

*SOUTHERN HILLS
JOINT VOCATIONAL SCHOOL DISTRICT*

GEORGETOWN, OHIO

*COMPREHENSIVE ANNUAL
FINANCIAL REPORT*

FOR THE FISCAL YEAR ENDED JUNE 30, 2012

Issued by:
Treasurer's Office

Michael Boyd, CPA
Treasurer

INTRODUCTORY SECTION

Southern Hills Joint Vocational School District
Comprehensive Annual Financial Report
For the Fiscal Year Ended June 30, 2012
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December 10, 2012

Board of Education Members
and Residents of the Southern Hills Joint Vocational School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Southern Hills Joint Vocational School District for the fiscal year ended June 30, 2012. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. The intent of this report is to provide the taxpayers of the Southern Hills Joint Vocational School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision making.

This report enables the School District to comply with Ohio Administrative Code Section 117-2-03 (B), which requires reporting on a GAAP (Generally Accepted Accounting Principles) basis, and Section 117.38 of the Ohio Revised Code which requires the school districts reporting on a GAAP basis to file an unaudited annual report with the Auditor of State within 150 days of fiscal year-end.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed the anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Balestra, Harr & Scherer, CPAs, Inc., has issued an unqualified ("clean") opinion on the Southern Hills Joint Vocational School District's financial statements for the fiscal year ended June 30, 2012. The Independent Auditor's Report is located at the front of the Financial Section of this report.

Management's Discussion and Analysis immediately follows the Independent Auditor's Report and provides a narrative introduction, overview, and analysis of the basic financial statements. Management's Discussion and Analysis complements this letter of transmittal and should be read in conjunction with it.

FORMATION OF THE SCHOOL DISTRICT

The Southern Hills Joint Vocational School District offers adult and secondary students an array of programs and classes to serve the needs of all school districts in Brown County and Bright Local School District in Highland County. Secondary classes offered at the School District include Sports Medicine, Power Equipment Mechanics/Agricultural Industrial, Diversified Health Occupations, Information Technology/Computer Systems, Early Childhood Education, Automotive Technology, Carpentry, Welding, Cosmetology, Graphics, Business Technology and Criminal Justice. The Southern Hills Joint Vocational School District, with the cooperation of the local school districts, offers joint extended career technical programming in the areas of Marketing Education, Information Technology/Computer Systems, and Agricultural Science/Business. Adult Education offers various programming including: Ohio Peace Officers Training, Emergency Medical Technician, Fire Fighting, Nurse Aide and a variety of other career technology and lifelong learning as well as customized training.

The Southern Hills Joint Vocational School District was established in 1970 with classes held at Fincastle School, Winchester, Ohio. On May 8, 1973 voters of the Southern Hills Joint Vocational School District passed a levy to acquire real estate and construct a new school building. This marked the beginning of the joint venture serving all of the Brown County school districts and the Bright Local School District in Highland County. The school was constructed at 9193 Hamer Road, Georgetown, Ohio, and classes began at the site in August of 1975.

FORM OF GOVERNMENT AND REPORTING ENTITY

The Southern Hills Joint Vocational School District is a body politic and corporate established for the purpose of exercising the rights and privileges conveyed to it by the constitution and laws of the State of Ohio.

The original Southern Hills Joint Vocational School District Board of Education was comprised of five members. Three of the five members were appointed from the Brown County Educational Service Center, with an additional one member each from the Highland County Board of Education and the Georgetown Exempted Village School District. In 1997, the Highland County member was appointed by the newly combined Southern Ohio Educational Service District. In July 2001, because of auditing reasons and better representation for the local school districts, the board composition was changed to a seven member board. The representation currently has a member from the elected boards of five of the six home school districts (Eastern, Fayetteville-Perry, Georgetown Exempted Village, Ripley Union Lewis Huntington, and Western Brown), one member from the Brown County Educational Service Center, and one member from the Southern Ohio Educational Service Center to represent Bright Local.

The Board of Education serves as the taxing authority, contracting body and policy maker for the School District. The Board adopts the annual operating budget and approves all expenditures of the School District.

The Superintendent is the chief administrative officer of the School District and is responsible for the development, supervision, and operation of the school programs and facilities.

The Treasurer is the chief financial officer of the School District, and is responsible for maintaining financial records, issuing warrants, acting as the custodian of all School District funds and investing idle funds as specified by Ohio law. Other administrators include a Principal, a Director of Adult and Community Education and supervisors of various educational and support services.

The School District employs 54 full-time employees. These employees include certified, non-certified and administrative personnel providing services to 618 secondary students and 1,705 adult students. Secondary students include the full time equivalents of home schooled students and students attending programs offered outside the central building. These students are not included as full time students in the School District's average daily membership.

The reporting entity consists of all funds, departments, boards and agencies that are not legally separate from the School District. This includes general operations, food service and student related activities of the School District.

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

The Member School Districts have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are they fiscally dependent on the School District. The South Central Ohio Computer Association, and the Coalition of Rural and Appalachian Schools are reported as jointly governed organizations in Note 17. The Ohio SchoolComp Workers' Compensation Group Rating Plan is reported as an insurance purchasing pool in Note 18. The Brown County Schools Benefits Consortium is presented as a public entity shared risk and insurance purchasing pool in Note 19.

At the beginning of each fiscal year, the Board of Education adopts a temporary appropriation resolution for that fiscal year. By Statute, permanent appropriations must be adopted upon receipt from the County Auditor of an amended certificate of estimated resources based on final assessed values and tax rates. The School District generally adopts the permanent appropriation measure in September. The amended certificate of estimated resources and the final appropriation resolution serve as the foundation of the Southern Hills Joint Vocational School District's financial planning and control. The objective of budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriation resolution. The legal level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

ECONOMIC CONDITION AND OUTLOOK

Major industries located within the School District's boundaries include paper, agricultural/trailer equipment, plastics technology, tool box and surgical/medical equipment manufacturing. Further, with the growth of additional health facilities in the northern part of Brown County, there has been a considerable potential in the Health field. The Brown County Hospital has been sold to Scottsdale, Arizona based Southwest Healthcare Services. Southwest agreed to assume vendor debt, loans, leases and anything currently owed by the facility, relieving the Brown County commission and residents of any debt obligations. The northern part of the County has recently seen several new job opportunities with Cincinnati NAL Co Inc. constructing a new 7,500 square foot facility, American Trailer Works purchase of the Brown County Industrial Park and Southern State Community College announcement of a new facility in Mt. Orab. Brown County has seen slight increases in residential housing and jobs.

Brown County is a rural community in Southern Ohio with unemployment rates 0.6 percent above the State unemployment rate of 6.9 percent. During the past ten years, the unemployment rate rose from 5.5 percent in 2001 to a high of 13.7 percent in June 2009. The population of Brown County in the 2010 census was 44,846. Population projections for Brown County are indicating growth over the next decade. The population growth rate from 2000 to 2010 was 6.1 percent or 2,561 while the State of Ohio rate was 1.6 percent.

Although, there was an increase in population in Brown County from the 2010 census, the numbers may be depressed as a result of the recent unemployment and economic conditions. The State should re-evaluate the State and County population in light of the current economic conditions.

The Southern Hills Joint Vocational School District is located in the center of the six-member school districts it serves. The School District encompasses Brown and southern Highland counties, approximately 634 square miles which includes eight villages and 26 townships. The Career and Technical Center itself is located approximately 82 miles south of Columbus on U.S. Route 68, 44 miles east of Cincinnati on U.S. Route 125, and 77 miles north of Lexington, Kentucky on U.S. Route 68. This central position provides a strategic location for the future development of business and industry.

In the years after the 2000 census, Brown County saw increases in housing starts. According to estimates provided by the United States Census Bureau, housing units in 2010 and the homeownership rate in 2005 to 2009 were 19,301 and 78.6 percent, respectfully. However, with the current economic conditions, Brown County has had little recent growth in residential construction.

Because of recent economic conditions, the current housing growth rates, and property values, and market rates are significantly lower. Also, the continuing home foreclosure rates in the local area will continue to have a tremendous impact on tax collections, local and State revenue for this coming biennium, and the near foreseeable future.

Tourism has improved and is growing in Brown County. The John Rankin House in Ripley was the first stop on the “Underground Railroad” after crossing the Ohio River. It is now a State memorial and is open to the public. In addition, the John P. Parker House located in Ripley is listed as a National Historic Landmark by the National Park Service. Both historic buildings are continuing to improve the tourism sector of the county’s economy. Other attractions in Brown County include the Ulysses S. Grant home, Ohio Tobacco Museum, St. Martin’s Ursuline Center, Grant Lake State Wildlife area, six covered bridges, Washburn Log House, and the Ohio River.

Graduates of the Southern Hills Joint Vocational School District may seek local employment with major industrial employers like Brown County Hospital, Ohio Veterans Home, Ohio Valley Manor, Cincinnati Milacron, Stanley Works, Hawkline, Highland District Hospital, Mercy Hospital, various area nursing homes, and PCP Champion.

FINANCIAL TRENDS

The School District is currently on the transitional aid guarantee and is expecting to remain on this funding status until enrollment and a new funding formula is created by the State. Since the current biennium has introduced a new school funding system, the State indicated that in fiscal year 2012-2013 joint vocational school districts are flat funded.

FINANCIAL PLANNING AND POLICIES

The School District recently underwent a major renovation project costing a total \$11,115,454. A one-mill permanent improvement levy was earmarked for the renovation project as well as construction projects, maintenance and equipment purchases done after the renovation completion.

The School District acquired a \$500,000 loan from the Ohio Department of Education that helped finance the local share of the project for renovation. The School District was also able to secure help from a federal Qualified Zone Academy Bond (QZAB), a program in which bond holders receive a tax credit, rather than interest, for 12-15 years. Proceeds received from QZAB during fiscal year 2008 were higher than expected and covered the local share of the renovation project.

With the help of the QZAB proceeds, Southern Hills started a new Sports Medicine program that was introduced in fiscal year 2009, and a half day Civil Engineering program in fiscal year 2010. We also started a half day programming for a Bio-Technology program in fiscal year 2012. With the new biennium and because of budgetary constraints and decreases in revenue, School District expenses will have to be controlled. Another consideration is how the State will be funding Career and Technical Education.

In the prior fiscal year, some significant costs that the School District was incurring were fees, tools and uniforms for students who received free lunch. The State mandated that all School Districts pick up these costs if they are part of the students’ full participation in their career technology or educational program. A recent ruling now allows School Districts to charge fees to free and reduced lunch students.

MAJOR INITIATIVES

The School District is currently seeking ways to provide more efficient heating and cooling to its building, for future cost saving measures. Current considerations include solar and geothermal systems.

In addition, with enrollment declining in local school districts, Southern Hills is planning to evaluate potential incoming enrollment, in order to begin adjusting programs to better reflect the needs of our students. In doing so, the Southern Hills Joint Vocational School District has opened three new options for secondary students in the Career Tech Planning District. Beginning with the 2011-2012 school year a Biotechnology Program opened. This is an agricultural and lab procedure based program. Using funds from a REAP grant, the School District built a greenhouse to be used by the Biotechnology Program as well as another new program, Culinary Arts. The Culinary Arts program will begin with the 2013-2014 school year. This food science based program will exist in the vacated machine trades lab. Beginning this school year the Career Technical Center began offering Engineering. This is a manufacturing based program, following the Project Lead the Way curriculum. For adult learners, Southern Hills is in the process of beginning an advanced manufacturing program. This is in conjunction with local manufacturing companies as well as UC Clermont and Cincinnati State. The School District now has articulation agreements with local colleges to provide college credit for every secondary program.

AWARDS AND ACKNOWLEDGEMENTS

GFOA CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Southern Hills Joint Vocational School District for its comprehensive annual financial report for the fiscal year ended June 30, 2011. This was the seventh year that the School District has received this prestigious award. In order to be awarded a Certificate of Achievement, the School District must publish an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such a report must also satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for one year. We believe our current report continues to conform to the Certificate of Achievement program requirements; thus, we are submitting it to the GFOA for review.

ASBO CERTIFICATE OF EXCELLENCE

The Association of School Business Officials (ASBO) International Certificate of Excellence is awarded to those school districts who have voluntarily submitted their system's Comprehensive Annual Financial Report for review by an ASBO Panel of Review. This award certifies that the Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The Southern Hills Joint Vocational School District will also be submitting its seventh CAFR for this award for the fiscal year ended June 30, 2012.

ACKNOWLEDGEMENTS

The publication of this report is a major step toward professionalizing the financial reporting of the Southern Hills Joint Vocational School District. Appreciation is expressed to the Treasurer's staff: Paula Moore and Kari Barnes. A special thank-you is also extended to the Local Government Services Section of the Office of the Auditor of State for their assistance in preparing this year's CAFR. Sincere gratitude goes to the Board of Education, where the commitment to excellence begins.

Respectfully submitted,



Kevin Kratzer, Superintendent



Michael D. Boyd CPA, Treasurer
Southern Hills Joint Vocational School District

*Southern Hills Joint Vocational School District
Principal Officials
As Of June 30, 2012*

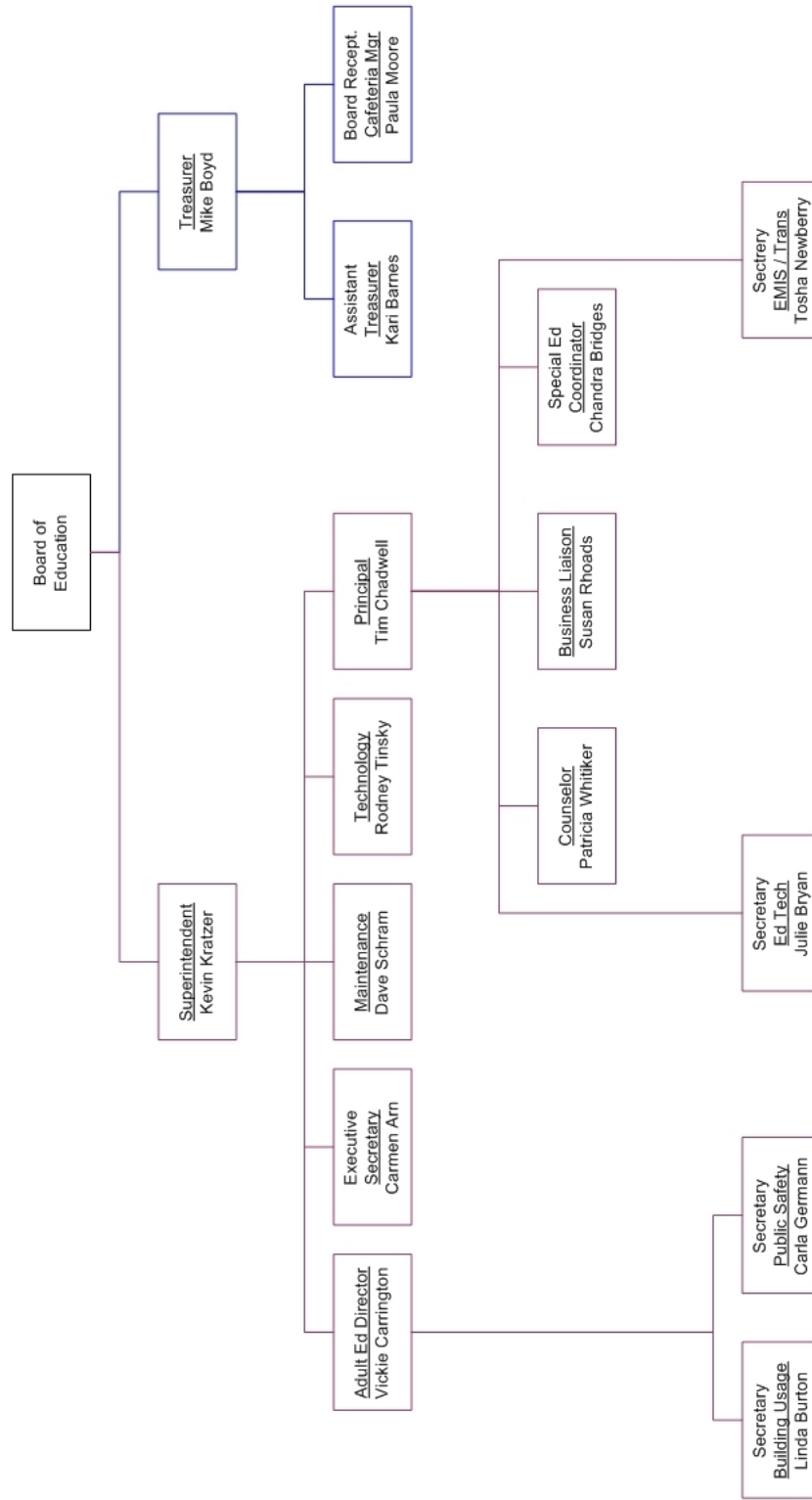
ELECTED OFFICIALS

President, Board of Education Richard Pride
Vice President, Board of Education..... Vernon Creighton
Board Member Jim Holden
Board Member Dick Colwell
Board Member Steve Cox
Board Member Richard Applegate
Board Member Jimmy Ferguson

