interfund Loans Payable	0	0	0	0
Deferred Revenue	0	0	0	0
Total Liabilities	<u>120</u>	<u>894</u>	<u>0</u>	<u>2,203</u>
Fund Balances:				
Reserved for Encumbrances	2,205	249	0	7,879
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	21,126	6,254	11,880	26,693
Total Fund Balances (Deficit)	<u>23,331</u>	<u>6,503</u>	<u>11,880</u>	<u>34,572</u>
Total Liabilities and Funds Balances	<u>\$ 23,451</u>	<u>\$ 7,397</u>	<u>\$ 11,880</u>	<u>\$ 36,775</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Auxiliary Services	Management Information System	Disadvantaged Pupil Impact Aid	Schoolnet Professional Development	OhioReads
\$ 15,470	\$ 13,481	\$ 0	\$ 2,461	\$ 28,711
0	0	0	0	0
0	0	0	0	0
<u>\$ 15,470</u>	<u>\$ 13,481</u>	<u>\$ 0</u>	<u>\$ 2,461</u>	<u>\$ 28,711</u>
\$ 4,018	\$ 0	\$ 0	\$ 0	\$ 8,993
3,705	0	0	0	0
695	0	1,110	0	69
0	0	0	0	0
0	0	0	0	0
<u>8,418</u>	<u>0</u>	<u>1,110</u>	<u>0</u>	<u>9,062</u>
5,593	0	0	8	19,715
<u>1,459</u>	<u>13,481</u>	<u>(1,110)</u>	<u>2,453</u>	<u>(66)</u>
<u>7,052</u>	<u>13,481</u>	<u>(1,110)</u>	<u>2,461</u>	<u>19,649</u>
<u>\$ 15,470</u>	<u>\$ 13,481</u>	<u>\$ 0</u>	<u>\$ 2,461</u>	<u>\$ 28,711</u>

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2004

	<u>Student Intervention</u>	<u>Alternative Schools</u>	<u>Miscellaneous State Grants</u>	<u>Title VI-B</u>
Assets:				
Cash and Cash Equivalents	\$ 18,184	\$ 754	\$ 61,873	\$ 14,546
Receivables:				
Accounts	0	0	0	0
Intergovernmental	41,951	9,998	0	36,739
Total Assets	<u>\$ 60,135</u>	<u>\$ 10,752</u>	<u>\$ 61,873</u>	<u>\$ 51,285</u>
Liabilities:				
Accounts Payable	\$ 0	\$ 0	\$ 2,779	\$ 3,028
Accrued Wages and Benefits	6,753	10,811	3,080	35,287
Intergovernmental Payable	226	2,120	1,461	8,552
Interfund Loans Payable	24,000	1,000	0	4,000
Deferred Revenue	5,375	0	0	0
Total Liabilities	<u>36,354</u>	<u>13,931</u>	<u>7,320</u>	<u>50,867</u>
Fund Balances:				
Reserved for Encumbrances	17,248	169	4,479	10,992
Unreserved, Undesignated in:				
Special Revenue Funds (Deficit)	6,533	(3,348)	50,074	(10,574)
Total Fund Balances (Deficit)	<u>23,781</u>	<u>(3,179)</u>	<u>54,553</u>	<u>418</u>
Total Liabilities and Funds Balances	<u>\$ 60,135</u>	<u>\$ 10,752</u>	<u>\$ 61,873</u>	<u>\$ 51,285</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Title I	Title VI	Drug Free School Grant	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 104,019	\$ 726	\$ 2,977	\$ 26,143	\$ 12,204	\$ 381,030
0	0	0	0	0	22
255,917	7,102	2,657	63,150	7,536	425,050
<u>\$ 359,936</u>	<u>\$ 7,828</u>	<u>\$ 5,634</u>	<u>\$ 89,293</u>	<u>\$ 19,740</u>	<u>\$ 806,102</u>
\$ 9,292	\$ 37	\$ 0	\$ 211	\$ 3,126	\$ 34,491
85,014	0	0	39,827	1,777	186,254
16,049	44	0	7,804	536	38,876
3,389	2,000	0	0	0	34,389
162,465	5,628	2,657	25,417	7,036	208,578
<u>276,209</u>	<u>7,709</u>	<u>2,657</u>	<u>73,259</u>	<u>12,475</u>	<u>502,588</u>
79,709	159	0	11,864	6,881	167,150
4,018	(40)	2,977	4,170	384	136,364
<u>83,727</u>	<u>119</u>	<u>2,977</u>	<u>16,034</u>	<u>7,265</u>	<u>303,514</u>
<u>\$ 359,936</u>	<u>\$ 7,828</u>	<u>\$ 5,634</u>	<u>\$ 89,293</u>	<u>\$ 19,740</u>	<u>\$ 806,102</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

	Public School Support	Other Local Grants	Computer Network	District Managed Student Activity
Revenues:				
Extracurricular Activities	\$ 24,481	\$ 0	\$ 0	\$ 163,066
Intermediate Sources	0	21,538	0	0
Intergovernmental - State	0	20,760	499,677	0
Intergovernmental - Federal	0	0	0	0
All Other Revenue	15,207	1,511	0	31,183
Total Revenue	39,688	43,809	499,677	194,249
Expenditures:				
Current:				
Instructional Services:				
Regular	0	105,680	0	0
Special	616	12,480	0	0
Vocational	0	0	0	0
Supporting Services:				
Pupils	0	0	0	0
Instructional Staff	0	9,614	0	0
Administration	37,692	500	0	0
Fiscal Services	0	0	0	0
Operation & Maintenance of Plant	0	0	0	0
Pupil Transportation	1,196	0	0	0
Central	0	0	487,797	0
Operation of Non-Instructional Services	0	25,000	0	0
Extracurricular Activities	6,297	0	0	191,541
Total Expenditures	45,801	153,274	487,797	191,541
Net Change in Fund Balance	(6,113)	(109,465)	11,880	2,708
Fund Balances (Deficits) at Beginning of Year	29,444	115,968	0	31,864
Fund Balances (Deficits) End of Year	\$ 23,331	\$ 6,503	\$ 11,880	\$ 34,572

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

<u>Auxiliary Services</u>	<u>Management Information System</u>	<u>Disadvantaged Pupil Impact Aid</u>	<u>OneNet Public Communications Subsidy</u>	<u>SchoolNet Professional Development</u>	<u>OhioReads</u>
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
0	0	0	0	0	0
63,542	14,846	147,329	30,000	4,140	98,000
0	0	0	0	0	0
0	0	0	0	0	0
<u>63,542</u>	<u>14,846</u>	<u>147,329</u>	<u>30,000</u>	<u>4,140</u>	<u>98,000</u>
0	0	146,555	0	0	91,820
0	0	0	0	0	0
0	0	0	0	0	0
0	2,702	0	0	0	0
0	0	0	0	4,482	4,204
0	0	0	0	0	0
0	1,523	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	715
0	0	0	30,000	0	0
69,064	0	0	0	0	0
0	0	0	0	0	0
<u>69,064</u>	<u>4,225</u>	<u>146,555</u>	<u>30,000</u>	<u>4,482</u>	<u>96,739</u>
(5,522)	10,621	774	0	(342)	1,261
<u>12,574</u>	<u>2,860</u>	<u>(1,884)</u>	<u>0</u>	<u>2,803</u>	<u>18,388</u>
<u>\$ 7,052</u>	<u>\$ 13,481</u>	<u>\$ (1,110)</u>	<u>\$ 0</u>	<u>\$ 2,461</u>	<u>\$ 19,649</u>

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Combining Statement of Revenues, Expenditures and Changes in Fund Balance Nonmajor Special Revenue Funds For the Fiscal Year Ended June 30, 2004

	Student Intervention	Alternative Schools	Miscellaneous State Grants	Title VI-B
Revenues:				
Extracurricular Activities	\$ 0	\$ 0	\$ 0	\$ 0
Intermediate Sources	0	0	0	0
Intergovernmental - State	72,052	72,288	23,600	0
Intergovernmental - Federal	0	0	0	545,141
All Other Revenue	0	0	0	0
Total Revenue	<u>72,052</u>	<u>72,288</u>	<u>23,600</u>	<u>545,141</u>
Expenditures:				
Current:				
Instructional Services:				
Regular	38,572	73,389	38,884	0
Special	0	0	0	146,095
Vocational	0	0	200	0
Supporting Services:				
Pupils	0	0	0	61,983
Instructional Staff	0	0	4,920	265,400
Administration	0	0	0	78,252
Fiscal Services	0	0	0	0
Operation & Maintenance of Plant	0	0	0	0
Pupil Transportation	9,699	0	0	0
Central	0	0	0	0
Operation of Non-Instructional Services	0	0	0	3,465
Extracurricular Activities	0	0	0	0
Total Expenditures	<u>48,271</u>	<u>73,389</u>	<u>44,004</u>	<u>555,195</u>
Net Change in Fund Balance	23,781	(1,101)	(20,404)	(10,054)
Fund Balances (Deficits) at Beginning of Year	0	(2,078)	74,957	10,472
Fund Balances (Deficits) End of Year	<u>\$ 23,781</u>	<u>\$ (3,179)</u>	<u>\$ 54,553</u>	<u>\$ 418</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Title I	Title VI	Drug Free School Grant	Reducing Class Size	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 187,547
0	0	0	0	0	21,538
0	0	0	0	0	1,046,234
849,374	34,404	24,882	286,690	166,318	1,906,809
0	0	0	0	0	47,901
<u>849,374</u>	<u>34,404</u>	<u>24,882</u>	<u>286,690</u>	<u>166,318</u>	<u>3,210,029</u>
17,132	25,936	1,862	248,922	81,032	869,784
600,928	0	0	0	4,293	764,412
0	0	0	0	0	200
0	0	20,000	0	0	84,685
161,003	7,569	0	26,430	75,566	559,188
0	0	0	8,628	0	125,072
0	0	0	0	0	1,523
0	0	2,063	0	3,268	5,331
0	0	0	0	0	11,610
0	0	0	0	0	517,797
3,355	24	210	324	262	101,704
0	0	0	0	0	197,838
<u>782,418</u>	<u>33,529</u>	<u>24,135</u>	<u>284,304</u>	<u>164,421</u>	<u>3,239,144</u>
66,956	875	747	2,386	1,897	(29,115)
16,771	(756)	2,230	13,648	5,368	332,629
<u>\$ 83,727</u>	<u>\$ 119</u>	<u>\$ 2,977</u>	<u>\$ 16,034</u>	<u>\$ 7,265</u>	<u>\$ 303,514</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2004***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Local Sources:				
Taxes	\$ 7,527,814	\$ 7,557,000	\$ 7,535,937	\$ (21,063)
Tuition	9,600	494,900	505,232	10,332
Investment Earnings	322,432	300,000	306,856	6,856
Intergovernmental - State	17,945,056	17,830,329	17,696,748	(133,581)
Intergovernmental - Federal	82,000	134,000	134,834	834
All Other Revenues	375,000	6,050	6,981	931
Total Revenues	<u>26,261,902</u>	<u>26,322,279</u>	<u>26,186,588</u>	<u>(135,691)</u>
Expenditures:				
Instructional Services:				
Regular:				
Salaries and Wages	7,734,006	7,772,191	7,476,029	296,162
Fringe Benefits	2,511,500	2,342,161	2,342,100	61
Purchased Services	125,400	167,412	156,917	10,495
Supplies and Materials	80,154	141,287	130,356	10,931
Other Expenditures	850	8,473	6,937	1,536
Capital Outlay	59,601	88,854	57,597	31,257
Total Regular	<u>10,511,511</u>	<u>10,520,378</u>	<u>10,169,936</u>	<u>350,442</u>
Special:				
Salaries and Wages	1,622,500	1,590,500	1,587,790	2,710
Fringe Benefits	529,600	474,803	470,258	4,545
Purchased Services	144,000	644,356	637,090	7,266
Supplies and Materials	15,812	13,487	6,394	7,093
Other Expenditures	600	600	176	424
Capital Outlay	4,000	4,000	0	4,000
Total Special	<u>2,316,512</u>	<u>2,727,746</u>	<u>2,701,708</u>	<u>26,038</u>
Vocational:				
Salaries and Wages	348,750	360,750	360,409	341
Fringe Benefits	96,100	93,087	92,021	1,066
Purchased Services	4,600	4,000	2,483	1,517
Supplies and Materials	5,960	7,525	4,970	2,555
Other Expenditures	2,200	3,950	3,908	42
Capital Outlay	1,000	1,305	1,144	161
Total Vocational	<u>458,610</u>	<u>470,617</u>	<u>464,935</u>	<u>5,682</u>