ADMINISTRATIVE OFFICIALS

Superintendent Kevin Kratzer
Treasurer Michael Boyd
Principal Tim Chadwell
Special Education Coordinator Chandra Bridges
Building and Grounds Supervisor..... David Schram
Adult Education Director..... Vicki Carrington

Southern Hills 2011- 2012 Organizational Chart



Southern Hills Joint Vocational School District
Consultants and Advisors
June 30, 2012

Architects

SHP Leading Design
4805 Montgomery Road
Suite 400
Cincinnati, Ohio 45212

Bond Counsel

Bricker and Eckler LLP
100 South Third Street
Columbus, OH 43215

Independent Auditor

Balestra, Harr & Scherer, CPAs, Inc.
P.O. Box 687
528 South West Street
Piketon, OH 45661

CAFR Preparation Consultants

Dave Yost, Auditor of State
Local Government Services Section
88 East Broad Street
Columbus, OH 43215

**Workers' Compensation/
Unemployment**

CompManagement, Inc.
P.O. Box 884
Dublin, OH 43017

Investment Advisors

Fifth Third Bank
38 Fountain Square Plaza
MD #10903B
Cincinnati, OH 45263

Multi-Bank Securities
24280 Woodward Avenue
Pleasant Ridge, MI 48069

Legal Counsel

Ennis, Roberts & Fischer
1714 West Galbraith Road
Cincinnati, Ohio 45239

Ohio School Boards Association
8050 North High Street
Suite 100
Columbus, OH 43235

Official Depositories

National Bank & Trust
48 North South Street
Wilmington, OH 45177

State Treasury Asset Reserve of Ohio
National City Bank
P.O. Box 691195
Cincinnati, OH 45269-1195

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Southern Hills Joint Vocational
School District, Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

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.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

Association of School Business Officials International



*The Certificate of Excellence in Financial Reporting Award
is presented to*

Southern Hills Joint Vocational School District

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2011*

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards



A handwritten signature in cursive script, reading 'Brian L. Mee'.

Brian L. Mee, SFO, RSBA
President

A handwritten signature in cursive script, reading 'John D. Musso'.

John D. Musso, CAE, RSBA
Executive Director

FINANCIAL SECTION



Balestra, Harr & Scherer, CPAs, Inc.

Accounting, Auditing and Consulting Services for Federal, State and Local Governments

www.bhscpas.com

Independent Auditor's Report

Members of the Board of Education
Southern Hills Joint Vocational School District
9193 Hamer Rd.
Georgetown, Ohio 45121

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southern Hills Joint Vocational School District, Brown County, Ohio, (the School District) as of and for the year ended June 30, 2012, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School 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 the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Southern Hills Joint Vocational School District, Brown County, Ohio, as of June 30, 2012, and the respective changes in financial position, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 10, 2012 on our consideration of the School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require this presentation to include Management's Discussion and Analysis as listed in the table of contents, to supplement the basic financial statements. Although this information is not part of the basic financial statements, the Governmental Accounting Standards Board considers it essential for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any other assurance.

We conducted our audit to opine on the financial statements that collectively comprise the School District's basic financial statements taken as a whole. The introductory section, the financial section's combining statements, and individual fund statements and schedules and statistical section information provides additional analysis and are not a required part of the basic financial statements. The financial section's combining statements, individual fund statements and schedules are management's responsibility, and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. We also applied certain additional procedures, including comparing and reconciling this information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, in accordance with auditing standards generally accepted in the United States of America. In our opinion, this information is fairly stated in all material respects in relation to the basic financial statements taken as a whole. We did not subject the introductory section and statistical section information to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion or any other assurance on them.

As described in Note 3, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 64, Derivative Instruments: Application of Hedge Accounting Termination Provisions – an Amendment of GASB Statement No. 53.

Balestra, Harr & Scherer, CPAs

Balestra, Harr & Scherer, CPAs, Inc.
December 10, 2012

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

As management of the Southern Hills Joint Vocational School District, we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2012. We encourage readers to consider the information presented here, in conjunction with additional information we have provided in the financial statements and the notes to the financial statements to enhance their understanding of the School District's financial performance.

This discussion and analysis of Southern Hills Joint Vocational School District's financial performance is intended to serve as an introduction to the School District's basic financial statements, and provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2012. The Southern Hills Joint Vocational School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Financial Highlights

- In fiscal year 2012, the School District added a Bio-Technology Program which saw an enrollment of 50 students. Using grant monies, the School District constructed a greenhouse to be used in the new program.

Using the Basic Financial Statements

This report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand Southern Hills Joint Vocational School District as a financial whole, an entire operating entity.

The *Statement of Net Assets* and the *Statement of Activities* provide information about the activities of the whole School District, presenting both an aggregate view of the School District's finances and a longer-term view of those finances. Fund financial statements provide the next level of detail. For governmental activities, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the School District's major funds with all other nonmajor funds presented in total in one column. The major funds for the Southern Hills Joint Vocational School District are the General Fund and the Permanent Improvement Capital Projects Fund.

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Reporting the School District as a Whole

One of the most important questions asked about the School District is “How did we do financially during fiscal year 2012?” The *Statement of Net Assets* and the *Statement of Activities*, which appear first in the School District’s financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all *assets* and *liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year’s revenues and expenses regardless of when cash is received or paid.

These two statements report the School District’s net assets and changes in those assets. This change in net assets is important because it tells the reader that, for the School District as a whole, the financial position of the School District has improved or diminished. However, the School District’s goal is to provide services to students, not to generate profits as commercial entities do. One must consider many other non-financial factors, such as the School District’s property tax base, current property tax laws in Ohio restricting revenue growth, required educational programs and other factors.

Reporting the School District’s Most Significant Funds

Fund Financial Statements

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

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

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Fiduciary Funds – The School District’s fiduciary funds consist of an agency fund and a private purpose trust fund. We exclude these activities from the School District’s other financial statements because the School District cannot use these assets to finance its operations. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds use the accrual basis of accounting.

The School District as a Whole

Recall that the Statement of Net Assets provides the perspective of the School District as a whole.

Table 1 provides a summary of the School District’s net assets for fiscal years 2012 and 2011:

(Table 1)
Net Assets

	Governmental Activities		
	2012	2011	Change
Assets			
Current and Other Assets	\$11,086,537	\$10,529,319	\$557,218
Capital Assets, Net	13,100,268	13,425,769	(325,501)
Total Assets	24,186,805	23,955,088	231,717
Liabilities			
Current and Other Liabilities	2,272,902	2,189,721	83,181
Long-Term Liabilities	3,370,899	3,632,310	(261,411)
Total Liabilities	5,643,801	5,822,031	(178,230)
Net Assets			
Invested in Capital Assets, Net of Related Debt	11,152,795	11,453,323	(300,528)
Restricted	3,986,009	3,961,428	24,581
Unrestricted	3,404,200	2,718,306	685,894
Total Net Assets	\$18,543,004	\$18,133,057	\$409,947

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

Current and Other Assets increased \$557,218, due mainly to an increase in Equity in Pooled Cash and Cash Equivalents of \$414,512 as a result of revenues exceeding expenditures as well as the School District monitoring expenditures during the fiscal year. Capital Assets, Net decreased \$325,501, due to additions, offset by depreciation expense.

Current and Other Liabilities increased \$83,181, primarily due to an increase in Deferred Revenue for taxes receivable. Long-Term Liabilities decreased, due to payments on long-term debt and no new issuances. Unrestricted Net Assets increased 685,894, due to increases in Cash and Cash Equivalents during the year.

Table 2 shows the changes in net assets for fiscal years 2012 and 2011.

(Table 2)
Changes in Net Assets

	Governmental Activities 2012	Governmental Activities 2011	Change
Revenues			
Program Revenues:			
Charges for Services and Sales	\$294,222	\$273,546	\$20,676
Operating Grants, Contributions and Interest	1,488,410	1,477,853	10,557
Total Program Revenues	<u>1,782,632</u>	<u>1,751,399</u>	<u>31,233</u>
General Revenues:			
Property Taxes	2,252,672	2,323,764	(71,092)
Grants and Entitlements not Restricted to Specific Programs	2,564,226	2,755,127	(190,901)
Investment Earnings	75,298	115,320	(40,022)
Contributions and Donations	843	0	843
Miscellaneous	3,891	3,766	125
Total General Revenues	<u>4,896,930</u>	<u>5,197,977</u>	<u>(301,047)</u>
Total Revenues	<u>\$6,679,562</u>	<u>\$6,949,376</u>	<u>(\$269,814)</u>

continued

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited

(Table 2)
Changes in Net Assets
(continued)

	Governmental Activities 2012	Governmental Activities 2011	Change
Program Expenses			
Instruction:			
Regular	\$152,860	\$57,291	\$95,569
Special	36,354	6,026	30,328
Vocational	3,339,083	3,996,183	(657,100)
Adult/Continuing	136,322	131,893	4,429
Support Services:			
Pupils	529,312	479,865	49,447
Instructional Staff	102,743	137,404	(34,661)
Board of Education	33,941	43,055	(9,114)
Administration	631,008	641,907	(10,899)
Fiscal	372,494	378,024	(5,530)
Business	4,285	5,259	(974)
Operation and Maintenance of Plant	583,300	366,483	216,817
Pupil Transportation	42,481	30,566	11,915
Central	55,466	62,842	(7,376)
Operation of Non-Instructional Services:			
Food Service Operations	215,020	257,863	(42,843)
Extracurricular Activities	8,879	9,560	(681)
Interest and Fiscal Charges	26,067	25,995	72
Total Expenses	<u>6,269,615</u>	<u>6,630,216</u>	<u>(360,601)</u>
Change in Net Assets	409,947	319,160	90,787
Net Assets at Beginning of Year	<u>18,133,057</u>	<u>17,813,897</u>	<u>319,160</u>
Net Assets at End of Year	<u><u>\$18,543,004</u></u>	<u><u>\$18,133,057</u></u>	<u><u>\$409,947</u></u>

Program revenues increased \$31,233. Charges for Services and Sales increased \$20,676, and Operating Grants, Contributions and Interest increased \$10,557. Property Taxes decreased \$71,092 due to a decrease in the amount of taxes available for advance. Investment Earnings decreased \$40,022, primarily due to a decline in interest rates during the fiscal year.

Program expenses decreased \$360,601 due to the School District diligently working to cut costs in all possible areas. Vocational Instruction decreased \$657,100. In 2011, the School District paid out severance amounts due to the retirement of four experienced staff members. No such expenditures occurred in 2012. Operation and Maintenance of Plant increased by \$216,817 due to an increase in repairs and maintenance for the year.

*Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2012
Unaudited*

Governmental Activities

Grants and Entitlements made up 52 percent of general revenues for governmental activities of the Southern Hills Joint Vocational School District for fiscal year 2012. It is very common for these monies to make up the majority of revenues in low property wealth districts that rely on State revenue to support its daily operations.

As should be expected, Instruction costs represent the largest of the School District's expenses for fiscal year 2012. Support Services expenses make up 38 percent of governmental expenses. Support Services provide a key role in meeting the needs of our students, tutoring to transportation, on-line testing to guidance and maintenance, and assisting our staff in providing an educational process that ranks us near the top of joint vocational school districts' Ohio Department of Education Secondary Workforce Development Report Card in providing education to career technology students.

The School District's Funds

Information about the School District's major funds starts on page 14. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$6,714,644 and expenditures of \$6,210,703. The net change in fund balance for the fiscal year was most significant in the General Fund, an increase of \$483,493, primarily due to a decrease in Vocational Instruction. This was due to severance payments in 2011. No such expenditures occurred in 2012. The Permanent Improvement Capital Projects Fund had a decrease of \$111,173, primarily due to a decrease in interest revenue.

General Fund - Budget Highlights

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

During the course of fiscal year 2012, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A summary of the General Fund original and final budgeted amounts is listed on page 18, as well as the actual amounts. A variance comparison is presented between the final budgeted amount and the actual amounts.

For the General Fund, the original budget basis revenues were \$5,146,465, with a final budget estimate of \$5,313,658, a difference of \$167,193 due mainly to a large increase in intergovernmental revenue offset by a decrease in property taxes. There was a \$19,552 variance between the final budget and actual budget basis revenues.

Southern Hills Joint Vocational School District
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Original budget basis expenditures and carryover encumbrances for the General Fund were \$5,122,399 and final budget basis expenditures and carryover encumbrances were \$5,233,710, a difference of \$111,311. The increase in estimated expenditures was primarily related to an increase in Vocational Instruction. Final actual expenditures fell below the final budgeted expenditures by \$416,602. This was mainly due to the School District's efforts to control costs during the fiscal year.

The School District's ending unobligated cash balance in the General Fund was \$445,618 above the final budgeted amount.

Debt

At June 30, 2012, the School District had \$266,669 in loans outstanding, with \$33,333 due within one year. In addition, the School District had \$2,760,619 in capital leases payable at fiscal year-end.

For more information on Debt, refer to the notes to the basic financial statements (Notes 14 and 15).

Capital Assets

At the end of fiscal year 2012, the School District had \$13,100,268 in capital assets. Capital Assets decreased \$325,501 from the prior fiscal year. This was due primarily to the purchase of capital assets during fiscal year 2012, offset by increases in accumulated depreciation. For more information on Capital Assets, refer to the notes to the basic financial statements (Note 9).

Current Issues

The Southern Hills Joint Vocational School District continues to be very proud of the fact that only one additional operating levy has been needed since the School District began operations in 1975. The School District is currently ranked as the sixth poorest among joint vocational school districts, based on average unadjusted property valuation per average daily membership in the State. Although the School District is considered low wealth, it provides a quality education for its students, ranking in the top 15 of all 49 Joint Vocational School Districts in the State of Ohio for the last six years. The School District currently has 15 career-tech programs housed at the Career Technical Center and five satellite programs at the local schools, with a total of approximately 690 students served by the School District. The School District has seen a decline in program offerings at the Career Technical Center and local school districts due to construction at the Career Technical Center, budget constraints, and declining enrollment. Southern Hills Joint Vocational School District offered a new Sports Medicine program at the Career Technical Center in fiscal year 2009 due to an anticipated increase in high school junior and senior enrollments at our local districts.

Southern Hills Joint Vocational School District
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The Southern Hills Joint Vocational School District depends dramatically on the State of Ohio School funding system with over 60 percent of the School District's operating budget supplied by the State. There is a zero percent increase in fiscal year 2012. The State has to appoint a 28 member board that will determine how joint vocational school districts will be funded in the future, but there is no representation by anyone from a joint vocational school district that is either a superintendent or treasurer. Currently, no recommendation for future funding has been determined.

The School District recently completed a major renovation project that completely updated the original building that was constructed in 1975. The building project included improvements to the electrical, plumbing, security, and safety systems, the roof, and updates with state of the art technology.

In addition to the remodel, a 10,500 square-foot addition was included in the total project funded with local money. The School District is still trying to close out the project. Significant issues that remained such as structural, HVAC, roofing, paint, asphalt and grading/seeding were completed by August 2010, three years after the building was occupied after the renovation. Further, the School District installed three gas boilers to save on energy costs in the future.

Southern Hills Joint Vocational School District has also replaced fans, exhaust systems, chillers, coolers, freezers and kitchen equipment. The School District doubled the amount of storage space by renovating a barn on the property and building another storage building. The School District is currently looking into building another storage building to house equipment used in the industrial mechanics program.

Southern Hills has positioned itself for future growth and needs to meet the ever changing business and education landscape locally, regionally, and globally.

Contacting the School District's Financial Management

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the School District's finances and to show the School District's accountability for the money it receives. If you have any questions about this report or need additional information, contact Michael Boyd, Treasurer at Southern Hills Joint Vocational School District, 9193 Hamer Road, Georgetown, Ohio 45121 or e-mail at mike_shc@scoca-k12.org.

BASIC FINANCIAL STATEMENTS

Southern Hills Joint Vocational School District

Statement of Net Assets

June 30, 2012

	<u>Governmental Activities</u>
<u>Assets:</u>	
Equity in Pooled Cash and Cash Equivalents	\$8,598,435
Materials and Supplies Inventory	1,474
Inventory Held for Resale	3,514
Accrued Interest Receivable	48,914
Prepaid Items	5,191
Property Taxes Receivable	2,388,073
Intergovernmental Receivable	40,936
Capital Assets:	
Land	339,053
Construction in Progress	25,000
Depreciable Capital Assets, Net	<u>12,736,215</u>
<i>Total Assets</i>	<u>24,186,805</u>
<u>Liabilities:</u>	
Accounts Payable	12,118
Accrued Wages and Benefits Payable	393,403
Intergovernmental Payable	72,494
Accrued Interest Payable	24,190
Deferred Revenue	1,770,697
Long-Term Liabilities:	
Due Within One Year	235,869
Due in More Than One Year	<u>3,135,030</u>
<i>Total Liabilities</i>	<u>5,643,801</u>
<u>Net Assets:</u>	
Invested in Capital Assets, Net of Related Debt	11,152,795
Restricted for:	
Capital Outlay	1,913,155
Food Service	366,860
Adult Education	547,840
Classroom Facilities	1,023,516
Other Purposes	114,341
Set-Asides	20,297
Unrestricted	<u>3,404,200</u>
<i>Total Net Assets</i>	<u><u>\$18,543,004</u></u>

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Activities
For the Fiscal Year Ended June 30, 2012

	Program Revenues			Net (Expense) Revenue and Changes in Net Assets
	Expenses	Charges for Services and Sales	Operating Grants, Contributions, and Interest	Governmental Activities
<u>Governmental Activities:</u>				
Instruction:				
Regular	\$152,860	\$110,104	\$0	(\$42,756)
Special	36,354	0	147,190	110,836
Vocational	3,339,083	0	1,043,241	(2,295,842)
Adult/Continuing	136,322	46,730	29,732	(59,860)
Support Services:				
Pupils	529,312	0	126,569	(402,743)
Instructional Staff	102,743	0	7,579	(95,164)
Board of Education	33,941	0	0	(33,941)
Administration	631,008	54,641	34,765	(541,602)
Fiscal	372,494	0	0	(372,494)
Business	4,285	128	81	(4,076)
Operation and Maintenance of Plant	583,300	334	0	(582,966)
Pupil Transportation	42,481	0	0	(42,481)
Central	55,466	0	0	(55,466)
Operation of Non-Instructional Services	215,020	82,285	99,253	(33,482)
Extracurricular Activities	8,879	0	0	(8,879)
Interest and Fiscal Charges	26,067	0	0	(26,067)
<i>Total Governmental Activities</i>	<u>\$6,269,615</u>	<u>\$294,222</u>	<u>\$1,488,410</u>	<u>(4,486,983)</u>

General Revenues:

Property Taxes Levied for:	
General Purposes	1,643,652
Other Purposes	157,500
Capital Outlay	451,520
Grants and Entitlements not	
Restricted to Specific Programs	2,564,226
Investment Earnings	75,298
Contributions and Donations	843
Miscellaneous	3,891
<i>Total General Revenues</i>	<u>4,896,930</u>
Change in Net Assets	409,947
Net Assets at Beginning of Year	18,133,057
Net Assets at End of Year	<u>\$18,543,004</u>

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Balance Sheet
Governmental Funds
June 30, 2012

	General	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$3,405,763	\$2,495,423	\$2,676,952	\$8,578,138
Restricted Assets:				
Equity in Pooled Cash and Cash Equivalents	20,297	0	0	20,297
Receivables:				
Property Taxes	1,738,620	649,453	0	2,388,073
Accrued Interest	47,055	0	1,859	48,914
Intergovernmental	0	0	40,936	40,936
Interfund	115,204	0	0	115,204
Prepaid Items	4,367	0	824	5,191
Materials and Supplies Inventory	0	0	1,474	1,474
Inventory Held for Resale	0	0	3,514	3,514
Advances to Other Funds	200,000	0	0	200,000
<i>Total Assets</i>	<u>\$5,531,306</u>	<u>\$3,144,876</u>	<u>\$2,725,559</u>	<u>\$11,401,741</u>
<u>Liabilities and Fund Balances:</u>				
<u>Liabilities:</u>				
Accounts Payable	\$2,505	\$9,305	\$308	\$12,118
Accrued Wages and Benefits Payable	374,239	0	19,164	393,403
Intergovernmental Payable	66,182	0	6,312	72,494
Interfund Payable	0	0	115,204	115,204
Deferred Revenue	1,442,600	513,654	8,658	1,964,912
Advances From Other Funds	0	0	200,000	200,000
<i>Total Liabilities</i>	<u>1,885,526</u>	<u>522,959</u>	<u>349,646</u>	<u>2,758,131</u>
<u>Fund Balances:</u>				
Nonspendable	204,367	0	2,298	206,665
Restricted	0	2,621,917	2,373,615	4,995,532
Committed	182,435	0	0	182,435
Assigned	88,520	0	0	88,520
Unassigned	3,170,458	0	0	3,170,458
<i>Total Fund Balances</i>	<u>3,645,780</u>	<u>2,621,917</u>	<u>2,375,913</u>	<u>8,643,610</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$5,531,306</u>	<u>\$3,144,876</u>	<u>\$2,725,559</u>	<u>\$11,401,741</u>

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2012*

Total Governmental Fund Balances \$8,643,610

***Amounts reported for governmental activities in the
 Statement of Net Assets are different because:***

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. These assets consist of:

Land	339,053	
Construction in progress	25,000	
Other capital assets	20,447,193	
Accumulated depreciation	<u>(7,710,978)</u>	
		13,100,268

Some of the School District's revenues will be collected after fiscal year-end, but are not available soon enough to pay for the current period's expenditures and therefore are deferred in the funds.

Property taxes	140,704	
Intergovernmental	6,886	
Interest	<u>46,625</u>	
		194,215

In the Statement of Activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due. (24,190)

Some liabilities are not due and payable in the current period and therefore are not reported in the funds. Those liabilities consist of:

Loans	(266,669)	
Capital leases	(2,760,619)	
Compensated absences	<u>(343,611)</u>	
Total liabilities		<u>(3,370,899)</u>

Net Assets of Governmental Activities \$18,543,004

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2012

	General	Permanent Improvement	Other Governmental Funds	Total Governmental Funds
<u>Revenues:</u>				
Property Taxes	\$1,642,479	\$450,925	\$157,500	\$2,250,904
Intergovernmental	3,538,057	108,940	446,399	4,093,396
Investment Earnings	37,713	31,637	1,738	71,088
Tuition and Fees	16,005	0	101,499	117,504
Rent	334	0	0	334
Customer Sales and Services	94,099	0	82,285	176,384
Contributions and Donations	230	0	913	1,143
Miscellaneous	2,792	1,099	0	3,891
Total Revenues	5,331,709	592,601	790,334	6,714,644
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	141,918	0	0	141,918
Vocational	2,739,079	268,634	108,106	3,115,819
Adult/Continuing	0	6,040	127,120	133,160
Support Services:				
Pupils	382,276	0	120,236	502,512
Instructional Staff	94,016	599	5,874	100,489
Board of Education	33,808	0	0	33,808
Administration	464,165	0	149,229	613,394
Fiscal	341,627	21,416	0	363,043
Business	3,937	0	348	4,285
Operation and Maintenance of Plant	429,735	35,149	81,943	546,827
Pupil Transportation	38,995	0	0	38,995
Central	49,631	0	5,757	55,388
Operation of Non-Instructional Services	0	2,898	179,850	182,748
Extracurricular Activities	8,879	0	0	8,879
Capital Outlay	400	121,065	0	121,465
Debt Service:				
Principal Retirement	0	221,978	0	221,978
Interest and Fiscal Charges	0	25,995	0	25,995
Total Expenditures	4,728,466	703,774	778,463	6,210,703
Excess of Revenues Over (Under) Expenditures	603,243	(111,173)	11,871	503,941
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Capital Assets	5,250	0	0	5,250
Transfers In	0	0	125,000	125,000
Transfers Out	(125,000)	0	0	(125,000)
Total Other Financing Sources (Uses)	(119,750)	0	125,000	5,250
Net Change in Fund Balances	483,493	(111,173)	136,871	509,191
Fund Balances at Beginning of Year	3,162,287	2,733,090	2,239,042	8,134,419
Fund Balances at End of Year	<u>\$3,645,780</u>	<u>\$2,621,917</u>	<u>\$2,375,913</u>	<u>\$8,643,610</u>

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
*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, 2012*

Net Change in Fund Balances - Total Governmental Funds \$509,191

**Amounts reported for governmental activities in the
Statement of Activities are different because:**

Capital outlays are reported as expenditures in governmental funds. However, in the Statement of Activities, the cost of capital assets is allocated over their estimated useful lives as depreciation expense. In the current period, these amounts are:

Capital assets additions	492,932	
Depreciation expense	(779,635)	
Excess of capital outlay under depreciation expense		(286,703)

The proceeds from the sale of capital assets are reported as revenue in the governmental funds. However, the cost of the capital assets are removed from the capital assets account in the Statement of Net Assets and offset against the proceeds from the sale of capital assets resulting in a loss on the sale of capital assets in the Statement of Activities.

Proceeds from Sale of Capital Assets	(5,250)	
Loss on Sale and Disposal of Capital Assets	(33,548)	
		(38,798)

Because some revenues will not be collected for several months after the School District's fiscal year ends, they are not considered "available" revenues and are deferred in the governmental funds.

Delinquent property taxes	1,768	
Intergovernmental	(42,771)	
Interest	5,921	
Total deferred		(35,082)

Repayment of long-term debt is reported as an expenditure in governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Assets. In the current fiscal year, these amounts consist of:

Loan principal payment	33,333	
Lease principal payment	188,645	
Total long-term debt repayment		221,978

Interest on long-term debt in the Statement of Activities differs from the amount reported in the governmental funds because interest is recognized as an expenditure in the funds when it is due, and thus requires the use of current financial resources. In the Statement of Activities, however, interest expense is recognized as the interest accrues, regardless of when it is due. The difference in the amount of interest on the Statement of Activities when compared to the expenditures reported in governmental funds is the result of a increase in accrued interest. (72)

Some items reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds. These activities consist of:

Decrease in compensated absences payable		39,433

Change in Net Assets of Governmental Activities \$409,947

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget and Actual (Budget Basis)
General Fund
For the Fiscal Year Ended June 30, 2012

	Budgeted Amounts		Actual	Variance Positive (Negative)
	Original	Final		
<u>Revenues:</u>				
Property Taxes	\$1,838,250	\$1,642,462	\$1,642,462	\$0
Intergovernmental	3,175,976	3,524,445	3,538,057	13,612
Investment Earnings	36,045	40,000	40,347	347
Tuition and Fees	12,381	13,740	16,005	2,265
Rent	901	1,000	334	(666)
Customer Sales and Services	81,715	90,681	94,099	3,418
Contributions and Donations	67	75	230	155
Miscellaneous	1,130	1,255	1,676	421
Total Revenues	5,146,465	5,313,658	5,333,210	19,552
<u>Expenditures:</u>				
Current:				
Instruction:				
Regular	146,096	146,543	141,725	4,818
Vocational	2,958,958	3,066,118	2,820,667	245,451
Support Services:				
Pupils	400,920	396,286	379,689	16,597
Instructional Staff	98,605	100,274	93,709	6,565
Board of Education	29,700	42,733	30,980	11,753
Administration	501,096	502,223	472,570	29,653
Fiscal	360,473	362,492	344,470	18,022
Business	15,875	15,875	3,937	11,938
Operation and Maintenance of Plant	495,556	487,159	430,580	56,579
Pupil Transportation	52,630	49,930	39,189	10,741
Central	49,000	49,950	49,631	319
Extracurricular Activities	11,490	12,127	9,561	2,566
Capital Outlay	2,000	2,000	400	1,600
Total Expenditures	5,122,399	5,233,710	4,817,108	416,602
Excess of Revenues Over (Under) Expenditures	24,066	79,948	516,102	436,154
<u>Other Financing Sources (Uses):</u>				
Proceeds from Sale of Capital Assets	2,500	2,500	5,250	2,750
Refund of Prior Year Expenditures	1,150	1,150	1,116	(34)
Advances In	66,375	66,375	66,375	0
Advances Out	0	(72,000)	(71,817)	183
Transfers In	0	(6,565)	0	6,565
Transfers Out	(20,000)	(125,000)	(125,000)	0
Total Other Financing Sources (Uses)	50,025	(133,540)	(124,076)	9,464
Net Change in Fund Balance	74,091	(53,592)	392,026	445,618
Fund Balance at Beginning of Year	2,953,330	2,953,330	2,953,330	0
Prior Year Encumbrances Appropriated	49,577	49,577	49,577	0
Fund Balance at End of Year	\$3,076,998	\$2,949,315	\$3,394,933	\$445,618

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Private Purpose Trust	
	Scholarship	Agency
<u>Assets:</u>		
Equity in Pooled Cash and Cash Equivalents	\$68,788	\$27,235
<u>Liabilities:</u>		
Undistributed Monies	0	\$27,235
<u>Net Assets:</u>		
Held in Trust for Scholarships	\$68,788	

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Funds
June 30, 2012

	Private Purpose Trust
	Scholarship
<u>Additions:</u>	
Contribution and Donations	\$3,759
Miscellaneous	17
	3,776
<i>Total Additions</i>	3,776
<u>Deductions:</u>	
Payments in Accordance with Trust Agreements	500
	3,276
<i>Changes in Net Assets</i>	3,276
Net Assets Beginning of Year	65,512
	65,512
Net Assets End of Year	\$68,788
	\$68,788

See accompanying notes to the basic financial statements

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

The Southern Hills Joint Vocational School District (the “School District”) is a distinct political subdivision of the State of Ohio operated under the direction of a seven-member Board of Education. The Board of Education is not directly elected. The Board of Education is comprised of members of other elected boards who, by charter, also serve as board members of the Southern Hills Joint Vocational School. The School District provides educational services as authorized by State statute and federal guidelines.

A board member is appointed by each local board of education within the Joint Vocational School District. The Board is appointed by the boards of Georgetown Exempted Village School District and Western Brown, Eastern, Fayetteville Perry and Ripley Union Lewis Huntington Local School Districts. Bright Local School District has assigned their appointment to the Southern Ohio Educational Service Center. The Brown County Educational Service Center makes the final appointment to the Board. The School District is responsible for levying taxes, approving its own budget, appointing personnel, and accounting and finance related activities.