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2004***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Other:				
Salaries and Wages	1,000	1,000	750	250
Fringe Benefits	200	206	123	83
Supplies and Materials	0	240	240	0
Total Other	<u>1,200</u>	<u>1,446</u>	<u>1,113</u>	<u>333</u>
Total Instructional Services	<u>13,287,833</u>	<u>13,720,187</u>	<u>13,337,692</u>	<u>382,495</u>
Support Services:				
Pupils:				
Salaries and Wages	1,165,228	1,137,324	1,136,926	398
Fringe Benefits	428,400	351,454	349,931	1,523
Purchased Services	203,750	215,264	210,090	5,174
Supplies and Materials	27,162	34,436	32,912	1,524
Other Expenditures	1,675	1,675	1,576	99
Capital Outlay	4,500	4,500	3,080	1,420
Total Pupils	<u>1,830,715</u>	<u>1,744,653</u>	<u>1,734,515</u>	<u>10,138</u>
Instructional Staff:				
Salaries and Wages	748,135	856,196	852,490	3,706
Fringe Benefits	335,700	312,766	311,378	1,388
Purchased Services	51,827	31,502	25,879	5,623
Supplies and Materials	92,132	130,484	107,435	23,049
Other Expenditures	2,900	2,969	1,311	1,658
Capital Outlay	7,000	3,063	737	2,326
Total Instructional Staff	<u>1,237,694</u>	<u>1,336,980</u>	<u>1,299,230</u>	<u>37,750</u>
Board of Education:				
Salaries and Wages	15,000	16,000	7,557	8,443
Fringe Benefits	2,700	2,739	1,415	1,324
Purchased Services	85,000	92,736	42,176	50,560
Supplies and Materials	625	657	545	112
Other Expenditures	31,300	32,642	24,988	7,654
Total Board of Education	<u>134,625</u>	<u>144,774</u>	<u>76,681</u>	<u>68,093</u>
Administration:				
Salaries and Wages	1,728,240	1,728,240	1,725,649	2,591
Fringe Benefits	562,500	498,160	494,711	3,449
Purchased Services	126,900	92,399	85,070	7,329
Supplies and Materials	19,951	17,956	16,870	1,086
Other Expenditures	228,885	259,644	255,839	3,805
Capital Outlay	10,000	5,000	2,218	2,782
Total Administration	<u>2,676,476</u>	<u>2,601,399</u>	<u>2,580,357</u>	<u>21,042</u>

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2004***

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Fiscal Services:				
Salaries and Wages	248,100	256,800	256,756	44
Fringe Benefits	96,000	85,652	82,536	3,116
Purchased Services	30,400	31,551	29,791	1,760
Supplies and Materials	7,500	11,610	10,069	1,541
Other Expenditures	295,250	283,250	282,379	871
Capital Outlay	5,500	2,500	1,659	841
Total Fiscal Services	682,750	671,363	663,190	8,173
Operation and Maintenance of Plant:				
Salaries and Wages	956,400	951,400	952,892	(1,492)
Fringe Benefits	420,400	383,484	381,914	1,570
Purchased Services	789,500	770,155	751,388	18,767
Supplies and Materials	174,096	182,000	143,187	38,813
Other Expenditures	3,000	3,000	1,554	1,446
Capital Outlay	9,215	21,472	21,467	5
Total Operation and Maintenance Of Plant	2,352,611	2,311,511	2,252,402	59,109
Pupil Transportation:				
Salaries and Wages	993,400	1,006,400	1,002,951	3,449
Fringe Benefits	506,400	460,067	455,935	4,132
Purchased Services	130,700	130,700	119,075	11,625
Supplies and Materials	286,602	244,136	231,928	12,208
Other Expenditures	1,510	1,510	325	1,185
Capital Outlay	37,429	39,395	38,460	935
Total Pupil Transportation	1,956,041	1,882,208	1,848,674	33,534
Total Support Services	10,870,912	10,692,888	10,455,049	237,839
Operation of Non-Instructional Services:				
Supplies and Materials	0	15,175	9,210	5,965
Total Operation of Non-Instructional Services	0	15,175	9,210	5,965
Extracurricular Activities:				
Salaries and Wages	303,000	292,750	283,602	9,148
Fringe Benefits	56,600	52,594	47,148	5,446
Purchased Services	10,000	6,850	6,830	20
Total Extracurricular Activities	369,600	352,194	337,580	14,614
Total Expenditures	24,528,345	24,780,444	24,139,531	640,913

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – General Fund
For the Fiscal Year Ended June 30, 2004***

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,733,557	1,541,835	2,047,057	505,222
Other Financing Sources (Uses):				
Transfers Out	(190,000)	(1,080,698)	(1,080,698)	0
Advances In	250,000	385,800	385,800	0
Advances Out	(250,000)	(250,000)	(219,389)	30,611
Refund of Prior Year's Expenditures	100	278	278	0
Total Other Financing Sources (Uses):	<u>(189,900)</u>	<u>(944,620)</u>	<u>(914,009)</u>	<u>30,611</u>
Net Change in Fund Balance	1,543,657	597,215	1,133,048	535,833
Fund Balance at Beginning of Year	5,642,207	5,642,207	5,642,207	0
Prior Year Encumbrances	290,939	290,939	290,939	0
Fund Balance at End of Year	<u>\$ 7,476,803</u>	<u>\$ 6,530,361</u>	<u>\$ 7,066,194</u>	<u>\$ 535,833</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Debt Service Fund
For the Fiscal Year Ended June 30, 2004***

BOND RETIREMENT FUND				Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
Revenues:				
Taxes	\$ 2,630,000	\$ 2,632,000	\$ 2,692,754	\$ 60,754
Intergovernmental - State	290,000	297,700	297,999	299
Total Revenues	2,920,000	2,929,700	2,990,753	61,053
Expenditures:				
Support Services:				
Fiscal Services:				
Other Expenditures	77,000	77,000	75,179	1,821
Total Fiscal Services	77,000	77,000	75,179	1,821
Total Support Services	77,000	77,000	75,179	1,821
Debt Service:				
Principal Retirement	1,285,000	1,501,000	1,385,000	116,000
Interest and Fiscal Charges	1,376,000	1,160,000	1,210,025	(50,025)
Total Debt Service	2,661,000	2,661,000	2,595,025	65,975
Total Expenditures	2,738,000	2,738,000	2,670,204	67,796
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	182,000	191,700	320,549	128,849
Fund Balance at Beginning of Year				
Fund Balance at End of Year	\$ 1,785,921	\$ 1,795,621	\$ 1,924,470	\$ 128,849

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Fiscal Year Ended June 30, 2004***

PERMANENT IMPROVEMENT FUND

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues:				
Taxes	\$ 632,000	\$ 642,000	\$ 662,902	\$ 20,902
Intergovernmental - State	68,000	68,000	72,770	4,770
All Other Revenues	0	15,000	20,950	5,950
Total Revenues	<u>700,000</u>	<u>725,000</u>	<u>756,622</u>	<u>31,622</u>
Expenditures:				
Instructional Services:				
Regular:				
Supplies and Materials	78,534	269,872	268,105	1,767
Capital Outlay	0	48,741	48,697	44
Total Regular	<u>78,534</u>	<u>318,613</u>	<u>316,802</u>	<u>1,811</u>
Special:				
Supplies and Materials	500	10,323	10,323	0
Total Special	<u>500</u>	<u>10,323</u>	<u>10,323</u>	<u>0</u>
Total Instructional Services	<u>79,034</u>	<u>328,936</u>	<u>327,125</u>	<u>1,811</u>
Support Services:				
Pupils:				
Capital Outlay	0	3,948	3,948	0
Total Pupils	<u>0</u>	<u>3,948</u>	<u>3,948</u>	<u>0</u>
Instructional Staff:				
Purchased Services	120,000	120,000	120,000	0
Capital Outlay	35,000	16,864	8,245	8,619
Total Instructional Staff	<u>155,000</u>	<u>136,864</u>	<u>128,245</u>	<u>8,619</u>
Administration:				
Capital Outlay	48,514	27,888	4,848	23,040
Total Administration	<u>48,514</u>	<u>27,888</u>	<u>4,848</u>	<u>23,040</u>
Fiscal Services:				
Other Expenditures	19,300	19,204	18,595	609
Capital Outlay	10,000	0	0	0
Total Fiscal Services	<u>29,300</u>	<u>19,204</u>	<u>18,595</u>	<u>609</u>
Operation and Maintenance of Plant:				
Purchased Services	9,000	19,205	18,899	306
Capital Outlay	0	23,141	23,141	0
Total Operation and Maintenance of Plant	<u>9,000</u>	<u>42,346</u>	<u>42,040</u>	<u>306</u>