The School District, located in Brown County, was established in 1970 and includes all of Brown County and the Bright Local School District in Highland County. The School District serves an area of approximately 634 square miles. It is staffed by 20 non-certificated and 34 certificated teaching personnel and administrative employees providing education to 618 secondary students and 1,705 adult education students. Secondary students include the full-time equivalents of home schooled students and students attending programs offered outside the central building. These students are not included as full-time students in the School District’s average daily membership.

Reporting Entity

The School District is a jointly governed organization, legally separate from other organizations. None of the school districts that appoint Board members are financially accountable for the School District.

The reporting entity is comprised of the jointly governed organization, component units, and other organizations that are included to ensure that the financial statements are not misleading. The jointly governed organization of the School District consists of all funds, departments, boards and agencies that are not legally separate from the School District. For Southern Hills Joint Vocational School District, this includes general operations, food service, continuing education and student related activities of the School District.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

(continued)

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

The School District participates in four organizations, two of which are defined as jointly governed organizations, one as an insurance purchasing pool, and one as a public entity shared risk and insurance purchasing pool. These organizations are the South Central Ohio Computer Association, the Coalition of Rural and Appalachian Schools, the Ohio SchoolComp Workers' Compensation Group Rating Plan, and the Brown County Schools Benefits Consortium. These organizations are presented in Notes 17, 18 and 19 to the basic financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide Financial Statements

The Statement of Net Assets and the Statement of Activities display information about the School District as a whole. These statements include the financial activities of the School District, except for fiduciary funds. The government-wide statements usually distinguish between those activities that are governmental and those that are considered business-type activities; however, the School District has no business-type activities.

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

Fund Financial Statements

During the fiscal year, the School District segregates transactions related to certain School District functions or activities into separate funds in order to aid financial management and to demonstrate legal compliance. Fund financial statements are designed to present financial information of the School District at this more detailed level. The focus of governmental fund financial statements is on major funds rather than reporting 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 type.

B. Fund Accounting

The School District uses funds to maintain its financial records during the fiscal year. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The School District accounts for its activities using two categories of funds: governmental and fiduciary.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

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

General – The General Fund is the operating fund of the School District and is used to account for and report all financial resources not accounted for and reported in another fund. The General Fund balance is available to the School District for any purpose provided it is expended or transferred according to the general laws of Ohio.

Permanent Improvement – This fund accounts for and reports property tax revenues restricted to acquiring, constructing, or improving capital assets.

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

Fiduciary Funds

Fiduciary fund reporting focuses on net assets and changes in net assets. The fiduciary fund category is split into four classifications: pension trust funds, investment trust funds, private purpose trust funds and agency funds. Trust funds are used to account for assets held by the School District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the School District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The School District's only fiduciary funds are a private purpose trust fund and an agency fund. The private purpose trust fund accounts for college scholarship programs for students. The School District's agency fund accounts for those student activities which consist of a student body, student president, student treasurer and faculty advisor.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus

Government-wide Financial Statements

The government-wide financial statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the School District are included on the Statement of Net Assets. The Statement of Activities reports increases (e.g., revenues) and decreases (e.g., expenses) in net total assets.

Fund Financial Statements

All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the Balance Sheet. The Statement of Revenues, Expenditures and Changes in Fund Balances reports on the sources (i.e., revenues and other financing sources) and uses (i.e., expenditures and other financing uses) of current financial resources. This approach differs from the manner in which the governmental activities of the government-wide financial statements are prepared. Governmental fund financial statements therefore include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

The private purpose trust fund is reported using the economic resources measurement focus.

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

Revenue resulting from exchange transactions, in which each party gives and receives essentially equal value, is recorded on the accrual basis when the exchange takes place. On a modified accrual basis, revenue is recorded in the fiscal year in which the resources are measurable and become available. “Measurable” means that the amount of the transaction can be determined and “available” means that the resources will be collected within the current fiscal year, or are expected to be collected soon enough thereafter to be used to pay liabilities of the current fiscal year. For the School District, available means expected to be received within 60 days of fiscal year-end.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Non-exchange transactions, in which the School District receives value without directly giving equal value in return, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied (see Note 7). Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Eligibility requirements include timing requirements, which specify the fiscal year when the resources are required to be used or the fiscal year when use is first permitted; matching requirements, in which the School District must provide local resources to be used for a specified purpose; and expenditure requirements, in which the resources are provided to the School District on a reimbursement basis. On a modified accrual basis, revenue from non-exchange transactions must also be available before it can be recognized.

Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at fiscal year-end: property taxes available for advance, grants and interest.

Deferred Revenue

Deferred revenue arises when assets are recognized before revenue recognition criteria have been satisfied.

Property taxes for which there is an enforceable legal claim as of June 30, 2012, but which were levied to finance fiscal year 2013 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

On governmental fund financial statements, receivables that will not be collected within the available period have also been reported as deferred revenue.

Expenses/Expenditures

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents” on the financial statements.

During fiscal year 2012, the School District’s investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio), negotiable and non-negotiable certificates of deposit, a repurchase agreement, and Federal National Mortgage Association Notes. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as non-negotiable certificates of deposit and repurchase agreements are reported at cost. For investments in open-ended mutual funds, the fair value is determined by the fund’s current share price.

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 net asset value per share which is the price the investment could be sold for on June 30, 2012.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the General Fund during fiscal year 2012 amounted to \$37,713, which includes \$17,241 assigned from other School District funds. Interest revenue credited to the Permanent Improvement Capital Projects Fund during fiscal year 2012 amounted to \$31,637, which includes \$16,207 assigned from other School District funds.

Investments of the cash management pool and investments with an original maturity of three months or less at the time they are purchased by the School District are presented on the financial statements as cash equivalents.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments or imposed by law through constitutional provisions. Restricted assets in the General Fund include amounts required by statute to be set-aside by the School District for budget stabilization (see Note 20).

G. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are reported as “Interfund Receivable” and “Interfund Payable.” Long-term interfund loan receivables are reported as “Advances to Other Funds” or “Advances from Other Funds” and are classified as nonspendable fund balance which indicate that they are not in spendable form even though it is a component of net current assets. These amounts are eliminated in the governmental activities column of the Statement of Net Assets.

H. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2012, 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 fiscal year in which services are consumed.

I. Inventory

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

J. Capital Assets

All capital assets of the School District are general capital assets that are associated with governmental activities. General capital assets usually result from expenditures in the governmental funds. These assets are reported in the governmental activities column of the government-wide Statement of Net Assets but are not reported in the fund financial statements.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Capital assets are capitalized at cost (or estimated historical cost which is determined by indexing the current replacement cost back to the fiscal year of acquisition) and updated for additions and retirements during the fiscal year. Donated capital assets are recorded at their fair market values as of the date received. The School District maintains a capitalization threshold of \$500. The School District does not possess any infrastructure. Improvements are capitalized; the costs of normal maintenance and repairs that do not add to the value of the asset or materially extend an asset's life are not capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Land Improvements	15 years
Buildings and Improvements	20 - 50 years
Furniture and Equipment	8 - 10 years
Vehicles	10 years
Textbooks	5 years

K. Compensated Absences

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

Sick leave benefits are accrued as a liability using the vesting method. The liability includes the employees who are currently eligible to receive termination benefits and those the School District has identified as probable of receiving payment in the future. The amount is based on accumulated sick leave and employees' wage rates at fiscal year-end, taking into consideration any limits specified in the School District's termination policy. The School District records a liability for accumulated unused sick leave for employees with at least 15 years of service for all positions.

The entire compensated absences liability is reported on the government-wide financial statements.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

L. Accrued Liabilities and Long-term Obligations

All payables, accrued liabilities and long-term obligations are reported in the government-wide financial statements.

In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full from current financial resources, are reported as obligations of the governmental funds. However, compensated absences that will be paid from governmental funds are reported as a liability in the fund financial statements only to the extent that they are due for payment in the current fiscal year.

Loans and capital leases are recognized as a liability on the governmental fund financial statements when due.

M. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the School is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash.

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Assigned Amounts in the assigned fund balance classification are intended to be used by the School District for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balance represents the remaining amount that is not restricted or committed. In the General Fund, assigned amounts represent amounts encumbered by the Treasurer for purchases on order. The Treasurer has been given authority to assign amounts for these purposes by the School District Board of Education.

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

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

N. 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 School District or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Net assets restricted for other purposes include federal and State grants restricted to expenditures for specified purposes.

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

O. Internal Activity

Transfers within governmental activities are eliminated on the government-wide financial statements.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Internal allocations of overhead expenses from one function to another or within the same function are eliminated on the Statement of Activities. Payments for interfund services provided and used are not eliminated.

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

P. Estimates

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

Q. Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, all of which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of budgetary control has been established by the Board of Education at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board of Education. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

The certificate of estimated resources may be amended during the fiscal year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts in the budgetary statement reflect the amounts in the certificate when the original appropriations were adopted. The amounts reported in the final budgeted amounts in the budgetary statement reflect the amounts in the amended certificate in effect at the time the final appropriations were passed.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2012

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

NOTE 3 – CHANGE IN ACCOUNTING PRINCIPLE

For fiscal year 2012, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 64, “Derivative Instruments: Application of Hedge Accounting Termination Provisions – an amendment of GASB Statement No. 53”. GASB Statement No. 64 clarifies whether an effective hedging relationship continues after the replacement of a swap counterparty or a swap counterparty's credit support provider. This statement sets forth criteria that establish when the effective hedging relationship continues and hedge accounting should continue to be applied. The implementation of this statement did not result in any change in the School District's financial statements.

NOTE 4 - FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the School District is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 4 - FUND BALANCES (continued)

Fund Balances	General Fund	Permanent Improvement Fund	Nonmajor Governmental Funds	Total
<i>Nonspendable</i>				
Prepays	\$4,367	\$0	\$824	\$5,191
Inventory	0	0	1,474	1,474
Long Term Advances	200,000	0	0	200,000
<i>Total Nonspendable</i>	204,367	0	2,298	206,665
<i>Restricted for</i>				
Permanent Improvements	0	2,621,917	0	2,621,917
Food Service Operations	0	0	364,562	364,562
Miscellaneous Grants	0	0	105,683	105,683
Adult Education	0	0	547,840	547,840
Capital Maintenance	0	0	1,023,516	1,023,516
Capital Improvements	0	0	332,014	332,014
<i>Total Restricted</i>	0	2,621,917	2,373,615	4,995,532
<i>Committed to</i>				
Termination Benefits	182,435	0	0	182,435
<i>Assigned to</i>				
Purchases on Order	88,520	0	0	88,520
<i>Unassigned</i>	3,170,458	0	0	3,170,458
<i>Total Fund Balances</i>	\$3,645,780	\$2,621,917	\$2,375,913	\$8,643,610

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 5 – BUDGETARY BASIS OF ACCOUNTING (continued)

The major differences between the budget basis and GAAP basis are that:

1. Revenues are recorded when received in cash (budget basis) as opposed to when susceptible to accrual (GAAP basis).
2. Expenditures are recorded when paid in cash (budget basis) as opposed to when the liability is incurred (GAAP basis).
3. Encumbrances are treated as expenditures (budget basis) rather than as restricted, committed or assigned fund balance (GAAP basis).
4. Advances In and Advances Out are operating transactions (budget basis) as opposed to Balance Sheet transactions (GAAP basis).

The following table summarizes the adjustments necessary to reconcile the GAAP and budgetary basis statements for the General Fund.

<u>Net Change in Fund Balance</u>	
GAAP Basis	\$483,493
Adjustments:	
Revenue Accruals	2,781
Expenditure Accruals	(62,272)
Advances	(5,442)
Encumbrances	(26,370)
Net Increase in Fair Value of Investments - FY 2011	4,593
Net Increase in Fair Value of Investments - FY 2012	(2,951)
Unrecorded Interest	(1,806)
Budget Basis	<u><u>\$392,026</u></u>

NOTE 6 – DEPOSITS AND INVESTMENTS

Monies held by the School District are classified by State statute into three categories.

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 – DEPOSITS AND INVESTMENTS (continued)

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

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

Interim monies held by the School District can be deposited or invested in the following securities:

1. United States Treasury bills, bonds, notes, or any other obligation or security issued by the United States Treasury, or any other obligation guaranteed as to principal and interest by the United States;
2. Bonds, notes, debentures, or any other obligation or security issued by any federal government agency or instrumentality including, but not limited to, the Federal National Mortgage Association, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, Government National Mortgage Association, and Student Loan Marketing Association. All federal agency securities shall be direct issuances of federal government agencies or instrumentalities;
3. Written repurchase agreements in the securities listed above;
4. Bonds and other obligations of the State of Ohio;
5. Time certificates of deposit or savings or deposit accounts including, but not limited to, passbook accounts;
6. No-load money market mutual funds consisting exclusively of obligations described in division (1) or (2) above;
7. The State Treasurer's investment pool (STAROhio); and
8. Commercial paper and bankers acceptances if training requirements have been met.

Investments in stripped principal or interest obligations, reverse repurchase agreements, and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage, and short selling are also prohibited. Investments may only be made through specified dealers and institutions.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 – DEPOSITS AND INVESTMENTS (continued)

Investments

As of June 30, 2012, the School District had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)		Moody's Rating	Percent of Total Investments
		Less Than 1	1-3		
STAROhio	\$180,698	\$180,698	\$0	N/A	N/A
Negotiable Certificates of Deposit	899,098	0	899,098	N/A	30.31%
Repurchase Agreement	1,636,615	1,636,615	0	Aaa	55.17%
Federal National Mortgage Association Medium Term Notes	249,970	0	249,970	Aaa	8.43%
Total Investments	<u>\$2,966,381</u>	<u>\$1,817,313</u>	<u>\$1,149,068</u>		

Interest Rate Risk

The School District has no investment policy beyond State statute that addresses interest rate risk. State statute requires that an investment mature within five years from the date of purchase, unless matched to a specific obligation or debt of the School District, and that an investment must be purchased with the expectation that it will be held to maturity. Repurchase agreements are limited to 30 days and the market value of the securities must exceed the principal value of the agreement by at least two percent and be marked to market daily.

Credit Risk

STAROhio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service. The negotiable certificates of deposit are in denominations of under \$250,000 each, in separate banks, and are insured by the Federal Deposit Insurance Corporation (FDIC). The negotiable certificates of deposit are, therefore, not subject to credit risk. The repurchase agreement is invested in the Goldman Sachs Financial Square Government Funds. The School District has no investment policy that addresses credit risk.

Custodial Credit Risk

Custodial credit risk is the risk that in the event of the failure of the counterparty, the School District will not be able to recover the value of its investments or collateral securities that are in the possession of the outside party. All of the School District's securities are either insured and registered in the name of the School District or at least in the name of the School District. The School District has no investment policy dealing with investment custodial risk beyond the requirement in State statute that prohibits payment for investments prior to the delivery of the securities representing such investments to the Treasurer or qualified trustee.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 6 – DEPOSITS AND INVESTMENTS (continued)

Concentration of Credit Risk

The School District places no limit on the amount it may invest in any one issuer.

NOTE 7 – PROPERTY TAXES

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

Property taxes include amounts levied against all real and public utility property located in the School District. Real property tax revenue received in calendar year 2012 represents collections of calendar year 2011 taxes. Real property taxes received in calendar year 2012 were levied after April 1, 2011, on the assessed value listed as of January 1, 2011, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semi-annually. If paid annually, payment is due December 31; if paid semi-annually, the first payment is due December 31 with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenue received in calendar year 2012 represents collections of calendar year 2011 taxes. Public utility real and tangible personal property taxes received in calendar year 2012 became a lien December 31, 2010, were levied after April 1, 2011 and are collected with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property currently is assessed at varying percentages of true value.

The School District receives property taxes from Brown County. The Brown County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2012 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property and public utility property taxes which were measurable as of June 30, 2012 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reflected as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 7 – PROPERTY TAXES (continued)

The amounts available as an advance at June 30, 2012, were \$340,873 in the General Fund and \$135,799 in the Permanent Improvement Capital Projects Fund. The amounts available as an advance at June 30, 2011, were \$340,856 in the General Fund and \$135,790 in the Permanent Improvement Capital Projects Fund.

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

The assessed values upon which fiscal year 2012 taxes were collected are:

	<u>2011 Second- Half Collections</u>		<u>2012 First- Half Collections</u>	
	<u>Amount</u>	<u>Percent</u>	<u>Amount</u>	<u>Percent</u>
Real Estate	\$757,045,340	94.97%	\$758,999,620	94.74%
Public Utility Personal	40,091,590	5.03%	42,131,110	5.26%
Total Assessed Value	<u>\$797,136,930</u>	<u>100.00%</u>	<u>\$801,130,730</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$6.40		\$6.40	

NOTE 8 – RECEIVABLES

Receivables at June 30, 2012, consisted of property taxes, interest, intergovernmental grants, interfund and advances. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivable amounts, except delinquent property taxes and advances, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. A list of the School District’s intergovernmental receivables follows:

	<u>Amount</u>
<u>Governmental Activities:</u>	
Adult Education	\$6,539
Vocational Education Equipment	20,604
Renewed Opportunity Grant	10,000
Title II-A Improving Teacher Quality Grant	1,873
Schools that Work Grant	1,920
Total Intergovernmental Receivables	<u>\$40,936</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2012

NOTE 9 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2012, was as follows:

	Ending Balance 6/30/2011	Additions	Deletions	Ending Balance 6/30/2012
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	\$339,053	\$0	\$0	\$339,053
Construction in Progress	0	25,000	0	25,000
Total Capital Assets, Not Being Depreciated	<u>339,053</u>	<u>25,000</u>	<u>0</u>	<u>364,053</u>
Capital Assets Being Depreciated				
Land Improvements	504,320	5,885	0	510,205
Buildings and Improvements	14,403,491	129,047	0	14,532,538
Furniture and Equipment	4,728,024	306,494	(77,924)	4,956,594
Vehicles	421,350	22,211	0	443,561
Textbooks	0	4,295	0	4,295
Total Capital Assets Being Depreciated	<u>20,057,185</u>	<u>467,932</u>	<u>(77,924)</u>	<u>20,447,193</u>
Less Accumulated Depreciation:				
Land Improvements	(426,251)	(5,217)	0	(431,468)
Buildings and Improvements	(3,550,761)	(453,376)	0	(4,004,137)
Furniture and Equipment	(2,731,515)	(294,974)	39,126	(2,987,363)
Vehicles	(261,942)	(25,281)	0	(287,223)
Textbooks	0	(787)	0	(787)
Total Accumulated Depreciation	<u>(6,970,469)</u>	<u>(779,635) *</u>	<u>39,126</u>	<u>(7,710,978)</u>
Total Capital Assets Being Depreciated, Net	<u>13,086,716</u>	<u>(311,703)</u>	<u>(38,798)</u>	<u>12,736,215</u>
Governmental Activities Capital Assets, Net	<u>\$13,425,769</u>	<u>(\$286,703)</u>	<u>(\$38,798)</u>	<u>\$13,100,268</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 9 – CAPITAL ASSETS (continued)

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$15,319
Special	4,231
Vocational	657,016
Adult/Continuing	1,737
Support Services:	
Pupils	11,694
Instructional Staff	2,254
Board of Education	133
Administration	10,455
Fiscal	9,187
Operation and Maintenance of Plant	34,782
Pupil Transportation	3,486
Central	78
Operation of Non-Instructional Services:	
Food Service Operations	29,263
Total Depreciation Expense	<u><u>\$779,635</u></u>

NOTE 10 – RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2012, the School District contracted with Governmental Underwriters of America, Inc. (GUA) for general liability insurance with a \$6,000,000 single occurrence limit and an \$8,000,000 aggregate. Property is protected by GUA and holds a \$1,000 deductible with a \$20,410,200 limit. The School District's vehicles are covered by GUA under a business policy and hold a \$250 deductible for comprehensive and a \$1,000 deductible for collision with a \$1,000,000 limit on any accident. School Board errors and omissions coverage is provided by GUA and has a \$6,000,000 general liability and an \$8,000,000 aggregate limit. Settled claims have not exceeded this commercial coverage in any of the past three fiscal years. There has been no significant change in coverage from the prior fiscal year.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 10 – RISK MANAGEMENT (continued)

B. Workers' Compensation

For fiscal year 2012, the School District participated in the Ohio SchoolComp Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 18). The intent of the GRP is to achieve the benefit of a reduce premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participants is calculated as one experience and a common premium rate is applied to all participants in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to participants that can meet the GRP's selection criteria. The firm of CompManagement, Inc. provides administrative, cost control and actuarial services to the GRP. Each year, the School District pays an enrollment fee to the GRP to cover the costs of administering the program.

C. Employee Medical and Dental Benefits

The School District participates in the Brown County Schools Benefits Consortium (the Consortium), a public entity shared risk and insurance purchasing pool (Note 19) consisting of nine districts. The Consortium has elected to have United Healthcare provide medical coverage purchased as a group through the Consortium. Dental coverage is being provided through a shared risk pool based on member districts' number of employees. The School District is responsible for providing a current listing of enrolled employees and for providing timely pro-rata payments of premiums to the Consortium for employee health coverage and dental benefits. The Consortium is responsible for the management and operations of the program. Upon termination from the Consortium, for any reason, the terminated member relinquishes their portion of equity in the Consortium's cash pool.

NOTE 11 – DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

Plan Description – The School District participates in the School Employees Retirement System (SERS), a cost-sharing multiple-employer defined benefit pension plan. SERS provides retirement, disability and survivor benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by Ohio Revised Code Chapter 3309. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by visiting the SERS website at www.ohsers.org under Employers/Audit Resources.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 11 – DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute 14 percent of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to statutory maximum amounts of 10 percent for plan members and 14 percent for employers. The Retirement Board, acting with the advice of the actuary, allocates the employer contribution rate among four of the System's funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care Fund). For the fiscal year ended June 30, 2012, the allocation to pension and death benefits was 12.70 percent. The remaining 1.30 percent of the 14 percent employer contribution rate is allocated to the Medicare B and Health Care funds. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2012, 2011, and 2010 were \$97,340, \$73,750 and \$86,991, respectively. For fiscal year 2012, 94.01 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

B. State Teachers Retirement System of Ohio

Plan Description – The School District participates in the State Teachers Retirement System of Ohio (STRS Ohio), a cost-sharing multiple-employer public employee retirement system. STRS Ohio provides retirement and disability benefits to members and death and survivor benefits to beneficiaries. STRS Ohio issues a stand-alone financial report that can be obtained by writing to STRS Ohio, 275 E. Broad St., Columbus, OH 43215-3771, by calling (888) 227-7877, or by visiting the STRS Ohio Web site at www.strsoh.org.

New members have a choice of three retirement plans; a Defined Benefit (DB) Plan, a Defined Contribution (DC) Plan and a Combined Plan. The DB plan offers an annual retirement allowance based on final average salary multiplied by a percentage that varies based on years of service, or an allowance based on a member's lifetime contributions and earned interest matched by STRS Ohio funds divided by an actuarially determined annuity factor. The DC Plan allows members to place all their member contributions and employer contributions equal to 10.5 percent 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 member may elect to receive a lifetime monthly annuity or a lump sum withdrawal. The Combined Plan offers features of both the DB Plan and the DC Plan. In the Combined Plan, 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. The DB portion of the Combined Plan payment is payable to a member on or after age 60; the DC portion of the account may be taken as a lump sum payment or converted to a lifetime monthly annuity at age 50. Benefits are established by Ohio Revised Code Chapter 3307.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 11 – DEFINED BENEFIT PENSION PLANS (continued)

A DB or Combined Plan member with five or more years of 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 of the DC Plan dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Funding Policy – Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon the recommendation of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. For the fiscal year ended June 30, 2012, plan members were required to contribute 10 percent of their annual covered salary. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2012, 2011, and 2010 were \$270,614, \$316,250, and \$335,776, respectively. For fiscal year 2012, 85.33 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

Contributions made to STRS Ohio for the DC Plan for fiscal year 2012 were \$356 made by the School District and \$255 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2012, four members of the Board of Education have elected Social Security. The contribution rate is 6.2 percent of wages.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 12 - POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description – The School District participates in two cost-sharing multiple-employer defined benefit other postemployment benefit (OPEB) plans administered by the School Employees Retirement System for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's, Medicare Advantage, and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligation to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which can be obtained on SERS' website at www.ohsers.org under Employers/Audit Resources.

Funding Policy - State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 105(e). For fiscal year 2012, 0.55 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for fiscal year 2012, this amount was \$35,800. During fiscal year 2012, the School District paid \$10,341 in surcharge.

Active employee members do not contribute to the Health Care Plan. Retirees and their beneficiaries are required to pay a health care premium that varies depending on the plan selected, the number of qualified years of service, Medicare eligibility and retirement status.

The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$14,556, \$22,169, and \$18,586, respectively. For fiscal year 2012, 94.01 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For 2012, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2012, 2011, and 2010 were \$5,748, \$4,746, and \$5,173, respectively. For fiscal year 2012, 94.01 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 12 – POSTEMPLOYMENT BENEFITS (continued)

B. State Teachers Retirement System of Ohio

Plan Description – The School District participates in the cost-sharing multiple-employer defined benefit Health Plan administered by the State Teachers Retirement System of Ohio (STRS Ohio) for eligible retirees who participated in the defined benefit or combined pension plans offered by STRS Ohio. Ohio law authorizes STRS to offer this plan. Benefits include hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums. The Plan is included in the report of STRS Ohio which can be obtained by visiting www.strsoh.org or by calling (888) 227-7877.

Funding Policy – Ohio Revised Code Chapter 3307 authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Health Care Plan. All benefit recipients, for the most recent year, pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For fiscal year 2012, STRS Ohio allocated employer contributions equal to one percent of covered payroll to post-employment health care. The School District's contributions for health care for the fiscal years ended June 30, 2012, 2011, and 2010 were \$20,816, \$24,327, and \$25,829 respectively. For fiscal year 2012, 85.33 percent has been contributed, with the balance being reported as an intergovernmental payable. The full amount has been contributed for fiscal years 2011 and 2010.

NOTE 13 – EMPLOYEE BENEFITS

A. Compensated Absences

The criteria for determining vacation and sick leave benefits are derived from negotiated agreements and State laws. Classified employees earn 10 to 25 days of vacation per fiscal year, depending upon length of service. Vacation leave may be accumulated up to a maximum of 100 days. Teachers do not earn vacation time. Accumulated, unused vacation time is paid to classified employees and certified employees who earn vacation time upon termination of employment.

Teachers, administrators, and classified employees earn sick leave at the rate of one and one-fourth days per month for a total of 15 days of sick leave for each fiscal year under contract. Sick leave may be accumulated up to a maximum of 250 days for all personnel. Upon retirement, payment is made for one-fourth of accrued, but unused sick leave credit up to a maximum of 62.50 days for all personnel.

B. Other Employee Benefits

The School District provides life insurance and accidental death and dismemberment insurance to most employees through Lincoln National Insurance Company. Vision insurance is provided to the School District by Vision Service Plan.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 14 – CAPITALIZED LEASE – LESSEE DISCLOSURE

The School District has entered into a lease agreement for a renovation project involving the School District building, which meets the definition of a Qualified Zone Academy. As part of the agreement, the School District received \$3,465,997 in lease proceeds from JPMorgan, the lessor. Of these proceeds, \$2,141,004 was receipted in to the Debt Service Fund and was used to pay the outstanding principal and interest of \$2,104,790 and \$36,214, respectively, on a lease that was originally entered into in 2006 with Fifth Third Bank for the construction project. The remaining proceeds of \$1,324,993 were receipted in to the Permanent Improvement Capital Projects Fund for use in the construction project. The School District makes annual interest payments of 0.75 percent to the lessor and annual sinking fund transfers to an irrevocable trust with an escrow agent. The first sinking fund payment was made on July 31, 2008. The escrow agent will be investing the School District's deposits and has guaranteed a return on the investments to meet the School District's lease liability. JPMorgan Chase Bank, N.A. will be repaid in fiscal year 2023 when the entire principal amount of \$3,465,997 is due. There are mandatory deposits required to be made with the escrow agent in order to ensure that the lease is paid timely.

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2012.

<u>Fiscal Year Ending June 30,</u>	<u>Total Payments</u>
2013	\$223,487
2014	232,748
2015	242,444
2016	252,594
2017	263,220
2018-2022	1,493,773
2023	338,298
Total	<u>3,046,564</u>
Less: Amount Representing Interest	<u>(285,945)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$2,760,619</u></u>

The following is a schedule of the interest and sinking fund payments required under the lease and escrow agreements:

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 14 – CAPITALIZED LEASE – LESSEE DISCLOSURE (continued)

Fiscal Year Ending June 30,	Interest	Principal Retirement Through Investment Earnings	Sinking Fund Payments	Total Lease Payments
2013	\$25,995	\$40,443	\$157,049	\$223,487
2014	25,995	49,704	157,049	232,748
2015	25,995	59,400	157,049	242,444
2016	25,995	69,550	157,049	252,594
2017	25,995	80,176	157,049	263,220
2018-2022	129,975	578,553	785,245	1,493,773
2023	25,995	155,254	157,049	338,298
Total Lease Payments	\$285,945	\$1,033,080	\$1,727,539	\$3,046,564

The lease meets the criteria of a capital lease as defined by Statement of Financial Accounting Standards No. 13, "Accounting for Leases," which defines a capital lease generally as one which transfers benefits and risks of ownership to the lessee.

As of June 30, 2012, \$1,074,989 of the proceeds of the lease were unexpended on the project.

NOTE 15 – LONG-TERM OBLIGATIONS

The changes in the School District's long-term obligations during fiscal year 2012 were as follows:

	Amount Outstanding 6/30/11	Additions	Deductions	Amount Outstanding 6/30/12	Amounts Due in One Year
<u>Governmental Activities:</u>					
2005 Facility Improvement and Equipment Replacement					
Loan - 0%	\$300,002	\$0	\$33,333	\$266,669	\$33,333
Compensated Absences	383,044	6,858	46,291	343,611	45,487
Capital Lease	2,949,264	0	188,645	2,760,619	157,049
Total Governmental Activities					
Long-Term Obligations	\$3,632,310	\$6,858	\$268,269	\$3,370,899	\$235,869

On February 16, 2005, the School District entered into a loan with the Ohio Department of Education in the amount of \$500,000 for the purpose of making facility improvements and replacing equipment. The loan was issued for a 15 year period, with final maturity during fiscal year 2020. The loan will be retired from the Permanent Improvement Fund.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 15 – LONG-TERM OBLIGATIONS (continued)

As of June 30, 2012, \$4,826 of the proceeds of this loan were unexpended on the project.

Principal requirements to retire the loan outstanding at June 30, 2012 are as follows:

<u>Fiscal Year</u> <u>Ending June 30,</u>	<u>Loan</u> <u>Principal</u>
2013	\$33,333
2014	33,333
2015	33,333
2016	33,333
2017	33,333
2018-2020	100,004
Total	<u><u>\$266,669</u></u>

Compensated absences will be paid from the General Fund, Lunchroom, Adult Education, and Renewed Opportunity Special Revenue Funds.

The School District's overall legal debt margin was \$72,101,766, with an unvoted debt margin of \$801,131 at June 30, 2012.