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Fiscal Year Ended June 30, 2004**

PERMANENT IMPROVEMENT FUND

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Pupil Transportation:				
Capital Outlay	100,000	469,717	469,714	3
Total Pupil Transportation	100,000	469,717	469,714	3
Central:				
Capital Outlay	0	4,542	4,542	0
Total Central	0	4,542	4,542	0
Total Support Services	341,814	704,509	671,932	32,577
Operation of Non-Instructional Services:				
Capital Outlay	30,000	12,000	11,616	384
Total Operation of Non-Instructional Services	30,000	12,000	11,616	384
Capital Outlay:				
Capital Outlay	517,950	745,417	250,954	494,463
Total Capital Outlay	517,950	745,417	250,954	494,463
Total Expenditures	968,798	1,790,862	1,261,627	529,235
Excess (Deficiency) of Revenues Over (Under) Expenditures	(268,798)	(1,065,862)	(505,005)	560,857
Other Financing Sources (Uses):				
Transfers In	124,000	247,000	247,000	0
Advances In	100,000	55,000	55,000	0
Advances Out	(120,000)	(120,000)	(120,000)	0
Total Other Financing Sources (Uses)	104,000	182,000	182,000	0
Net Change in Fund Balance	(164,798)	(883,862)	(323,005)	560,857
Fund Balance at Beginning of Year	1,388,334	1,388,334	1,388,334	0
Prior Year Encumbrances	751,778	751,778	751,778	0
Fund Balance at End of Year	\$ 1,975,314	\$ 1,256,250	\$ 1,817,107	\$ 560,857

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Fiscal Year Ended June 30, 2004**

	BUILDING FUND			Variance with Final Budget Positive Negative
	Original Budget	Final Budget	Actual	(Negative)
Revenues:				
Investment Earnings	\$ 150,000	\$ 150,000	\$ 141,416	\$ (8,584)
Total Revenues	<u>150,000</u>	<u>150,000</u>	<u>141,416</u>	<u>(8,584)</u>
Expenditures:				
Support Services:				
Instructional Staff:				
Supplies and Materials	0	11	11	0
Total Instructional Staff	<u>0</u>	<u>11</u>	<u>11</u>	<u>0</u>
Total Support Services	<u>0</u>	<u>11</u>	<u>11</u>	<u>0</u>
Capital Outlay:				
Capital Outlay	0	356,720	356,720	0
Total Capital Outlay	<u>0</u>	<u>356,720</u>	<u>356,720</u>	<u>0</u>
Debt Service:				
Principal Retirement	1,881	1,881	0	1,881
Total Debt Service	<u>1,881</u>	<u>1,881</u>	<u>0</u>	<u>1,881</u>
Total Expenditures	<u>1,881</u>	<u>358,612</u>	<u>356,731</u>	<u>1,881</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	148,119	(208,612)	(215,315)	(6,703)
Fund Balance at Beginning of Year	4,249,271	4,249,271	4,249,271	0
Prior Year Encumbrances	356,720	356,720	356,720	0
Fund Balance at End of Year	<u>\$ 4,754,110</u>	<u>\$ 4,397,379</u>	<u>\$ 4,390,676</u>	<u>\$ (6,703)</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balances – Budget and Actual (Non-GAAP Budgetary Basis)
Major Funds – Capital Projects Fund
For the Fiscal Year Ended June 30, 2004***

CLASSROOM FACILITIES FUND				Variance with Final Budget Positive (Negative)
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>(Negative)</u>
Revenues:				
Investment Earnings	\$ 20,000	\$ 196,000	\$ 192,996	\$ (3,004)
All Other Revenues	0	20,352	20,352	0
Total Revenues	<u>20,000</u>	<u>216,352</u>	<u>213,348</u>	<u>(3,004)</u>
Expenditures:				
Operation of Non-Instructional Services:				
Capital Outlay	0	542,763	542,763	0
Total Operation of Non-Instructional Services	0	542,763	542,763	0
Capital Outlay:				
Capital Outlay	841,000	13,699,146	13,658,855	40,291
Total Capital Outlay	<u>841,000</u>	<u>13,699,146</u>	<u>13,658,855</u>	<u>40,291</u>
Total Expenditures	<u>841,000</u>	<u>14,241,909</u>	<u>14,201,618</u>	<u>40,291</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(821,000)	(14,025,557)	(13,988,270)	37,287
Other Financing Sources (Uses):				
Transfers In	0	750,000	750,000	0
Total Other Financing Sources (Uses)	<u>0</u>	<u>750,000</u>	<u>750,000</u>	<u>0</u>
Net Change in Fund Balance	(821,000)	(13,275,557)	(13,238,270)	37,287
Fund Balance at Beginning of Year	2,005,799	2,005,799	2,005,799	0
Prior Year Encumbrances	11,488,990	11,488,990	11,488,990	0
Fund Balance at End of Year	<u>\$ 12,673,789</u>	<u>\$ 219,232</u>	<u>\$ 256,519</u>	<u>\$ 37,287</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

PUBLIC SCHOOL SUPPORT FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Extracurricular Activities	\$ 33,085	\$ 24,483	\$ (8,602)
All Other Revenues	14,197	15,207	1,010
Total Revenues	<u>47,282</u>	<u>39,690</u>	<u>(7,592)</u>
Expenditures:			
Instructional Services:			
Special:			
Other Expenditures	1,600	616	984
Total Special	<u>1,600</u>	<u>616</u>	<u>984</u>
Total Instructional Services	<u>1,600</u>	<u>616</u>	<u>984</u>
Support Services:			
Administration:			
Purchased Services	2,686	2,354	332
Supplies and Materials	21,733	17,903	3,830
Other Expenditures	22,738	20,824	1,914
Total Administration	<u>47,157</u>	<u>41,081</u>	<u>6,076</u>
Pupil Transportation:			
Supplies and Materials	200	175	25
Other Expenditures	800	322	478
Capital Outlay	699	699	0
Total Pupil Transportation	<u>1,699</u>	<u>1,196</u>	<u>503</u>
Total Support Services	<u>48,856</u>	<u>42,277</u>	<u>6,579</u>
Extracurricular Activities:			
Purchased Services	625	270	355
Supplies and Materials	3,808	1,735	2,073
Other Expenditures	8,669	5,986	2,683
Total Extracurricular Activities	<u>13,102</u>	<u>7,991</u>	<u>5,111</u>
Total Expenditures	<u>63,558</u>	<u>50,884</u>	<u>12,674</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,276)	(11,194)	5,082
Fund Balance at Beginning of Year	29,124	29,124	0
Prior Year Encumbrances	3,174	3,174	0
Fund Balance at End of Year	<u>\$ 16,022</u>	<u>\$ 21,104</u>	<u>\$ 5,082</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

OTHER LOCAL GRANTS FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intermediate Sources	\$ 34,203	\$ 34,203	\$ 0
Intergovernmental - State	20,760	20,760	0
All Other Revenues	2,500	2,511	11
Total Revenues	57,463	57,474	11
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	39,771	39,771	0
Fringe Benefits	7,745	7,746	(1)
Purchased Services	3,776	2,090	1,686
Supplies and Materials	54,255	52,771	1,484
Capital Outlay	3,980	3,980	0
Total Regular	109,527	106,358	3,169
Special:			
Salaries and Wages	1,388	1,388	0
Fringe Benefits	212	212	0
Purchased Services	5,449	5,449	0
Supplies and Materials	2,587	2,576	11
Other Expenditures	2,460	2,460	0
Total Special	12,096	12,085	11
Vocational:			
Capital Outlay	475	395	80
Total Vocational	475	395	80
Total Instructional Services	122,098	118,838	3,260
Support Services:			
Instructional Staff:			
Salaries and Wages	6,154	6,154	0
Fringe Benefits	917	916	1
Purchased Services	0	0	0
Supplies and Materials	4,245	2,711	1,534
Total Instructional Staff	11,316	9,781	1,535

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

	<u>Final Budget</u>	<u>Actual</u>	Variance with Final Budget Positive (Negative)
OTHER LOCAL GRANTS FUND			
Administration:			
Purchased Services	500	500	0
Supplies and Materials	0	0	0
Total Administration	<u>500</u>	<u>500</u>	<u>0</u>
Total Support Services	<u>11,816</u>	<u>10,281</u>	<u>1,535</u>
Operation of Non-Instructional Services:			
Purchased Services	6,575	6,575	0
Capital Outlay	18,425	18,425	0
Total Operation of Non-Instructional Services	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Total Expenditures	<u>158,914</u>	<u>154,119</u>	<u>4,795</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(101,451)	(96,645)	4,806
Fund Balance at Beginning of Year	95,382	95,382	0
Prior Year Encumbrances	7,710	7,710	0
Fund Balance at End of Year	<u>\$ 1,641</u>	<u>\$ 6,447</u>	<u>\$ 4,806</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

COMPUTER NETWORK FUND			Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	
Revenues:			
Intergovernmental - State	\$ 500,400	\$ 499,677	\$ (723)
Total Revenues	<u>500,400</u>	<u>499,677</u>	<u>(723)</u>
Expenditures:			
Support Services:			
Central:			
Purchased Services	500,400	487,797	12,603
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Central	<u>500,400</u>	<u>487,797</u>	<u>12,603</u>
Total Support Services	<u>500,400</u>	<u>487,797</u>	<u>12,603</u>
Total Expenditures	<u>500,400</u>	<u>487,797</u>	<u>12,603</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	11,880	11,880
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 11,880</u>	<u>\$ 11,880</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DISTRICT MANAGED STUDENT ACTIVITY FUND			
Revenues:			
Extracurricular Activities	\$ 187,850	\$ 163,209	\$ (24,641)
All Other Revenues	14,425	31,183	16,758
Total Revenues	202,275	194,392	(7,883)
Expenditures:			
Extracurricular Activities:			
Salaries and Wages	4,950	4,372	578
Fringe Benefits	506	486	20
Purchased Services	31,120	30,646	474
Supplies and Materials	92,587	86,912	5,675
Other Expenditures	69,970	68,937	1,033
Capital Outlay	14,160	9,320	4,840
Total Extracurricular Activities	213,293	200,673	12,620
Total Expenditures	213,293	200,673	12,620
Excess (Deficiency) of Revenues Over (Under) Expenditures	(11,018)	(6,281)	4,737
Fund Balance at Beginning of Year	26,019	26,019	0
Prior Year Encumbrances	6,973	6,973	0
Fund Balance at End of Year	\$ 21,974	\$ 26,711	\$ 4,737