NOTE 16 – INTERFUND ACTIVITY

A. Interfund Receivables/Payables

As of June 30, 2012, interfund receivables and payables that resulted from various interfund transactions were as follows:

	<u>Receivable</u> <u>General Fund</u>
Payable Nonmajor Governmental Funds	<u><u>\$115,204</u></u>

The amounts due to the General Fund from Nonmajor Governmental Funds are the result of the School District moving unrestricted balances to support programs and projects accounted for in other funds. The General Fund will be reimbursed when funds become available in the Nonmajor Governmental Funds. All amounts are expected to be repaid within one year.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 16 – INTERFUND ACTIVITY (continued)

B. Interfund Transfers

Transfers made during the fiscal year ended June 30, 2012 were as follows:

	<u>Transfers From General Fund</u>
Transfers To	
Nonmajor Governmental Funds	<u>\$125,000</u>

Transfers were made from the General Fund to move unrestricted balances to support programs and projects accounted for in other funds.

C. Advances To/From Other Funds

As of June 30, 2012, receivables and payables that resulted from various long-term advances were as follows:

	<u>Advances From General Fund</u>
Advances To	
Nonmajor Governmental Funds	<u>\$200,000</u>

The advance from the General Fund to the Nonmajor Governmental Funds was made to cover expenditures for which the School District is awaiting reimbursement from the Ohio School Facilities Commission and to move monies needed to pay for supplies. The General Fund will be reimbursed when the monies are received or when balances become available.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 17 – JOINTLY GOVERNED ORGANIZATIONS

A. South Central Ohio Computer Association

The School District is a participant in the South Central Ohio Computer Association (SCOCA) which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Pickaway, Gallia, Highland, Adams, Pike, Scioto, Brown, Ross, Vinton, Jackson, and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, plus a representative of the fiscal agent. The School District paid SCOCA \$30,748 for services provided during the fiscal year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School District, Tonya Cooper, who serves as Treasurer, at P. O. Box 577, 175 Beaver Creek Road, Piketon, Ohio 45661.

B. Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (the “Coalition”) is a jointly governed organization of over 100 school districts in southeastern Ohio. The Coalition is operated by a board which is composed of 14 members. The board is 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 paid \$325 to the Coalition for services provided during the fiscal year.

NOTE 18 – INSURANCE PURCHASING POOL

Ohio SchoolComp Workers’ Compensation Group Rating Plan

The School District participates in the Ohio SchoolComp Workers’ Compensation Group Rating Plan (GRP), an insurance purchasing pool. The Ohio School Board Association (OSBA) and the Ohio Association of School Business Officials (OASBO) co-sponsor the GRP. The Executive Directors of the OSBA and the OASBO, or their designees, serve as coordinators of the program.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 19 – PUBLIC ENTITY SHARED RISK AND INSURANCE PURCHASING POOL

Brown County Schools Benefits Consortium

The Brown County Schools Benefits Consortium, a public entity shared risk and insurance purchasing pool, currently operates to provide medical insurance (insurance purchasing pool) and dental coverage (public entity shared risk pool) to enrolled employees of the consortium members and to eligible dependents of those enrolled employees. Six Brown County school districts (Eastern, Fayetteville-Perry, Georgetown, Ripley Union Lewis Huntington, Southern Hills Joint Vocational, and Western Brown Schools) and two Highland County school districts (Bright Local and Lynchburg-Clay Local School Districts), along with the Brown County Educational Service Center have entered into an agreement to form the Brown County Schools Benefits Consortium. The Consortium is governed by a nine member board consisting of the superintendents of each participating school district along with the superintendent of the Brown County Educational Service Center. The overall objectives of the consortium are to formulate and administer a program of medical and dental insurance for the benefit of the consortium members' employees and their dependents. The consortium contracts with United Healthcare to provide medical insurance directly to consortium member employees. The School District pays premiums to the consortium based on employee membership. For dental coverage the consortium acts as a public entity shared risk pool. Each member district pays dental premiums based on the consortium estimates of future claims. If the member district's dental claims exceed its premiums, there is no individual supplemental assessment; on the other hand, if the member district's claims are low, it will not receive a refund. Dental coverage is administered through a third party administrator, Dental Care Plus. Participating member districts pay an administrative fee to the fiscal agent to cover the costs associated with the administering of the Consortium. To obtain financial information write to the Brown County Educational Service Center at 325 West State St., Georgetown, Ohio 45121.

NOTE 20 – SET-ASIDES

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

The School District is no longer required to set aside funds in the budget stabilization set-aside, with the exception of refunds received from the Bureau of Workers' Compensation, which must be spent for specified purposes.

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2012

NOTE 20 – SET-ASIDE (continued)

	<u>Capital Acquisitions</u>	<u>Budget Stabilization</u>
Set-aside Balance as of June 30, 2011	\$0	\$20,297
Current Fiscal Year Set-aside Requirement	63,154	0
Qualifying Disbursements	(158,569)	0
Totals	<u>(\$95,415)</u>	<u>\$20,297</u>
Set-aside Balance as of June 30, 2012	<u>\$0</u>	<u>\$20,297</u>
Required Set-aside Balances Carried Forward to FY 2013	<u>\$0</u>	<u>\$20,297</u>

Amounts of offsets and qualifying expenditures presented in the table for the capital acquisition set-asides were limited to those necessary to reduce the year-end balance to zero. Although the School District may have had additional offsets and qualifying expenditures for capital acquisitions, these amounts may not be used to reduce the set-aside requirements of future fiscal years and therefore is not presented as being carried forward to the next fiscal year. In previous fiscal years, the School District was required to have a textbook set-aside requirement. Effective July 1, 2011, House Bill 30 of the 129th General Assembly repealed the textbook requirement.

NOTE 21 – CONTINGENCIES

A. Grants

The Auditor of State is currently performing a statewide review of supporting documentation for student attendance data reported to the Ohio Department of Education. The results of this review are still pending and will be reported separately to the Ohio Department of Education at a later date.

The School District received financial assistance from federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies.

Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. This also encompasses the Auditor of State's ongoing review of student attendance data. However, the effect of any such disallowed claims on the overall financial position of the School District at June 30, 2012, if applicable, cannot be determined at this time.

B. Litigation

There are currently no matters in litigation with the School District as defendant.

*Southern Hills Joint Vocational School District
Fund Descriptions*

Special Revenue Funds

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The following are descriptions of the School District's nonmajor Special Revenue Funds:

Nonmajor Special Revenue Funds

LUNCHROOM – This fund accounts for and reports the provision of food services restricted for the School District.

ADULT EDUCATION – This fund accounts for and reports restricted revenues and expenditures involved in advancing and retraining out-of-school youths and adults for the purpose of improving their skills and knowledge in their occupation or their planned occupation.

RENEWED OPPORTUNITY – This fund accounts for and reports the restricted revenues and expenditures involved in a collaborative effort of the Brown County Juvenile Court, Adams Brown JTPA, United Way and the School District to provide career opportunities to high risk juveniles.

OHIO SCHOOL FACILITIES MAINTENANCE – This fund accounts for and reports property taxes restricted to expenditures for the maintenance and upkeep of School District classroom facilities.

EDUCATIONAL MANAGEMENT INFORMATION SYSTEMS – This fund accounts for and reports grants restricted for hardware and software development, or other costs associated with the requirements of the educational management information systems.

ONENET – This fund accounts for and reports restricted State grants appropriated for Ohio Educational Computer Network Connections.

TECHNICAL PREPARATION GRANT – This fund accounts for and reports State grants restricted to provide career development and supplemental equipment to enhance training and inform students about job opportunities.

MISCELLANEOUS STATE GRANTS – This fund accounts for and reports various restricted grants received from State agencies which are not classified elsewhere. A separate special cost center is used for each grant.

(continued)

*Southern Hills Joint Vocational School District
Fund Descriptions*

Nonmajor Special Revenue Funds (continued)

VOCATIONAL EDUCATION PLANNING DISTRICT (VEPD) GRANT – This fund accounts for and reports restricted State grants used for career education and intervention services provided to secondary students.

IMPROVING TEACHER QUALITY – This fund accounts for and reports restricted federal grants received which are used to provide ongoing, high quality professional development at the school site for administrators, teachers, and other instructional staff. The program focuses on changing instructional practices that result in improved student performance.

MISCELLANEOUS FEDERAL GRANTS – This fund accounts for and reports the proceeds of specific federal grants that are legally restricted to expenditures for specific purposes.

Capital Projects Funds

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for capital outlays including the acquisition or construction of major capital facilities and other capital assets. The following are descriptions of the School District's nonmajor Capital Projects Funds:

OHIO SCHOOL FACILITIES COMMISSION (OSFC) LOCALLY FUNDED INITIATIVE – This fund is used to account for and report State grants that were transferred from the Permanent Improvement and Nonmajor Governmental Funds restricted for expenditures on the building renovation that are not funded by the Ohio School Facilities Commission.

OHIO SCHOOL FACILITIES COMMISSION (OSFC) VOCATIONAL RENOVATION PROJECT – This fund is used to account for and report all State grants, debt proceeds and interest received and expended in connection with contracts entered into by the School District and the Ohio School Facilities Commission restricted for the building and equipping of new classroom facilities.

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Southern Hills Joint Vocational School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$2,144,938	\$532,014	\$2,676,952
Receivables:			
Accrued Interest	1,859	0	1,859
Intergovernmental	40,936	0	40,936
Prepaid Items	824	0	824
Materials and Supplies Inventory	1,474	0	1,474
Inventory Held for Resale	3,514	0	3,514
Total Assets	\$2,193,545	\$532,014	\$2,725,559
<u>Liabilities and Fund Balances:</u>			
<u>Liabilities:</u>			
Accounts Payable	\$308	\$0	\$308
Accrued Wages and Benefits Payable	19,164	0	19,164
Intergovernmental Payable	6,312	0	6,312
Interfund Payable	115,204	0	115,204
Deferred Revenue	8,658	0	8,658
Advances from Other Funds	0	200,000	200,000
Total Liabilities	149,646	200,000	349,646
<u>Fund Balances:</u>			
Nonspendable	2,298	0	2,298
Restricted	2,041,601	332,014	2,373,615
Total Fund Balances	2,043,899	332,014	2,375,913
Total Liabilities and Fund Balances	\$2,193,545	\$532,014	\$2,725,559

Southern Hills Joint Vocational School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2012

	Lunchroom	Adult Education	Renewed Opportunity	Ohio School Facilities Maintenance	Educational Management Information Systems
<u>Assets:</u>					
Equity in Pooled Cash and Cash Equivalents	\$373,283	\$561,146	\$60,214	\$1,023,516	\$1,303
Receivables:					
Accrued Interest	1,859	0	0	0	0
Intergovernmental	0	6,539	10,000	0	0
Prepaid Items	824	0	0	0	0
Materials and Supplies Inventory	1,474	0	0	0	0
Inventory Held for Resale	3,514	0	0	0	0
Total Assets	\$380,954	\$567,685	\$70,214	\$1,023,516	\$1,303
<u>Liabilities and Fund Balances:</u>					
<u>Liabilities:</u>					
Accounts Payable	\$0	\$308	\$0	\$0	\$0
Accrued Wages and Benefits Payable	9,416	9,748	0	0	0
Intergovernmental Payable	2,906	3,250	0	0	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	1,772	6,539	0	0	0
Total Liabilities	14,094	19,845	0	0	0
<u>Fund Balances:</u>					
Nonspendable	2,298	0	0	0	0
Restricted	364,562	547,840	70,214	1,023,516	1,303
Total Fund Balances	366,860	547,840	70,214	1,023,516	1,303
Total Liabilities and Fund Balances	\$380,954	\$567,685	\$70,214	\$1,023,516	\$1,303

ONENet	Technical Preparation Grant	VEPD Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$1,800	\$22,816	\$41,529	\$2	\$59,329	\$2,144,938
0	0	0	0	0	1,859
0	0	22,524	1,873	0	40,936
0	0	0	0	0	824
0	0	0	0	0	1,474
0	0	0	0	0	3,514
<u>\$1,800</u>	<u>\$22,816</u>	<u>\$64,053</u>	<u>\$1,875</u>	<u>\$59,329</u>	<u>\$2,193,545</u>
\$0	\$0	\$0	\$0	\$0	\$308
0	0	0	0	0	19,164
0	0	156	0	0	6,312
0	0	54,000	1,875	59,329	115,204
0	0	347	0	0	8,658
<u>0</u>	<u>0</u>	<u>54,503</u>	<u>1,875</u>	<u>59,329</u>	<u>149,646</u>
0	0	0	0	0	2,298
<u>1,800</u>	<u>22,816</u>	<u>9,550</u>	<u>0</u>	<u>0</u>	<u>2,041,601</u>
<u>1,800</u>	<u>22,816</u>	<u>9,550</u>	<u>0</u>	<u>0</u>	<u>2,043,899</u>
<u>\$1,800</u>	<u>\$22,816</u>	<u>\$64,053</u>	<u>\$1,875</u>	<u>\$59,329</u>	<u>\$2,193,545</u>

Southern Hills Joint Vocational School District
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2012

	OSFC Locally Funded Initiative	OSFC Vocational Renovation Project	Total Nonmajor Capital Projects Funds
<u>Assets:</u>			
Equity in Pooled Cash and Cash Equivalents	\$98,839	\$433,175	\$532,014
<u>Liabilities:</u>			
Advances from Other Funds	\$0	\$200,000	\$200,000
<u>Fund Balances:</u>			
Restricted	98,839	233,175	332,014
<i>Total Liabilities and Fund Balances</i>	\$98,839	\$433,175	\$532,014

Southern Hills Joint Vocational School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	Total Other Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
<u>Revenues:</u>			
Property Taxes	\$157,500	\$0	\$157,500
Intergovernmental	446,399	0	446,399
Investment Earnings	1,486	252	1,738
Tuition and Fees	101,499	0	101,499
Customer Sales and Services	82,285	0	82,285
Contributions and Donations	913	0	913
	<u> </u>	<u> </u>	<u> </u>
<i>Total Revenues</i>	<u>790,082</u>	<u>252</u>	<u>790,334</u>
<u>Expenditures:</u>			
Current:			
Instruction:			
Vocational	108,106	0	108,106
Adult/Continuing	127,120	0	127,120
Support Services:			
Pupils	120,236	0	120,236
Instructional Staff	5,874	0	5,874
Administration	149,229	0	149,229
Business	348	0	348
Operation and Maintenance of Plant	81,943	0	81,943
Central	5,757	0	5,757
Operation of Non-Instructional Services	179,850	0	179,850
	<u> </u>	<u> </u>	<u> </u>
<i>Total Expenditures</i>	<u>778,463</u>	<u>0</u>	<u>778,463</u>
Excess of Revenues Over Expenditures	11,619	252	11,871
<u>Other Financing Sources:</u>			
Transfers In	125,000	0	125,000
	<u> </u>	<u> </u>	<u> </u>
Net Change in Fund Balances	136,619	252	136,871
Fund Balances at Beginning of Year	<u>1,907,280</u>	<u>331,762</u>	<u>2,239,042</u>
Fund Balances at End of Year	<u><u>\$2,043,899</u></u>	<u><u>\$332,014</u></u>	<u><u>\$2,375,913</u></u>

Southern Hills Joint Vocational School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2012

	<u>Lunchroom</u>	<u>Adult Education</u>	<u>Renewed Opportunity</u>	<u>Ohio School Facilities Maintenance</u>
<u>Revenues:</u>				
Property Taxes	\$0	\$0	\$0	\$157,500
Intergovernmental	97,242	64,465	33,838	0
Investment Earnings	1,486	0	0	0
Tuition and Fees	0	101,499	0	0
Customer Sales and Services	82,285	0	0	0
Contributions and Donations	300	0	0	613
<i>Total Revenues</i>	<u>181,313</u>	<u>165,964</u>	<u>33,838</u>	<u>158,113</u>
<u>Expenditures:</u>				
Current:				
Instruction:				
Vocational	0	0	0	0
Adult/Continuing	0	127,120	0	0
Support Services:				
Pupils	0	0	25,242	0
Instructional Staff	0	0	0	0
Administration	0	149,229	0	0
Business	0	348	0	0
Operation and Maintenance of Plant	0	0	0	81,943
Central	0	0	0	0
Operation of Non-Instructional Services	179,850	0	0	0
<i>Total Expenditures</i>	<u>179,850</u>	<u>276,697</u>	<u>25,242</u>	<u>81,943</u>
Excess of Revenues Over (Under) Expenditures	1,463	(110,733)	8,596	76,170
<u>Other Financing Sources:</u>				
Transfers In	20,000	105,000	0	0
Net Change in Fund Balances	21,463	(5,733)	8,596	76,170
Fund Balances (Deficit) at Beginning of Year	345,397	553,573	61,618	947,346
Fund Balances at End of Year	<u>\$366,860</u>	<u>\$547,840</u>	<u>\$70,214</u>	<u>\$1,023,516</u>