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

AUXILIARY SERVICES FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - State	\$ 63,542	\$ 63,542	\$ 0
Total Revenues	63,542	63,542	0
Expenditures:			
Operation of Non-Instructional Services:			
Salaries and Wages	16,325	14,047	2,278
Fringe Benefits	6,916	5,975	941
Purchased Services	1,400	662	738
Supplies and Materials	52,841	50,936	1,905
Other Expenditures	1,247	1,247	0
Capital Outlay	9,383	9,381	2
Total Operation of Non-Instructional Services	88,112	82,248	5,864
Total Expenditures	88,112	82,248	5,864
Excess (Deficiency) of Revenues Over (Under) Expenditures	(24,570)	(18,706)	5,864
Fund Balance at Beginning of Year	2,857	2,857	0
Prior Year Encumbrances	21,708	21,708	0
Fund Balance at End of Year	\$ (5)	\$ 5,859	\$ 5,864

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

MANAGEMENT INFORMATION SYSTEM FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - State	\$ 15,000	\$ 14,846	\$ (154)
Total Revenues	15,000	14,846	(154)
Expenditures:			
Support Services:			
Pupils:			
Capital Outlay	3,000	2,702	298
Total Pupils	3,000	2,702	298
Instructional Staff:			
Purchased Services	5,000	0	5,000
Total Instructional Staff	5,000	0	5,000
Administration:			
Capital Outlay	5,000	0	5,000
Total Administration	5,000	0	5,000
Fiscal Services:			
Salaries and Wages	4,000	4,000	0
Fringe Benefits	650	560	90
Capital Outlay	5,000	2,134	2,866
Total Fiscal Services	9,650	6,694	2,956
Total Support Services	22,650	9,396	13,254
Total Expenditures	22,650	9,396	13,254
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(7,650)	5,450	13,100
Fund Balance at Beginning of Year			
Prior Year Encumbrances	3,381	3,381	0
Fund Balance at End of Year	4,650	4,650	0
Fund Balance at End of Year	\$ 381	\$ 13,481	\$ 13,100

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DISADVANTAGED PUPIL IMPACT AID FUND			
Revenues:			
Intergovernmental - State	\$ 0	\$ 147,329	\$ 147,329
Total Revenues	0	147,329	147,329
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	0	147,329	(147,329)
Total Regular	0	147,329	(147,329)
Total Instructional Services	0	147,329	(147,329)
Total Expenditures	0	147,329	(147,329)
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
ONENET PUBLIC COMMUNICATIONS SUBSIDY FUND			
Revenues:			
Intergovernmental - State	\$ 30,000	\$ 30,000	\$ 0
Total Revenues	30,000	30,000	0
Expenditures:			
Support Services:			
Central:			
Purchased Services	30,000	30,000	0
Total Central	30,000	30,000	0
Total Support Services	30,000	30,000	0
Total Expenditures	30,000	30,000	0
Excess (Deficiency) of Revenues Over (Under) Expenditures	0	0	0
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 0	\$ 0	\$ 0

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
SCHOOLNET PROFESSIONAL DEVELOPMENT FUND			
Revenues:			
Intergovernmental - State	\$ 4,140	\$ 4,140	\$ 0
Total Revenues	4,140	4,140	0
Expenditures:			
Support Services:			
Instructional Staff:			
Salaries and Wages	3,515	2,765	750
Fringe Benefits	560	457	103
Purchased Services	2,868	1,268	1,600
Total Instructional Staff	6,943	4,490	2,453
Total Support Services	6,943	4,490	2,453
Total Expenditures	6,943	4,490	2,453
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,803)	(350)	2,453
Fund Balance at Beginning of Year	2,803	2,803	0
Fund Balance at End of Year	\$ 0	\$ 2,453	\$ 2,453

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

OHIOREADS FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - State	\$ 98,000	\$ 98,000	\$ 0
Total Revenues	<u>98,000</u>	<u>98,000</u>	<u>0</u>
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	12,576	12,567	9
Fringe Benefits	1,929	1,929	0
Purchased Services	16,006	16,005	1
Supplies and Materials	84,701	84,710	(9)
Total Regular	<u>115,212</u>	<u>115,211</u>	<u>1</u>
Total Instructional Services	<u>115,212</u>	<u>115,211</u>	<u>1</u>
Support Services:			
Instructional Staff:			
Purchased Services	1,758	1,758	0
Supplies and Materials	8,004	8,003	1
Other Expenditures	650	650	0
Total Instructional Staff	<u>10,412</u>	<u>10,411</u>	<u>1</u>
Pupil Transportation:			
Purchased Services	715	715	0
Total Pupil Transportation	<u>715</u>	<u>715</u>	<u>0</u>
Total Support Services	<u>11,127</u>	<u>11,126</u>	<u>1</u>
Total Expenditures	<u>126,339</u>	<u>126,337</u>	<u>2</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(28,339)	(28,337)	2
Fund Balance at Beginning of Year	2	2	0
Prior Year Encumbrances	28,338	28,338	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 3</u>	<u>\$ 2</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

STUDENT INTERVENTION FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - State	\$ 77,426	\$ 35,476	\$ (41,950)
Total Revenues	77,426	35,476	(41,950)
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	37,276	25,921	11,355
Fringe Benefits	5,759	4,005	1,754
Supplies and Materials	24,628	18,946	5,682
Total Regular	67,663	48,872	18,791
Total Instructional Services	67,663	48,872	18,791
Support Services:			
Pupil Transportation:			
Salaries and Wages	4,125	4,125	0
Fringe Benefits	637	638	(1)
Purchased Services	5,000	4,905	95
Total Pupil Transportation	9,762	9,668	94
Total Expenditures	77,425	58,540	18,885
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	1	(23,064)	(23,065)
Other Financing Sources (Uses):			
Advances In	0	24,000	24,000
Total Other Financing Sources (Uses):	0	24,000	24,000
Net Change in Fund Balance	1	936	935
Fund Balance at Beginning of Year	0	0	0
Fund Balance at End of Year	\$ 1	\$ 936	\$ 935

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

ALTERNATIVE SCHOOLS FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - State	\$ 72,288	\$ 62,290	\$ (9,998)
Total Revenues	72,288	62,290	(9,998)
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	61,502	56,480	5,022
Fringe Benefits	10,930	7,642	3,288
Purchased Services	7,130	6,309	821
Supplies and Materials	1,985	1,534	451
Total Regular	81,547	71,965	9,582
Total Instructional Services	81,547	71,965	9,582
Total Expenditures	81,547	71,965	9,582
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,259)	(9,675)	(416)
Other Financing Sources (Uses):			
Advances In	0	1,000	1,000
Total Other Financing Sources (Uses):	0	1,000	1,000
Net Change in Fund Balance	(9,259)	(8,675)	584
Fund Balance at Beginning of Year	8,869	8,869	0
Prior Year Encumbrances	391	391	0
Fund Balance at End of Year	\$ 1	\$ 585	\$ 584

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

MISCELLANEOUS STATE GRANTS FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - State	\$ 23,600	\$ 23,600	\$ 0
Total Revenues	23,600	23,600	0
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	36,070	27,341	8,729
Fringe Benefits	5,001	4,227	774
Purchased Services	25,904	6,847	19,057
Supplies and Materials	29,368	12,362	17,006
Total Regular	96,343	50,777	45,566
Vocational:			
Salaries and Wages	2,100	0	2,100
Fringe Benefits	325	0	325
Supplies and Materials	575	575	0
Total Vocational	3,000	575	2,425
Total Instructional Services	99,343	51,352	47,991
Support Services:			
Pupils:			
Purchased Services	2,000	2,000	0
Total Pupils	2,000	2,000	0
Instructional Staff:			
Salaries and Wages	2,600	2,600	0
Fringe Benefits	402	402	0
Total Instructional Staff	3,002	3,002	0
Total Support Services	5,002	5,002	0
Total Expenditures	104,345	56,354	47,991
Excess (Deficiency) of Revenues Over (Under) Expenditures	(80,745)	(32,754)	47,991
Fund Balance at Beginning of Year	85,080	85,080	0
Prior Year Encumbrances	2,289	2,289	0
Fund Balance at End of Year	\$ 6,624	\$ 54,615	\$ 47,991

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

	TITLE VI-B FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - Federal	\$ 676,542	\$ 639,804	\$ (36,738)
Total Revenues	676,542	639,804	(36,738)
Expenditures:			
Instructional Services:			
Special:			
Salaries and Wages	9,254	9,254	0
Fringe Benefits	1,482	1,482	0
Purchased Services	4,706	4,706	0
Supplies and Materials	103,484	103,343	141
Capital Outlay	38,925	38,330	595
Total Special	157,851	157,115	736
Total Instructional Services	157,851	157,115	736
Support Services:			
Pupils:			
Salaries and Wages	47,875	41,320	6,555
Fringe Benefits	16,728	14,095	2,633
Purchased Services	4,040	3,566	474
Total Pupils	68,643	58,981	9,662
Instructional Staff:			
Salaries and Wages	209,711	209,647	64
Fringe Benefits	63,117	52,275	10,842
Supplies and Materials	4,000	4,000	0
Total Instructional Staff	276,828	265,922	10,906
Administration:			
Salaries and Wages	66,523	58,029	8,494
Fringe Benefits	22,678	19,214	3,464
Total Administration	89,201	77,243	11,958
Total Support Services	434,672	402,146	32,526

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

	TITLE VI-B FUND		Variance with Final Budget Positive (Negative)
	<u>Final Budget</u>	<u>Actual</u>	<u></u>
Operation of Non-Instructional Services:			
Salaries and Wages	1,732	1,732	0
Fringe Benefits	268	268	0
Supplies and Materials	<u>6,119</u>	<u>6,117</u>	<u>2</u>
Total Operation of Non-Instructional Services	<u>8,119</u>	<u>8,117</u>	<u>2</u>
Total Expenditures	<u>600,642</u>	<u>567,378</u>	<u>33,264</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	75,900	72,426	(3,474)
Other Financing Sources (Uses):			
Advances In	0	4,000	4,000
Advances Out	<u>(98,000)</u>	<u>(98,000)</u>	<u>0</u>
Total Other Financing Sources (Uses):	<u>(98,000)</u>	<u>(94,000)</u>	<u>4,000</u>
Net Change in Fund Balance	(22,100)	(21,574)	526
Fund Balance at Beginning of Year	226	226	0
Prior Year Encumbrances	<u>21,873</u>	<u>21,873</u>	<u>0</u>
Fund Balance at End of Year	<u>\$ (1)</u>	<u>\$ 525</u>	<u>\$ 526</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