Educational Management Information System	ONENet	Technical Preparation Grant	VEPD Grant	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$0	\$0	\$0	\$0	\$0	\$157,500
0	1,800	500	178,294	1,873	68,387	446,399
0	0	0	0	0	0	1,486
0	0	0	0	0	0	101,499
0	0	0	0	0	0	82,285
0	0	0	0	0	0	913
<u>0</u>	<u>1,800</u>	<u>500</u>	<u>178,294</u>	<u>1,873</u>	<u>68,387</u>	<u>790,082</u>
0	0	0	39,719	0	68,387	108,106
0	0	0	0	0	0	127,120
0	0	0	94,994	0	0	120,236
0	0	0	4,001	1,873	0	5,874
0	0	0	0	0	0	149,229
0	0	0	0	0	0	348
0	0	0	0	0	0	81,943
5,757	0	0	0	0	0	5,757
0	0	0	0	0	0	179,850
<u>5,757</u>	<u>0</u>	<u>0</u>	<u>138,714</u>	<u>1,873</u>	<u>68,387</u>	<u>778,463</u>
(5,757)	1,800	500	39,580	0	0	11,619
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>125,000</u>
(5,757)	1,800	500	39,580	0	0	136,619
<u>7,060</u>	<u>0</u>	<u>22,316</u>	<u>(30,030)</u>	<u>0</u>	<u>0</u>	<u>1,907,280</u>
<u>\$1,303</u>	<u>\$1,800</u>	<u>\$22,816</u>	<u>\$9,550</u>	<u>\$0</u>	<u>\$0</u>	<u>\$2,043,899</u>

Southern Hills Joint Vocational School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2012

	OSFC Locally Funded Initiative	OSFC Vocational Renovation Project	Total Nonmajor Capital Projects Funds
<u>Revenues:</u>			
Investment Earnings	\$0	\$252	\$252
<u>Expenditures:</u>	0	0	0
Net Change in Fund Balances	0	252	252
Fund Balances at Beginning of Year	98,839	232,923	331,762
Fund Balances at End of Year	\$98,839	\$233,175	\$332,014

Southern Hills Joint Vocational School District
Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2012

	Balance at 6/30/2011	Additions	Deletions	Balance at 6/30/2012
STUDENT MANAGED ACTIVITY				
<u>Assets:</u>				
Equity in Pooled Cash and Cash Equivalents	\$23,794	\$37,941	\$34,500	\$27,235
<u>Liabilities:</u>				
Undistributed Monies	\$23,794	\$37,941	\$34,500	\$27,235

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Southern Hills Joint Vocational School District

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$1,642,462	\$1,642,462	\$0
Intergovernmental	3,524,445	3,538,057	13,612
Investment Earnings	40,000	40,347	347
Tuition and Fees	13,740	16,005	2,265
Rent	1,000	334	(666)
Customer Sales and Services	90,681	94,099	3,418
Contributions and Donations	75	230	155
Miscellaneous	1,255	1,676	421
Total Revenues	5,313,658	5,333,210	19,552
Expenditures			
Current:			
Instruction:			
Regular:			
Salaries and Wages	111,620	109,674	1,946
Fringe Benefits	31,573	31,074	499
Purchased Services	200	93	107
Materials and Supplies	1,900	258	1,642
Capital Outlay	1,250	626	624
Total Regular	146,543	141,725	4,818
Vocational:			
Salaries and Wages	1,609,369	1,596,301	13,068
Fringe Benefits	599,859	585,903	13,956
Purchased Services	243,477	183,605	59,872
Materials and Supplies	453,776	364,774	89,002
Capital Outlay	150,440	81,323	69,117
Other	9,197	8,761	436
Total Vocational	3,066,118	2,820,667	245,451
Total Instruction	3,212,661	2,962,392	250,269
Support Services:			
Pupils:			
Salaries and Wages	252,052	248,918	3,134
Fringe Benefits	132,224	121,307	10,917
Purchased Services	7,225	6,547	678
Materials and Supplies	2,655	2,112	543
Capital Outlay	2,130	805	1,325
Total Pupils	396,286	379,689	16,597
Instructional Staff:			
Salaries and Wages	61,525	61,519	6
Fringe Benefits	24,749	24,293	456
Purchased Services	250	199	51
Materials and Supplies	13,000	6,975	6,025
Capital Outlay	750	723	27
Total Instructional Staff	\$100,274	\$93,709	\$6,565

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2012
(continued)

	Final	Actual	Variance with Final Budget Positive (Negative)
Board of Education:			
Salaries and Wages	\$10,500	\$9,000	\$1,500
Fringe Benefits	2,233	1,863	370
Purchased Services	17,500	9,757	7,743
Other	12,500	10,360	2,140
Total Board of Education	<u>42,733</u>	<u>30,980</u>	<u>11,753</u>
Administration:			
Salaries and Wages	332,854	316,687	16,167
Fringe Benefits	144,061	139,164	4,897
Purchased Services	8,533	6,445	2,088
Materials and Supplies	14,275	9,880	4,395
Capital Outlay	2,500	394	2,106
Total Administration	<u>502,223</u>	<u>472,570</u>	<u>29,653</u>
Fiscal:			
Salaries and Wages	140,000	135,098	4,902
Fringe Benefits	125,833	123,700	2,133
Purchased Services	8,625	5,728	2,897
Materials and Supplies	3,133	2,120	1,013
Capital Outlay	1,500	0	1,500
Other	83,401	77,824	5,577
Total Fiscal	<u>362,492</u>	<u>344,470</u>	<u>18,022</u>
Business:			
Materials and Supplies	15,850	3,937	11,913
Other	25	0	25
Total Business	<u>15,875</u>	<u>3,937</u>	<u>11,938</u>
Operation and Maintenance of Plant:			
Salaries and Wages	181,500	176,868	4,632
Fringe Benefits	101,959	100,083	1,876
Purchased Services	157,700	122,380	35,320
Materials and Supplies	46,000	31,249	14,751
Total Operation and Maintenance of Plant	<u>487,159</u>	<u>430,580</u>	<u>56,579</u>
Pupil Transportation:			
Salaries and Wages	12,000	10,861	1,139
Fringe Benefits	2,330	1,908	422
Purchased Services	16,100	15,141	959
Materials and Supplies	19,500	11,279	8,221
Total Pupil Transportation	<u>\$49,930</u>	<u>\$39,189</u>	<u>\$10,741</u>

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2012
(continued)

	Final	Actual	Variance with Final Budget Positive (Negative)
Central:			
Fringe Benefits	\$175	\$175	\$0
Purchased Services	49,775	49,456	319
Total Central	49,950	49,631	319
Total Support Services	2,006,922	1,844,755	162,167
Extracurricular Activities:			
Academic and Subject Oriented Activities:			
Salaries and Wages	550	550	0
Fringe Benefits	85	85	0
Total Academic and Subject Oriented Activities	635	635	0
Occupational Oriented Activities:			
Salaries and Wages	9,900	7,700	2,200
Fringe Benefits	1,592	1,226	366
Total Occupational Oriented Activities	11,492	8,926	2,566
Total Extracurricular Activities	12,127	9,561	2,566
Capital Outlay:			
Site Improvement Services:			
Capital Outlay	2,000	400	1,600
<i>Total Expenditures</i>	5,233,710	4,817,108	416,602
Excess of Revenues Over Expenditures	79,948	516,102	436,154
<i>Other Financing Sources (Uses)</i>			
Proceeds from Sale of Capital Assets	2,500	5,250	2,750
Refund of Prior Year Expenditures	1,150	1,116	(34)
Advances In	66,375	66,375	0
Advances Out	(72,000)	(71,817)	183
Transfers In	(6,565)	0	6,565
Transfers Out	(125,000)	(125,000)	0
<i>Total Other Financing Sources (Uses)</i>	(133,540)	(124,076)	9,464
Net Change in Fund Balance	(53,592)	392,026	445,618
Fund Balance at Beginning of Year	2,953,330	2,953,330	0
Prior Year Encumbrances Appropriated	49,577	49,577	0
Fund Balance at End of Year	\$2,949,315	\$3,394,933	\$445,618

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Property Taxes	\$608,416	\$608,416	\$0
Intergovernmental	108,959	108,940	(19)
Investment Earnings	40	41	1
Miscellaneous	998	1,099	101
Total Revenues	718,413	718,496	83
Expenditures			
Current:			
Instruction:			
Vocational:			
Capital Outlay	426,476	316,409	110,067
Adult/Continuing:			
Capital Outlay	10,000	6,040	3,960
Total Instruction	436,476	322,449	114,027
Support Services:			
Instructional Staff:			
Capital Outlay	1,000	599	401
Total Instructional Staff	1,000	599	401
Fiscal:			
Capital Outlay	2,500	0	2,500
Other	22,500	21,416	1,084
Total Fiscal	25,000	21,416	3,584
Operation and Maintenance of Plant:			
Purchased Services	15,000	0	15,000
Capital Outlay	36,500	35,149	1,351
Total Operation and Maintenance of Plant	51,500	35,149	16,351
Total Support Services	77,500	57,164	20,336
Operation of Non-Instructional Services:			
Food Service Operations:			
Capital Outlay	30,000	2,898	27,102
Total Food Service Operations	30,000	2,898	27,102
Capital Outlay:			
Site Improvement Services:			
Purchased Services	38,200	17,736	20,464
Capital Outlay	242,420	136,833	105,587
Total Site Improvement Services	\$280,620	\$154,569	\$126,051

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement
For the Fiscal Year Ended June 30, 2012
(continued)

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Other Facilities Acquisition and Construction Services: Capital Outlay	\$43,150	\$12,250	\$30,900
Total Capital Outlay	323,770	166,819	156,951
Debt Service:			
Principal Retirement	202,005	190,382	11,623
Interest and Fiscal Charges	25,995	25,995	0
Total Debt Service	228,000	216,377	11,623
<i>Total Expenditures</i>	<u>1,095,746</u>	<u>765,707</u>	<u>330,039</u>
Excess of Revenues Over (Under) Expenditures	(377,333)	(47,211)	330,122
<i>Other Financing Uses</i>			
Transfers Out	(157,500)	(157,500)	0
Net Change in Fund Balance	(534,833)	(204,711)	330,122
Fund Balance at Beginning of Year	2,467,983	2,467,983	0
Prior Year Encumbrances Appropriated	103,996	103,996	0
Fund Balance at End of Year	<u>\$2,037,146</u>	<u>\$2,367,268</u>	<u>\$330,122</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Lunchroom*

For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$83,329	\$88,491	\$5,162
Investment Earnings	1,500	1,595	95
Customer Sales and Services	81,447	82,285	838
Contributions and Donations	300	300	0
<i>Total Revenues</i>	<u>166,576</u>	<u>172,671</u>	<u>6,095</u>
Expenditures			
Current:			
Operation of Non-Instructional Services:			
Food Service Operations:			
Salaries and Wages	90,000	54,508	35,492
Fringe Benefits	64,158	41,516	22,642
Purchased Services	6,976	3,303	3,673
Materials and Supplies	85,170	76,472	8,698
Capital Outlay	5,162	0	5,162
Other	150	22	128
<i>Total Expenditures</i>	<u>251,616</u>	<u>175,821</u>	<u>75,795</u>
Excess of Revenues Over (Under) Expenditures	<u>(85,040)</u>	<u>(3,150)</u>	<u>81,890</u>
Other Financing Sources (Uses)			
Refund of Prior Year Receipts	(467)	(467)	0
Transfers In	20,000	20,000	0
<i>Total Other Financing Sources (Uses)</i>	<u>19,533</u>	<u>19,533</u>	<u>0</u>
Net Change in Fund Balance	(65,507)	16,383	81,890
Fund Balance at Beginning of Year	354,446	354,446	0
Prior Year Encumbrances Appropriated	2,308	2,308	0
Fund Balance at End of Year	<u>\$291,247</u>	<u>\$373,137</u>	<u>\$81,890</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Education
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$65,000	\$64,465	(\$535)
Tuition and Fees	99,200	101,499	2,299
<i>Total Revenues</i>	<u>164,200</u>	<u>165,964</u>	<u>1,764</u>
Expenditures			
Current:			
Instruction:			
Adult/Continuing:			
Salaries and Wages	104,040	73,925	30,115
Fringe Benefits	20,595	8,092	12,503
Purchased Services	25,364	14,394	10,970
Materials and Supplies	47,833	33,168	14,665
Capital Outlay	4,850	4,850	0
Total Instruction	<u>202,682</u>	<u>134,429</u>	<u>68,253</u>
Support Services:			
Administration:			
Salaries and Wages	94,000	86,633	7,367
Fringe Benefits	61,877	59,885	1,992
Materials and Supplies	1,000	200	800
Capital Outlay	2,000	0	2,000
Total Administration	<u>158,877</u>	<u>146,718</u>	<u>12,159</u>
Business:			
Other	<u>875</u>	<u>348</u>	<u>527</u>
Total Support Services	<u>159,752</u>	<u>147,066</u>	<u>12,686</u>
<i>Total Expenditures</i>	<u>362,434</u>	<u>281,495</u>	<u>80,939</u>
Excess of Revenues Over (Under) Expenditures	(198,234)	(115,531)	82,703
Other Financing Sources			
Transfers In	<u>75,000</u>	<u>105,000</u>	<u>30,000</u>
Net Change in Fund Balance	(123,234)	(10,531)	112,703
Fund Balance at Beginning of Year	449,288	449,288	0
Prior Year Encumbrances Appropriated	<u>2,597</u>	<u>2,597</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$328,651</u></u>	<u><u>\$441,354</u></u>	<u><u>\$112,703</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Renewed Opportunity
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$33,840	\$23,838	(\$10,002)
Expenditures			
Current:			
Support Services:			
Pupils:			
Salaries and Wages	25,169	8,957	16,212
Fringe Benefits	10,095	5,824	4,271
Purchased Services	35,526	10,809	24,717
Materials and Supplies	864	864	0
Total Expenditures	71,654	26,454	45,200
Net Change in Fund Balance	(37,814)	(2,616)	35,198
Fund Balance at Beginning of Year	62,830	62,830	0
Fund Balance at End of Year	<u>\$25,016</u>	<u>\$60,214</u>	<u>\$35,198</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Ohio School Facilities Maintenance
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
	<u> </u>	<u> </u>	<u> </u>
Revenues			
Contributions and Donations	\$613	\$613	\$0
	<u> </u>	<u> </u>	<u> </u>
Expenditures			
Support Services:			
Operation and Maintenance of Plant:			
Purchased Services	35,000	12,498	22,502
Materials and Supplies	100,421	69,445	30,976
	<u> </u>	<u> </u>	<u> </u>
<i>Total Expenditures</i>	135,421	81,943	53,478
	<u> </u>	<u> </u>	<u> </u>
Excess of Revenues Over (Under) Expenditures	(134,808)	(81,330)	53,478
Other Financing Sources			
Transfers In	157,500	157,500	0
	<u> </u>	<u> </u>	<u> </u>
Net Change in Fund Balance	22,692	76,170	53,478
Fund Balance at Beginning of Year	946,925	946,925	0
Prior Year Encumbrances Appropriated	421	421	0
	<u> </u>	<u> </u>	<u> </u>
Fund Balance at End of Year	<u>\$970,038</u>	<u>\$1,023,516</u>	<u>\$53,478</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Educational Management Information Systems
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Expenditures			
Current:			
Support Services:			
Central:			
Salaries and Wages	5,120	5,120	0
Fringe Benefits	<u>692</u>	<u>692</u>	<u>0</u>
Total Expenditures	<u>5,812</u>	<u>5,812</u>	<u>0</u>
Net Change in Fund Balance	(5,812)	(5,812)	0
Fund Balance at Beginning of Year	5,915	5,915	0
Prior Year Encumbrances Appropriated	<u>1,200</u>	<u>1,200</u>	<u>0</u>
Fund Balance at End of Year	<u>\$1,303</u>	<u>\$1,303</u>	<u>\$0</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OneNet*