	TITLE I FUND		Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - Federal	\$ 1,192,172	\$ 936,256	\$ (255,916)
Total Revenues	<u>1,192,172</u>	<u>936,256</u>	<u>(255,916)</u>
Expenditures:			
Instructional Services:			
Regular:			
Supplies and Materials	37,631	37,627	4
Total Regular	<u>37,631</u>	<u>37,627</u>	<u>4</u>
Special:			
Salaries and Wages	553,290	417,398	135,892
Fringe Benefits	193,532	138,645	54,887
Supplies and Materials	114,728	77,071	37,657
Capital Outlay	35,537	35,228	309
Total Special	<u>897,087</u>	<u>668,342</u>	<u>228,745</u>
Total Instructional Services	<u>934,718</u>	<u>705,969</u>	<u>228,749</u>
Support Services:			
Instructional Staff:			
Salaries and Wages	40,441	38,662	1,779
Fringe Benefits	15,715	15,631	84
Purchased Services	122,432	96,025	26,407
Supplies and Materials	20,843	10,318	10,525
Capital Outlay	2,929	2,929	0
Total Instructional Staff	<u>202,360</u>	<u>163,565</u>	<u>38,795</u>
Total Support Services	<u>202,360</u>	<u>163,565</u>	<u>38,795</u>
Operation of Non-Instructional Services:			
Salaries and Wages	2,848	2,848	0
Fringe Benefits	521	521	0
Total Operation of Non-Instructional Services	<u>3,369</u>	<u>3,369</u>	<u>0</u>
Total Expenditures	<u>1,140,447</u>	<u>872,903</u>	<u>267,544</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	51,725	63,353	11,628
Other Financing Sources (Uses):			
Advances In	0	3,389	3,389
Advances Out	(70,000)	(70,000)	0
Total Other Financing Sources (Uses):	<u>(70,000)</u>	<u>(66,611)</u>	<u>3,389</u>
Net Change in Fund Balance	(18,275)	(3,258)	15,017
Fund Balance at Beginning of Year	1,138	1,138	0
Prior Year Encumbrances	17,138	17,138	0
Fund Balance at End of Year	<u>\$ 1</u>	<u>\$ 15,018</u>	<u>\$ 15,017</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

TITLE VI FUND			
	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:			
Intergovernmental - Federal	\$ 40,032	\$ 32,930	\$ (7,102)
Total Revenues	40,032	32,930	(7,102)
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	10,000	9,072	928
Fringe Benefits	1,545	1,444	101
Purchased Services	0	0	0
Supplies and Materials	8,101	7,256	845
Capital Outlay	8,332	8,332	0
Total Regular	27,978	26,104	1,874
Total Instructional Services	27,978	26,104	1,874
Support Services:			
Instructional Staff:			
Purchased Services	10,400	7,569	2,831
Supplies and Materials	500	0	500
Total Instructional Staff	10,900	7,569	3,331
Total Support Services	10,900	7,569	3,331
Operation of Non-Instructional Services:			
Purchased Services	100	0	100
Supplies and Materials	491	163	328
Total Operation of Non-Instructional Services	591	163	428
Total Expenditures	39,469	33,836	5,633
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	563	(906)	(1,469)
Other Financing Sources (Uses):			
Advances In	0	2,000	2,000
Advances Out	(2,300)	(2,300)	0
Total Other Financing Sources (Uses):	(2,300)	(300)	2,000
Net Change in Fund Balance	(1,737)	(1,206)	531
Fund Balance at Beginning of Year	81	81	0
Prior Year Encumbrances	1,655	1,655	0
Fund Balance at End of Year	\$ (1)	\$ 530	\$ 531

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
DRUG FREE SCHOOL GRANT FUND			
Revenues:			
Intergovernmental - Federal	\$ 27,539	\$ 24,882	\$ (2,657)
Total Revenues	<u>27,539</u>	<u>24,882</u>	<u>(2,657)</u>
Expenditures:			
Instructional Services:			
Regular:			
Supplies and Materials	6,805	1,862	4,943
Total Regular	<u>6,805</u>	<u>1,862</u>	<u>4,943</u>
Total Instructional Services	<u>6,805</u>	<u>1,862</u>	<u>4,943</u>
Support Services:			
Pupils:			
Purchased Services	20,000	20,000	0
Total Pupils	<u>20,000</u>	<u>20,000</u>	<u>0</u>
Instructional Staff:			
Purchased Services	500	0	500
Total Instructional Staff	<u>500</u>	<u>0</u>	<u>500</u>
Operation and Maintenance of Plant:			
Supplies and Materials	2,100	2,063	37
Total Operation and Maintenance of Plant	<u>2,100</u>	<u>2,063</u>	<u>37</u>
Total Support Services	<u>22,600</u>	<u>22,063</u>	<u>537</u>
Operation of Non-Instructional Services:			
Supplies and Materials	364	210	154
Total Operation of Non-Instructional Services	<u>364</u>	<u>210</u>	<u>154</u>
Total Expenditures	<u>29,769</u>	<u>24,135</u>	<u>5,634</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,230)	747	2,977
Other Financing Sources (Uses):			
Transfers In	2,230	2,230	0
Transfers Out	(2,230)	(2,230)	0
Total Other Financing Sources (Uses):	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	(2,230)	747	2,977
Fund Balance at Beginning of Year	2,230	2,230	0
Fund Balance at End of Year	<u>\$ 0</u>	<u>\$ 2,977</u>	<u>\$ 2,977</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004**

REDUCING CLASS SIZE FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - Federal	\$ 312,108	\$ 248,957	\$ (63,151)
Total Revenues	312,108	248,957	(63,151)
Expenditures:			
Instructional Services:			
Regular:			
Salaries and Wages	221,516	179,119	42,397
Fringe Benefits	78,987	63,630	15,357
Supplies and Materials	435	435	0
Total Regular	300,938	243,184	57,754
Total Instructional Services	300,938	243,184	57,754
Support Services:			
Instructional Staff:			
Purchased Services	23,806	23,539	267
Supplies and Materials	21,968	3,646	18,322
Total Instructional Staff	45,774	27,185	18,589
Administration:			
Purchased Services	20,000	19,173	827
Total Administration	20,000	19,173	827
Total Support Services	65,774	46,358	19,416
Operation of Non-Instructional Services:			
Purchased Services	372	324	48
Total Operation of Non-Instructional Services	372	324	48
Total Expenditures	367,084	289,866	77,218
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	(54,976)	(40,909)	14,067
Other Financing Sources (Uses):			
Transfers In	18,039	18,039	0
Transfers Out	(18,039)	(18,039)	0
Total Other Financing Sources (Uses):	0	0	0
Net Change in Fund Balance	(54,976)	(40,909)	14,067
Fund Balance at Beginning of Year	54,138	54,138	0
Prior Year Encumbrances	838	838	0
Fund Balance at End of Year	\$ 0	\$ 14,067	\$ 14,067

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

MISCELLANEOUS FEDERAL GRANTS FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - Federal	\$ 173,354	\$ 165,818	\$ (7,536)
Total Revenues	173,354	165,818	(7,536)
Expenditures:			
Instructional Services:			
Regular:			
Supplies and Materials	37,926	36,245	1,681
Capital Outlay	46,750	44,681	2,069
Total Regular	84,676	80,926	3,750
Special:			
Supplies and Materials	1,976	1,976	0
Total Special	1,976	1,976	0
Vocational:			
Capital Outlay	6,095	6,095	0
Total Vocational	6,095	6,095	0
Total Instructional Services	92,747	88,997	3,750
Support Services:			
Instructional Staff:			
Salaries and Wages	14,416	10,556	3,860
Fringe Benefits	2,358	1,695	663
Purchased Services	61,632	61,347	285
Supplies and Materials	1,435	1,403	32
Other Expenditures	3,715	3,715	0
Capital Outlay	920	920	0
Total Instructional Staff	84,476	79,636	4,840
Administration:			
Purchased Services	1,000	0	1,000
Total Administration	1,000	0	1,000

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2004***

	Final Budget	Actual	Variance with Final Budget Positive (Negative)
MISCELLANEOUS FEDERAL GRANTS FUND			
Operation and Maintenance of Plant:			
Purchased Services	3,255	3,255	0
Supplies and Materials	617	617	0
Total Operation and Maintenance of Plant	3,872	3,872	0
Total Support Services	89,348	83,508	5,840
Operation of Non-Instructional Services:			
Purchased Services	426	262	164
Total Operation of Non-Instructional Services	426	262	164
Total Expenditures	182,521	172,767	9,754
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,167)	(6,949)	2,218
Other Financing Sources (Uses):			
Transfers In	2,027	2,027	0
Transfers Out	(2,027)	(2,027)	0
Total Other Financing Sources (Uses):	0	0	0
Net Change in Fund Balance	(9,167)	(6,949)	2,218
Fund Balance at Beginning of Year	2,084	2,084	0
Prior Year Encumbrances	7,062	7,062	0
Fund Balance at End of Year	\$ (21)	\$ 2,197	\$ 2,218

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**Schedule of Revenues, Expenditures and Changes in
Fund Balance – Budget and Actual (Non-GAAP Budgetary Basis)
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2004**

SCHOOLNET PLUS FUND			Variance with Final Budget Positive (Negative)
	Final Budget	Actual	
Revenues:			
Intergovernmental - State	\$ 120,525	\$ 85,525	\$ (35,000)
Total Revenues	120,525	85,525	(35,000)
Expenditures:			
Instructional Services:			
Regular:			
Supplies and Materials	4,677	4,677	0
Capital Outlay	80,848	80,848	0
Total Regular	85,525	85,525	0
Total Instructional Services	85,525	85,525	0
Support Services:			
Instructional Staff:			
Fringe Benefits	11	11	0
Purchased Services	70,000	15,973	54,027
Supplies and Materials	1,157	1,156	1
Total Instructional Staff	71,168	17,140	54,028
Total Support Services	71,168	17,140	54,028
Total Expenditures	156,693	102,665	54,028
Excess (Deficiency) of Revenues Over (Under) Expenditures			
	(36,168)	(17,140)	19,028
Fund Balance at Beginning of Year			
	35,078	35,078	0
Prior Year Encumbrances			
	1,089	1,089	0
Fund Balance at End of Year	\$ (1)	\$ 19,027	\$ 19,028

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

Fiduciary Funds

Fiduciary fund types are used to account for assets held by the School District in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds.

Agency Funds

District Agency Fund

To account for those assets held by the District as an agent for individuals, private organizations, other governmental units, and/or other funds.

Student Managed Activity Fund

To account for resources that belong to the student bodies of the various schools for sales and other revenue generating activities.

Employee Benefits Self Insurance Fund

To account for monies received from other funds as payment for providing medical, hospitalization, life, dental, vision, or any other similar employee benefits.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2004***

	Balance June 30, 2003	Additions	Deductions	Balance June 30, 2004
<u>District Agency Fund</u>				
Assets:				
Cash and Cash Equivalents	\$10,503	\$12,425	(\$11,933)	\$10,995
Total Assets	<u>\$10,503</u>	<u>\$12,425</u>	<u>(\$11,933)</u>	<u>\$10,995</u>
Liabilities:				
Due to Others	\$10,503	\$12,425	(\$11,933)	\$10,995
Total Liabilities	<u>\$10,503</u>	<u>\$12,425</u>	<u>(\$11,933)</u>	<u>\$10,995</u>
<u>Student Managed Activity Fund</u>				
Assets:				
Cash and Cash Equivalents	\$48,125	\$107,155	(\$102,716)	\$52,564
Accounts Receivable	52	78	0	130
Total Assets	<u>\$48,177</u>	<u>\$107,233</u>	<u>(\$102,716)</u>	<u>\$52,694</u>
Liabilities:				
Due to Students	\$48,177	\$107,233	(\$102,716)	\$52,694
Total Liabilities	<u>\$48,177</u>	<u>\$107,233</u>	<u>(\$102,716)</u>	<u>\$52,694</u>
<u>Employee Benefits Self Insurance Fund</u>				
Assets:				
Cash and Cash Equivalents	\$461,388	\$12,966	(\$7,649)	\$466,705
Total Assets	<u>\$461,388</u>	<u>\$12,966</u>	<u>(\$7,649)</u>	<u>\$466,705</u>
Liabilities:				
Due to Others	\$461,388	\$12,966	(\$7,649)	\$466,705
Total Liabilities	<u>\$461,388</u>	<u>\$12,966</u>	<u>(\$7,649)</u>	<u>\$466,705</u>
<u>Totals - All Agency Funds</u>				
Assets:				
Cash and Cash Equivalents	\$520,016	\$132,546	(\$122,298)	\$530,264
Accounts Receivable	52	78	0	130
Total Assets	<u>\$520,068</u>	<u>\$132,624</u>	<u>(\$122,298)</u>	<u>\$530,394</u>
Liabilities:				
Due to Others	\$471,891	\$25,391	(\$19,582)	\$477,700
Due to Students	48,177	107,233	(102,716)	52,694
Total Liabilities	<u>\$520,068</u>	<u>\$132,624</u>	<u>(\$122,298)</u>	<u>\$530,394</u>

*CAPITAL ASSETS USED IN THE
OPERATION OF GOVERNMENTAL FUNDS*

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Source
June 30, 2004***

Capital Assets:

Land	\$1,846,049
Land Improvements	2,299,131
Buildings and Improvements	37,833,160
Machinery and Equipment	6,743,122
Vehicles	2,391,168
Construction In Progress	<u>28,129</u>
Total Capital Assets	<u><u>\$51,140,759</u></u>

Investment in Capital Assets from:

Acquisitions Prior to 2001	\$27,773,447
General Fund	1,023,884
Special Revenue Funds	280,335
Capital Project Funds	21,000,424
Capital Leases	1,030,220
Donations	<u>32,449</u>
Total Investment in Capital Assets	<u><u>\$51,140,759</u></u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule by Function and Activity
June 30, 2004***

Function and Activity	Land	Land and Improvements	Buildings and Improvements
Instructional Services			
Regular	\$1,420,049	\$1,973,757	\$37,009,386
Support Services:			
Pupils	0	0	47,583
Instructional Staff	0	0	0
Administration	11,000	4,006	115,478
Operation and Maintenance of Plant	0	209,571	320,277
Pupil Transportation	0	0	0
Operation on Non-Instructional Services	0	0	0
Extracurricular Activities	0	111,797	213,574
Facility Acquisition and Improvement	415,000	0	126,862
Total Capital Assets	<u>\$1,846,049</u>	<u>\$2,299,131</u>	<u>\$37,833,160</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

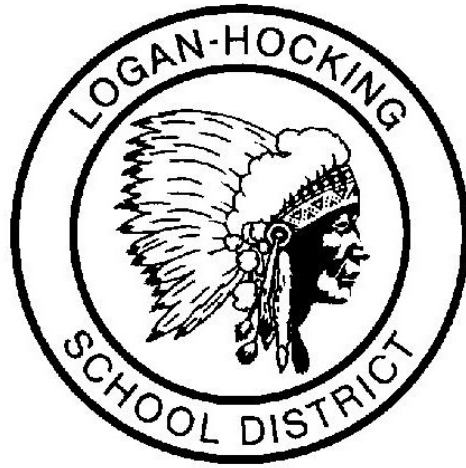
Machinery and Equipment	Vehicles	Construction In Progress	Total
\$5,286,372	\$23,931	\$0	\$45,713,495
87,100	0	0	134,683
584,756	0	0	584,756
470,891	0	0	601,375
91,137	204,935	0	825,920
34,347	2,162,302	0	2,196,649
25,770	0	0	25,770
161,684	0	0	487,055
1,065	0	28,129	571,056
<u>\$6,743,122</u>	<u>\$2,391,168</u>	<u>\$28,129</u>	<u>\$51,140,759</u>

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***Capital Assets Used in the Operation of Governmental Funds
Schedule Changes by Function and Activity
June 30, 2004***

Function and Activity	June 30, 2003	Additions	Deletions	June 30, 2004
Instructional Services:				
Regular	\$24,661,369	\$21,279,955	(\$227,829)	\$45,713,495
Support Services:				
Pupils	125,713	15,090	(6,120)	134,683
Instructional Staff	584,499	10,207	(9,950)	584,756
Administration	619,104	17,009	(34,738)	601,375
Operation and Maintenance of Plant	576,897	282,223	(33,200)	825,920
Pupil Transportation	2,184,958	93,274	(81,583)	2,196,649
Operation on Non-Instructional Services	21,440	4,330	0	25,770
Extracurricular Activities	474,701	12,354	0	487,055
Facility Acquisition and Improvement	8,106,645	63,939	(7,599,528)	571,056
Total Capital Assets	<u>\$37,355,326</u>	<u>\$21,778,381</u>	<u>(\$7,992,948)</u>	<u>\$51,140,759</u>

STATISTICAL SECTION



STATISTICAL TABLES

***T**HE FOLLOWING UNAUDITED STATISTICAL TABLES REFLECT SOCIAL AND ECONOMIC DATA, FINANCIAL TRENDS AND FISCAL CAPACITY OF THE DISTRICT.*

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) LAST TEN YEARS

Year	Instructional Services				Support Services				Subtotal Page 1
	Regular	Special	Vocational	Other	Pupils	Instructional Staff	Board of Education	Administration	
1995 a	\$6,826,924	\$1,793,416	\$353,881	\$2,781	\$1,026,439	\$546,669	\$49,781	\$1,218,180	\$11,818,071
1996 a	7,214,226	1,859,286	301,968	2,269	1,181,852	565,059	91,901	1,449,664	12,666,225
1997 a	7,603,568	2,113,157	315,144	1,647	1,313,360	584,264	87,784	1,546,679	13,565,603
1998 a	8,160,426	2,362,382	330,075	1,650	1,356,675	625,127	106,064	1,665,153	14,607,552
1999 a	8,739,200	2,416,171	331,906	464	1,524,532	829,328	122,028	1,794,487	15,758,116
2000 a	9,476,271	2,609,760	346,036	2,137	1,632,744	882,871	124,139	1,982,684	17,056,642
2001 b	10,115,356	2,715,036	377,155	641	1,731,272	1,241,108	120,636	2,232,382	18,533,586
2002 b	10,867,493	2,698,167	392,876	1,106	1,801,875	2,133,732	114,522	2,395,838	20,405,609
2003 b	10,628,117	3,381,412	374,135	690	1,775,372	1,986,539	126,084	2,577,065	20,849,414
2004 b	11,404,651	3,491,722	461,757	1,103	1,812,768	2,097,767	79,321	2,702,377	22,051,466

a - Cash Basis Financial Data

b - GAAP Basis Financial Data

- (1) Includes General Fund, Special Revenue Funds and Debt Service Fund
Beginning in 2002, includes all Governmental Funds

(Continued)

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1) LAST TEN YEARS

Year		Support Services			Central	Operation of Non-Instructional Services	Extracurricular Activities	Other Expenditures and Capital Outlay	Debt Services	Subtotal Page 2	Total
		Fiscal Services	Operation and Maintenance of Plant	Pupil Transportation							
1995	a	\$444,969	\$1,485,543	\$1,200,814	\$0	\$1,472	\$361,460	\$0	\$1,140,224	\$4,634,482	\$16,452,553
1996	a	453,927	1,574,502	1,296,054	0	39,838	398,544	0	1,151,532	4,914,397	17,580,622
1997	a	477,065	1,601,110	1,338,426	0	32,092	405,509	74,495	1,215,451	5,144,148	18,709,751
1998	a	474,044	1,765,886	1,397,049	0	31,093	420,320	25,596	1,563,560	5,677,548	20,285,100
1999	a	521,888	1,825,546	1,347,593	0	41,752	480,965	92,111	1,237,196	5,547,051	21,305,167
2000	a	567,502	1,875,629	1,452,008	0	57,439	440,493	0	1,247,193	5,640,264	22,696,906
2001	b	552,666	1,940,018	1,532,354	0	56,123	481,614	0	1,257,879	5,820,654	24,354,240
2002	b	693,914	2,093,933	1,735,698	693,492	103,017	514,617	1,727,421	2,206,481	9,768,573	30,174,182
2003	b	717,549	2,120,199	1,865,483	762,238	71,473	546,322	8,422,436	2,711,088	17,216,788	38,066,202
2004	b	764,436	2,284,985	2,147,380	522,339	645,253	534,594	11,525,571	2,595,025	21,019,583	43,071,049

a - Cash Basis Financial Data

b - GAAP Basis Financial Data

- (1) Includes General Fund, Special Revenue Funds and Debt Service Fund
Beginning in 2002, includes all Governmental Funds

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

GENERAL GOVERNMENTAL REVENUES BY SOURCE (1) LAST TEN YEARS

Year		Taxes	Tuition	Investment Earnings	Extracurricular Activities	Intergovernmental Revenues	Intermediate Sources and All Other	Total
1995	a	\$6,030,859	\$8,632	\$181,978	\$144,078	\$10,118,146	\$32,826	\$16,516,519
1996	b	6,010,805	5,917	258,888	169,463	11,777,218	55,638	18,277,929
1997	b	6,295,729	4,882	299,180	211,107	12,280,930	60,016	19,151,844
1998	b	6,786,967	8,828	284,280	184,215	13,297,172	242,980	20,804,442
1999	b	7,074,266	9,165	313,649	214,889	14,978,885	159,524	22,750,378
2000	b	7,360,777	20,619	392,293	194,929	15,341,626	155,750	23,465,994
2001	b	7,621,086	14,871	511,588	211,065	16,530,217	336,700	25,225,527
2002	b	9,358,261	8,070	1,482,005	223,768	20,139,752	245,072	31,456,928
2003	b	10,966,816	463,513	997,028	177,785	19,787,726	209,165	32,602,033
2004	b	10,739,613	505,232	654,922	187,547	21,210,969	117,652	33,415,935

a - Cash Basis Financial Data

b - GAAP Basis Financial Data

- (1) Includes General Fund, Special Revenue Funds and Debt Service Fund
Beginning in 2002, includes all Governmental Funds

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

PROPERTY TAX LEVIES AND COLLECTIONS LAST TEN CALENDAR YEARS

Collection Year	Total Tax Levy	Current Tax Collections	Delinquent Tax Collections	Total Tax Collections	Percent of Total Tax Collections To Tax Levy	Accumulated Outstanding Delinquent Taxes	Percentage of Accumulated Delinquent Taxes to Total Tax Levy
1995	\$6,720,918	\$5,494,168	\$228,708	\$5,722,876	85.15%	N/A	N/A
1996	6,759,493	5,987,388	190,284	6,177,672	91.39%	N/A	N/A
1997	7,182,586	5,914,180	222,591	6,136,771	85.44%	224,656	3.13%
1998	8,018,677	6,286,085	268,129	6,554,214	81.74%	222,440	2.77%
1999	8,254,443	6,963,150	264,640	7,227,790	87.56%	230,801	2.80%
2000	8,186,794	7,247,389	304,523	7,551,912	92.25%	298,375	3.64%
2001	8,321,580	7,236,498	304,653	7,541,151	90.62%	394,638	4.74%
2002	11,085,150	9,259,558	465,846	9,725,404	87.73%	N/A	N/A
2003	11,478,722	9,142,710	22,218	9,164,928	79.84%	483,741	4.21%
2004	11,685,666	8,973,858	521,482	9,495,340	81.26%	532,917	4.56%

Source: Hocking County Auditor's Office

Presented on a calendar year basis because that is the manner in which the information is maintained by the County.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

ASSESSED VALUATIONS AND ESTIMATED TRUE VALUES OF TAXABLE PROPERTY LAST TEN CALENDAR YEARS

Tax Year	Real Property		Public Utility Personal		Tangible Personal Property		Total		Assessed Value as a Percent of Actual Value
	Assessed	Actual	Assessed	Actual	Assessed	Actual	Assessed	Actual	
1994	\$151,736,490	\$433,532,829	\$46,130,430	\$131,801,229	\$23,623,098	\$94,492,392	\$221,490,018	\$659,826,449	33.57%
1995 **	173,979,870	497,085,343	45,637,130	130,391,800	24,082,470	96,329,880	243,699,470	723,807,023	33.67%
1996	181,080,200	517,372,000	43,066,200	123,046,286	26,833,939	107,335,756	250,980,339	747,754,042	33.56%
1997	187,312,100	535,177,429	43,823,340	125,209,543	27,949,311	111,797,244	259,084,751	772,184,215	33.55%
1998 *	225,897,550	645,421,571	41,278,410	117,938,314	28,090,617	112,362,468	295,266,577	875,722,354	33.72%
1999	231,860,880	662,459,657	44,572,150	127,349,000	27,112,651	108,450,604	303,545,681	898,259,261	33.79%
2000	240,317,640	686,621,829	40,029,160	114,369,029	28,693,710	114,774,840	309,040,510	915,765,697	33.75%
2001 **	286,846,740	819,562,114	36,445,760	104,130,743	31,010,313	124,041,252	354,302,813	1,047,734,109	33.82%
2002	297,406,300	849,732,286	38,289,720	109,399,200	31,189,138	124,756,552	366,885,158	1,083,888,038	33.85%
2003	267,300,390	763,715,400	38,742,620	110,693,200	68,112,974	272,451,896	374,155,984	1,146,860,496	32.62%

Source: Hocking County Auditor

* Reappraisal

** Update

Presented on a calendar year basis because that is the manner
in which the information is maintained by the County.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
(PER \$1,000 OF ASSESSED VALUATIONS)
LAST TEN CALENDAR YEARS**

Tax Year	Logan-Hocking Local School District				City of Logan	Tri-County Joint Vocational School	Hocking County	Special Taxing Districts	Total
	General Fund	Bond Retirement Fund	Permanent Improvement Fund	Total					
1994	30.60	5.00	0.00	35.60	3.20	3.30	3.50	10.10	55.70
1995	30.60	5.00	0.00	35.60	3.20	3.30	3.50	10.10	55.70
1996	30.60	4.70	0.00	35.30	3.20	3.30	3.50	10.10	55.40
1997	28.90	4.70	1.00	34.60	3.40	3.30	3.50	10.90	55.70
1998	28.90	4.50	1.00	34.40	3.40	3.30	3.50	10.90	55.50
1999	28.90	4.50	1.00	34.40	3.40	3.30	3.50	10.90	55.50
2000	29.05	4.25	1.00	34.30	3.40	3.30	3.50	10.90	55.40
2001	28.90	8.10	2.00	39.00	3.40	3.30	3.50	10.90	60.10
2002	28.90	8.10	2.00	39.00	3.40	3.30	3.50	10.90	60.10
2003	28.90	8.10	2.00	39.00	3.40	3.30	3.50	10.90	60.10

Source: Hocking County Auditor
Hocking County Treasurer

Presented on a calendar year basis because that is the manner
in which the information is maintained by the County.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

COMPUTATION OF LEGAL DEBT MARGIN JUNE 30, 2004

Net Assessed Valuation	\$374,155,984
Legal Debt Limitation (%) (1)	9.00%
Legal Debt Limitation (\$) (1)	33,674,039
Applicable District Debt Outstanding	26,652,410
Less: Applicable Debt Service Fund Amounts	(2,211,514)
Net Indebtedness Subject to Limitation	24,440,896
Overall Legal Debt Margin	\$9,233,143
Legal Debt Limitation (%) (1)	0.10%
Legal Debt Limitation (\$) (1)	374,156
Applicable District Debt Outstanding	0
Unvoted Legal Debt Margin	\$374,156
Legal Debt Limitation (%) (1)	0.90%
Legal Debt Limitation (\$) (1)	3,367,404
Applicable District Debt Outstanding	0
Unvoted Energy Conservation Loans Legal Debt Margin	\$3,367,404

(1) Ohio Bond Law sets a limit of 9% for overall debt, 1/10 of 1% for unvoted debt, and 9/10 of 1% for energy conservation debt.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**RATIO OF NET GENERAL OBLIGATION BONDED DEBT TO ASSESSED
VALUE AND NET GENERAL OBLIGATION BONDED DEBT PER CAPITA
LAST TEN YEARS**

Year	Population (1)	Assessed Value (2)	Gross Bonded Debt (3)	Debt Service Funds Available	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita
1995	6,725	\$221,490,018	\$10,757,409	\$691,921	\$10,065,488	4.54%	\$1,496.73
1996	6,725	243,699,470	10,152,409	879,346	9,273,063	3.81%	1,378.89
1997	6,725	250,980,339	9,507,409	977,665	8,529,744	3.40%	1,268.36
1998	6,725	259,084,751	8,817,409	1,047,451	7,769,958	3.00%	1,155.38
1999	6,725	295,266,577	8,082,409	1,105,265	6,977,144	2.36%	1,037.49
2000	6,704	303,545,681	7,297,409	1,177,632	6,119,777	2.02%	912.85
2001	6,704	309,268,394	6,462,409	1,294,647	5,167,762	1.67%	770.85
2002	6,704	354,318,963	29,277,410	1,691,893	27,585,517	7.79%	4,114.78
2003	6,704	366,885,158	28,037,376	1,928,590	26,108,786	7.12%	3,894.51
2004	6,704	374,155,984	26,652,410	2,211,514	24,440,896	6.53%	3,645.72

(1) Source: U.S. Bureau of Census of Population - (a) City of Logan 1990 Census (b) City of Logan 2000 Census

(2) Source: Hocking County Auditor

(3) Includes all general obligation bonded debt supported by property taxes

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES LAST TEN YEARS

Year		Debt Principal	Debt Interest	Total Debt Service	Total General Governmental Expenditures	Ratio of Tax Debt Service to General Governmental Expenditures
1995	a	\$632,000	\$501,195	\$1,133,195	\$16,452,553	6.89%
1996	b	672,000	472,503	1,144,503	17,580,622	6.51%
1997	b	716,000	439,698	1,155,698	18,709,751	6.18%
1998	b	766,000	403,068	1,169,068	20,285,100	5.76%
1999	b	817,000	362,398	1,179,398	21,305,167	5.54%
2000	b	872,000	317,395	1,189,395	22,696,906	5.24%
2001	b	928,000	272,081	1,200,081	24,354,240	4.93%
2002	b	914,000	827,190	1,741,190	30,174,182	5.77%
2003	b	1,240,000	1,268,480	2,508,480	37,613,284	6.67%
2004	b	1,385,000	1,210,025	2,595,025	43,071,049	6.02%

a - Cash Basis Financial Data
b - GAAP Basis Financial Data

(1) Includes General Fund, Special Revenue Funds and Debt Service Fund
Beginning in 2002, includes all Governmental Funds

Source: Logan-Hocking Local School District, Treasurer's Office

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

COMPUTATION OF ALL DIRECT AND OVERLAPPING GOVERNMENTAL DEBT JUNE 30, 2004

Jurisdiction	Net Debt Outstanding	Percentage Applicable to Logan- Hocking Local School District	Amount Applicable to Logan- Hocking Local School District
Direct			
Logan-Hocking Lcoal School District	\$26,652,410	100.00%	\$26,652,410
Overlapping Subdivisions			
City of Logan	0	100.00%	0
Hocking County	4,213,390	83.76%	3,529,135
Perry County	4,349,242	1.44%	62,629
Vinton County	466,561	0.23%	1,073
		Subtotal	3,592,837
		Total	\$30,245,247
Total			

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

DEMOGRAPHIC STATISTICS LAST TEN YEARS

Year		Logan City Population (1)	Hocking County Population (2)	School Enrollment (3)	Unemployment Rate Hocking County (4)
1995	a	6,725	27,973	4,085	7.5%
1996	a	6,725	28,470	4,172	7.0%
1997	a	6,725	28,742	4,286	6.0%
1998	a	6,725	29,004	4,319	6.1%
1999	a	6,725	29,170	4,247	7.2%
2000	b	6,704	28,960	4,101	8.7%
2001	b	6,704	28,960	4,076	6.4%
2002	b	6,704	28,960	4,081	6.5%
2003	b	6,704	28,960	3,967	6.7%
2004	b	6,704	28,741	4,044	7.1%

Source: (1) U.S. Bureau of Census of Population - (a) City of Logan 1990 Census (b) City of Logan 2000 Census
 (2) Logan-Hocking Chamber of Commerce
 (3) Logan-Hocking Local School District, Board of Education
 (4) State Department of Labor

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**PROPERTY VALUE AND CONSTRUCTION PERMITS
LAST TEN CALENDAR YEARS**

Year	Residential	
	Number of Permits	Property Value
1994	14	\$1,378,000
1995	34	2,746,000
1996	10	733,000
1997	10	477,000
1998	27	1,181,000
1999	9	868,000
2000	4	415,000
2001	10	1,055,000
2002	10	1,052,000
2003	35	8,123,000

Source: City of Logan Building Department

Presented on a calendar year basis because that is the manner
in which the information is maintained by the City.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**PRINCIPAL TAXPAYERS (TANGIBLE PERSONAL PROPERTY TAX)
DECEMBER 31, 2003**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1 Smead Manufacturing Co.	Paper Products Manufacturing	\$3,595,852	5.28%
2 General Electric Lighting, Inc.	Glass Tubing Manufacturing	2,072,040	3.04%
3 Keynes Brothers, Inc.	Flour Miller	1,812,960	2.66%
4 Wal-Mart Stores	Retail Merchandise	1,761,840	2.59%
5 Deshler Group, Inc.	Bent Bolt Manufacturer	1,580,320	2.32%
6 Rocky Shoes & Boots, Inc.	Warehouse Distribution Center	1,166,950	1.71%
7 Logan Clay Products	Sewer & Tile Manufacturing	1,007,320	1.48%
8 Selkirk LLC	Industrial Chimneys	979,167	1.44%
9 Carborundum Grinding Wheel Co.	Abrasive Material Manufacturing	524,650	0.77%
10 Adelphia Communications Corp.	Communications	518,350	0.76%
	Sub-Total	15,019,449	22.05%
	All Others	53,093,525	77.95%
	Total	\$68,112,974	100.00%

Source: Hocking County Auditor - Land and Buildings
Based on valuation of property in 2002

Presented on a calendar year basis because that is the manner
in which the information is maintained by the County.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**PRINCIPAL TAXPAYERS (REAL PROPERTY AND PUBLIC UTILITY PERSONAL PROPERTY TAX)
DECEMBER 31, 2003**

<u>Taxpayer</u>	<u>Type of Business</u>	<u>Assessed Valuation (Tax Duplicate)</u>	<u>Percentage of Total Assessed Valuation</u>
1 Columbia Gas Transmission	Public Utility - Natural Gas	\$29,680,440	9.70%
2 Ohio Power Co.	Public Utility - Electricity	5,834,650	1.91%
3 Verizon North, Inc.	Public Utility - Telephone	4,051,210	1.32%
4 Wal-Mart Real Estate Business	Real Estate - Business	3,467,880	1.13%
5 South Central Power	Public Utility - Electricity	2,837,160	0.93%
6 Columbus Southern Power	Public Utility - Electricity	2,756,440	0.90%
7 Columbia Gas of Ohio	Public Utility	2,150,790	0.70%
8 Vectren Energy Delivery	Public Utility - Natural Gas	1,655,790	0.54%
9 Smead Manufacturing Co.	Paper Products Manufacturing	1,490,140	0.49%
10 The Kroger Co.	Grocery	1,104,030	0.36%
	Sub-Total	55,028,530	17.98%
	All Others	251,014,480	82.02%
	Total	\$306,043,010	100.00%

Source: Hocking County Auditor - Land and Buildings
Based on valuation of property in 2002

Presented on a calendar year basis because that is the manner
in which the information is maintained by the County.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

**PRINCIPAL EMPLOYERS
DECEMBER 31, 2003**

	<u>Employer</u>	<u>Type of Business</u>	<u>Total Number of Employees</u>
1	Wal-Mart	Retail	500
2	Logan-Hocking Local School District	Education	480
3	Hocking County	Government Services	350
4	Smead Manufacturing	Filing Systems	322
5	Hocking Valley Community Hospital	Healthcare	293
6	Kilbarger Construction	Construction	160
7	Kroger	Grocery	145
8	Logan Health Care	Long-Term Health Care	143
9	General Electric	Fluorescent Lamps	100
10	Selkirk Metalbestos	Industrial Chimneys	100

Source: Hocking County Community Improvement Corporation

Presented on a calendar year basis because that is the manner
in which the information is maintained by the Employers.

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

MISCELLANEOUS STATISTICS

JUNE 30, 2004

Form of Government	School - Political Subdivision
Area (square miles)	321
Miles traveled by Transportation Fleet for the 2003-2004 School Year	832,282
Meals Served by Food Service Department for the 2003-2004 School Year	
Equivalent Sales	764,200

School Buildings	Grade Levels	Enrollment
Logan High School/JVS	9 - 12	1,278
Logan Middle School	6 - 8	1,005
Central Elementary	K - 5	278
East Elementary	K - 5	294
Enterprise Elementary	K - 5	162
Green Elementary	K - 5	276
Rockbridge Elementary	Pre K - 5	158
South Bloomingville Elementary	K - 5	115
Union Furnace Elementary	Pre K - 5	202
West/West Logan Elementary	Pre K - 5	262

Source: District Treasurer's Office

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

STAFF STATISTICS

JUNE 30, 2004

Average classroom teacher salary	\$41,199
Average classroom teacher experience	13 years
Districtwide student/teacher ratio	19.7 : 1

Professional Staff

Teaching Staff - Regular	194
Administrators and Supervisors	26
Auxilliary Positions	
Guidance/Counselors	6
Librarians/Audio Visual	2
Special Education Teachers	41
Psychologists	3
Nurses	3
Therapist - OT/PT/Speech and Language	7

Support Staff

Secretarial/Clerical	30
Aides - Teaching/Technical/Monitoring	42
Maintenance/Mechanical	6
Transportation	34
Custodial	26
Lunchroom	20

Source: Ohio Department of Education Staff Summary Report

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

***NON-ADMINISTRATIVE CERTIFIED PERSONNEL
TEACHERS EDUCATION AND EXPERIENCE STATISTICS
JUNE 30, 2004***

<u>Degree</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
Bachelor's Degree	33	12.7%
Bachelor + 15	93	35.9%
Master's Degree	65	25.1%
Master's + 15	30	11.6%
Master's + 30	38	14.7%
Total	259	100.0%

<u>Years of Experience</u>	<u>Number of Teachers</u>	<u>Percentage of Total</u>
0 - 5	62	23.9%
6 - 10	54	20.9%
11 - 15	43	16.6%
16 - 20	34	13.1%
21 - 25	23	8.9%
26 and over	43	16.6%
Total	259	100.0%

Source: District Treasurer's Office

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

COST TO EDUCATE A 2004 GRADUATE ANNUAL EXPENDITURES PER PUPIL

<u>School Year Ended</u>		<u>Grade</u>	<u>Logan-Hocking Local School District Average</u>	<u>Similar Districts Average</u>	<u>State Average</u>
1992	a	KG	\$4,162	N/A	\$4,828
1993	a	1	3,933	N/A	5,030
1994	a	2	4,112	N/A	5,218
1995	a	3	4,005	N/A	5,381
1996	a	4	4,149	N/A	5,627
1997	a	5	4,514	N/A	5,939
1998	a	6	4,723	5,276	6,232
1999	b	7	5,141	5,658	6,642
2000	b	8	5,578	6,265	7,057
2001	b	9	6,054	6,565	7,602
2002	b	10	6,546	6,929	8,583
2003	b	11	6,632	7,004	8,441
2004	b	12	7,269	7,360	8,754
		Total	<u>\$66,818</u>	<u>N/A</u>	<u>\$85,334</u>

Source: Ohio Department of Education
 Financial Data per Pupil Report - All Funds (adjusted)
 a - Ohio Department of Education
 b - Ohio Department of Education 'District School Report Card'

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

TRANSPORTATION STATISTICS JUNE 30, 2004

Number of assigned school buses in fleet	42
Average age of school buses in fleet	4.2 years
Number of bus drivers	37
Number of miles driven per day	5,578
Number of miles driven annually	832,282
Average miles per bus	119,607

Students Transported per Day

Public School	3,363
Non-public School	95
Handicapped	50
Preschool	<u>61</u>
Total	3,569
Percent of student enrollment transported	90.0%

Source: District Treasurer's Office

LOGAN-HOCKING LOCAL SCHOOL DISTRICT, OHIO

ENROLLMENT STATISTICS LAST TEN YEARS

Fiscal Year	Pre-K	K	1	2	3	4	5	6	7	8	9	10	11	12	Ungraded	Total
1995	13	316	304	284	314	321	313	316	336	339	329	322	278	287	13	4,085
1996	24	301	317	318	291	308	315	325	334	353	391	314	296	269	16	4,172
1997	31	322	305	313	320	293	321	335	344	344	396	380	267	295	20	4,286
1998	33	334	329	318	316	328	295	323	351	340	365	394	313	270	10	4,319
1999	42	275	326	324	303	306	319	293	335	351	388	360	297	313	15	4,247
2000	52	260	270	309	320	301	310	301	305	317	412	333	299	294	18	4,101
2001	53	304	250	280	310	319	302	311	329	308	363	361	301	275	10	4,076
2002	50	303	294	262	284	318	336	301	331	328	316	327	352	266	13	4,081
2003	56	247	293	282	263	265	311	328	313	331	330	316	277	342	13	3,967
2004	55	320	249	300	277	260	278	323	347	335	351	312	334	281	8	4,030

Source: District Treasurer's Office



**Auditor of State
Betty Montgomery**

88 East Broad Street
P.O. Box 1140
Columbus, Ohio 43216-1140

Telephone 614-466-4514
800-282-0370

Facsimile 614-466-4490

**LOGAN-HOCKING LOCAL SCHOOL DISTRICT
HOCKING 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 15, 2005**