For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
<i>Revenues</i>			
Intergovernmental	\$1,800	\$1,800	\$0
<i>Expenditures</i>	<u>0</u>	<u>0</u>	<u>0</u>
Net Change in Fund Balance	1,800	1,800	0
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u>\$1,800</u>	<u>\$1,800</u>	<u>\$0</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Technical Preparation Grant
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$0	\$500	\$500
Expenditures			
Current:			
Instruction:			
Vocational:			
Capital Outlay	22,316	0	22,316
Net Change in Fund Balance	(22,316)	500	22,816
Fund Balance at Beginning of Year	22,316	22,316	0
Fund Balance at End of Year	\$0	\$22,816	\$22,816

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0
Expenditures	<u>0</u>	<u>0</u>	<u>0</u>
Excess of Revenues Over Expenditures	0	0	0
Other Financing Sources (Uses)			
Advances Out	<u>(3,600)</u>	<u>(3,600)</u>	<u>0</u>
Net Change in Fund Balance	(3,600)	(3,600)	0
Fund Balance at Beginning of Year	<u>3,600</u>	<u>3,600</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
VEPD Grant
For the Fiscal Year Ended June 30, 2012

	<u>Final Budgeted Amount</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues			
Intergovernmental	\$177,211	\$156,117	(\$21,094)
Expenditures			
Current:			
Instruction:			
Vocational:			
Salaries and Wages	22,791	22,791	0
Fringe Benefits	3,382	3,382	0
Purchased Services	6,468	6,468	0
Materials and Supplies	7,211	7,211	0
Total Vocational	<u>39,852</u>	<u>39,852</u>	<u>0</u>
Support Services:			
Pupils:			
Salaries and Wages	80,693	80,693	0
Fringe Benefits	24,332	24,332	0
Purchased Services	732	732	0
Total Pupils	<u>105,757</u>	<u>105,757</u>	<u>0</u>
Instructional Staff:			
Salaries and Wages	1,350	1,350	0
Fringe Benefits	204	204	0
Purchased Services	2,447	2,447	0
Total Instructional Staff	<u>4,001</u>	<u>4,001</u>	<u>0</u>
Total Support Services	<u>109,758</u>	<u>109,758</u>	<u>0</u>
Total Expenditures	<u>149,610</u>	<u>149,610</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	<u>27,601</u>	<u>6,507</u>	<u>(21,094)</u>
Other Financing Sources (Uses)			
Advances In	15,000	54,000	39,000
Advances Out	(60,000)	(60,000)	0
Total Other Financing Sources (Uses)	<u>(45,000)</u>	<u>(6,000)</u>	<u>39,000</u>
Net Change in Fund Balance	(17,399)	507	17,906
Fund Balance at Beginning of Year	<u>30,441</u>	<u>30,441</u>	<u>0</u>
Fund Balance at End of Year	<u>\$13,042</u>	<u>\$30,948</u>	<u>\$17,906</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Improving Teacher Quality
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$1,878	\$0	(\$1,878)
Expenditures			
Current:			
Support Services:			
Instructional Staff:			
Purchased Services	1,878	1,873	5
Excess of Revenues Over (Under) Expenditures	0	(1,873)	(1,873)
Other Financing Sources (Uses)			
Advances In	0	1,875	1,875
Advances Out	(2,775)	(2,775)	0
Total Other Financing Sources (Uses)	(2,775)	(900)	1,875
Net Change in Fund Balance	(2,775)	(2,773)	2
Fund Balance at Beginning of Year	2,775	2,775	0
Fund Balance at End of Year	\$0	\$2	\$2

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants
For the Fiscal Year Ended June 30, 2012*

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Intergovernmental	\$84,329	\$68,387	(\$15,942)
Expenditures			
Current:			
Instruction:			
Vocational:			
Materials and Supplies	17,283	17,283	0
Capital Outlay	67,046	67,046	0
Total Vocational	84,329	84,329	0
Excess of Revenues Over (Under) Expenditures	0	(15,942)	(15,942)
Other Financing Sources			
Advances In	0	15,942	15,942
Net Change in Fund Balance	0	0	0
Fund Balance at Beginning of Year	0	0	0
Prior Year Encumbrances Appropriated	43,387	43,387	0
Fund Balance at End of Year	\$43,387	\$43,387	\$0

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OSFC Locally Funded Initiative
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
<i>Expenditures</i>			
Capital Outlay:			
Site Improvement Services:			
Capital Outlay	\$3,344	\$0	\$3,344
Architecture and Engineering Services:			
Purchased Services	2,562	0	2,562
<i>Total Expenditures</i>	<u>5,906</u>	<u>0</u>	<u>5,906</u>
Net Change in Fund Balance	(5,906)	0	5,906
Fund Balance at Beginning of Year	92,933	92,933	0
Prior Year Encumbrances Appropriated	<u>5,906</u>	<u>5,906</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$92,933</u></u>	<u><u>\$98,839</u></u>	<u><u>\$5,906</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OSFC Vocational Renovation Project
For the Fiscal Year Ended June 30, 2012

	Final Budgeted Amount	Actual	Variance with Final Budget Positive (Negative)
Revenues			
Investment Earnings	\$150	\$252	\$102
Expenditures			
Capital Outlay:			
Site Improvement Services:			
Capital Outlay	12,134	0	12,134
Architecture and Engineering Services:			
Purchased Services	5,488	0	5,488
Total Expenditures	17,622	0	17,622
Net Change in Fund Balance	(17,472)	252	17,724
Fund Balance at Beginning of Year	420,077	420,077	0
Prior Year Encumbrances Appropriated	12,846	12,846	0
Fund Balance at End of Year	<u>\$415,451</u>	<u>\$433,175</u>	<u>\$17,724</u>

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STATISTICAL SECTION

Statistical Section

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

<u>Contents</u>	<u>Page(s)</u>
Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2-S13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S14-S21
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S22-S26
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S27-S28
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S29-S42

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Net Assets by Component
Last Ten Fiscal Years
(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<i>Governmental Activities</i>				
Invested in Capital Assets, Net of Related Debt	\$3,729,348	\$3,683,672	\$3,726,544	\$4,053,447
Restricted for:				
Debt Service	0	0	0	0
Capital Outlay	1,652,749	1,737,212	1,712,865	9,353,818
Food Service	0	0	0	0
Adult Education	0	0	0	0
Classroom Facilities	0	0	0	0
Other Purposes	1,100,302	1,158,339	1,237,748	1,174,010
Set-Asides	0	48,505	20,297	20,297
Unrestricted	<u>2,679,571</u>	<u>2,809,199</u>	<u>3,120,393</u>	<u>3,365,422</u>
<i>Total Governmental Activities Net Assets</i>	<u>9,161,970</u>	<u>9,436,927</u>	<u>9,817,847</u>	<u>17,966,994</u>
<i>Primary Government</i>				
Invested in Capital Assets, Net of Related Debt	3,729,348	3,683,672	3,726,544	3,907,516
Restricted	2,753,051	2,944,056	2,970,910	10,694,056
Unrestricted	<u>2,679,571</u>	<u>2,809,199</u>	<u>3,120,393</u>	<u>3,365,422</u>
<i>Total Primary Government Net Assets</i>	<u>\$9,161,970</u>	<u>\$9,436,927</u>	<u>\$9,817,847</u>	<u>\$17,966,994</u>

(1) In prior fiscal years, Net Assets Restricted for Food Service and Adult Education were included with Unrestricted Net Assets.

(2) In fiscal year 2009, net assets restricted for capital outlay was restated by \$227,848 to correct an error.

<u>2007 (1)</u>	<u>2008</u>	<u>2009 (2)</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$10,389,846	\$10,258,114	\$10,713,407	\$11,273,914	\$11,453,323	\$11,152,795
0	183,045	0	0	0	0
1,933,301	1,999,209	2,314,245	1,978,126	1,826,476	1,913,155
307,719	324,745	326,565	333,642	346,944	366,860
626,287	643,793	590,832	574,574	559,411	547,840
0	0	776,650	889,839	947,346	1,023,516
566,063	831,831	253,149	256,845	260,954	114,341
20,297	20,297	20,297	20,297	20,297	20,297
3,170,547	3,175,540	2,828,394	2,486,660	2,718,306	3,404,200
<u>17,014,060</u>	<u>17,436,574</u>	<u>17,823,539</u>	<u>17,813,897</u>	<u>18,133,057</u>	<u>18,543,004</u>
10,389,846	10,258,114	10,713,407	11,273,914	11,453,323	11,152,795
3,453,667	4,002,920	4,281,738	4,053,323	3,961,428	3,986,009
3,170,547	3,175,540	2,828,394	2,486,660	2,718,306	3,404,200
<u>\$17,014,060</u>	<u>\$17,436,574</u>	<u>\$17,823,539</u>	<u>\$17,813,897</u>	<u>\$18,133,057</u>	<u>\$18,543,004</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)

	2003	2004	2005	2006
Expenses				
Governmental Activities:				
Instruction:				
Regular	\$143,681	\$140,266	\$171,717	\$263,850
Special	0	0	0	0
Vocational	2,967,743	3,090,159	3,132,897	3,249,122
Adult/Continuing	0	202,395	170,921	134,454
Support Services:				
Pupils	310,476	330,181	335,928	352,923
Instructional Staff	122,202	114,036	114,298	128,853
Board of Education	30,652	36,002	39,710	37,046
Administration	374,406	505,658	532,155	534,841
Fiscal	295,554	311,520	317,705	330,085
Business	16,112	38,876	46,887	53,684
Operation and Maintenance of Plant	492,466	598,992	499,742	468,309
Pupil Transportation	41,998	31,712	31,143	43,826
Central	49,797	51,418	50,989	46,406
Operation of Non-Instructional Services:				
Food Service Operations	190,762	176,821	211,106	199,037
Extracurricular Activities	17,761	7,373	10,195	7,146
Interest and Fiscal Charges	0	0	0	0
<i>Total Governmental Activities Expenses</i>	<u>5,053,610</u>	<u>5,635,409</u>	<u>5,665,393</u>	<u>5,849,582</u>
Business-type Activities:				
Adult Education	280,506	0	0	0
Customer Services	55,538	0	0	0
Uniform Supply	28,110	0	0	0
<i>Total Business-type Activities Expenses</i>	<u>364,154</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Expenses</i>	<u>5,417,764</u>	<u>5,635,409</u>	<u>5,665,393</u>	<u>5,849,582</u>
Program Revenues				
Governmental Activities:				
Charges for Services and Sales:				
Instruction:				
Regular	12,035	25,784	15,740	16,772
Vocational	0	82,316	108,911	62,365
Adult/Continuing	0	135,948	84,203	54,481
Support Services:				
Pupils	15,500	15,500	0	0
Administration	0	72,936	51,608	48,313
Business	0	23,502	26,026	25,085
Operation and Maintenance of Plant	0	0	1,999	2,849
Operation of Non-Instructional Services	74,044	79,969	92,256	79,378
Extracurricular Activities	0	655	0	0
Operating Grants, Contributions and Interest	1,367,599	1,520,877	1,548,663	1,557,618
Capital Grants, Contributions and Interest	3,443	0	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>\$1,472,621</u>	<u>\$1,957,487</u>	<u>\$1,929,406</u>	<u>\$1,846,861</u>

2007	2008	2009	2010	2011	2012
\$229,212	\$258,274	\$237,367	\$181,620	\$57,291	\$152,860
92,471	99,804	32,077	21,411	6,026	36,354
3,679,851	3,401,204	3,816,451	3,804,402	3,996,183	3,339,083
121,791	129,394	185,832	143,751	131,893	136,322
276,924	239,903	368,491	465,322	479,865	529,312
185,025	226,676	209,203	204,486	137,404	102,743
38,179	49,124	45,910	39,158	43,055	33,941
609,569	589,615	616,272	638,304	641,907	631,008
376,687	381,826	382,329	380,855	378,024	372,494
56,884	62,111	17,642	5,428	5,259	4,285
498,088	500,889	566,361	536,054	366,483	583,300
41,761	43,388	29,351	41,339	30,566	42,481
40,825	42,150	41,162	41,114	62,842	55,466
233,613	265,141	277,097	296,061	257,863	215,020
7,496	9,949	5,149	10,728	9,560	8,879
139,206	89,214	28,234	47,875	25,995	26,067
<u>6,627,582</u>	<u>6,388,662</u>	<u>6,858,928</u>	<u>6,857,908</u>	<u>6,630,216</u>	<u>6,269,615</u>
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
6,627,582	6,388,662	6,858,928	6,857,908	6,630,216	6,269,615
10,280	2,936	3,519	300	331	110,104
79,631	35,628	83,129	72,632	66,616	0
50,236	63,410	74,053	72,220	60,023	46,730
0	0	0	0	0	0
50,236	63,410	51,469	50,196	64,485	54,641
29,678	31,088	18,360	10,575	195	128
0	591	550	876	899	334
86,193	93,131	98,572	91,852	80,997	82,285
230	986	0	0	0	0
1,530,015	1,423,710	1,456,336	1,460,730	1,477,853	1,488,410
0	0	0	7,500	0	0
<u>\$1,836,499</u>	<u>\$1,714,890</u>	<u>\$1,785,988</u>	<u>\$1,766,881</u>	<u>\$1,751,399</u>	<u>\$1,782,632</u>

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Changes in Net Assets
Last Ten Fiscal Years
(accrual basis of accounting)
(continued)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Business-type Activities:				
Adult Education				
Charges for Services and Sales	\$136,797	\$0	\$0	\$0
Operating Grants and Contributions	77,737	0	0	0
Rotary				
Charges for Services and Sales	103,886	0	0	0
Uniform Supply				
Charges for Services and Sales	25,186	0	0	0
<i>Total Business-type Activity Program Revenues</i>	<u>343,606</u>	<u>0</u>	<u>0</u>	<u>0</u>
<i>Total Program Revenues</i>	<u>1,816,227</u>	<u>1,957,487</u>	<u>1,929,406</u>	<u>1,846,861</u>
Net (Expense)/Revenue				
Governmental Activities	(3,580,989)	(3,677,922)	(3,735,987)	(4,002,721)
Business-type Activities	(20,548)	0	0	0
<i>Total Net (Expense)/Revenue</i>	<u>(3,601,537)</u>	<u>(3,677,922)</u>	<u>(3,735,987)</u>	<u>(4,002,721)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	1,599,305	1,579,672	1,674,339	1,727,845
Debt Service	0	0	0	0
Other Purposes	0	0	0	0
Capital Outlay	135,191	134,394	36,357	495,074
Grants and Entitlements not				
Restricted to Specific Programs	2,293,052	2,155,907	2,225,064	9,644,073
Investment Earnings	166,663	65,418	172,349	234,969
Contributions and Donations	0	0	0	0
Gain on Sale of Capital Assets	0	0	0	36,202
Rent	0	5,649	0	0
Miscellaneous	14,936	11,839	8,798	13,705
Transfers	(160,000)	0	0	0
<i>Total Governmental Activities</i>	<u>4,049,147</u>	<u>3,952,879</u>	<u>4,116,907</u>	<u>12,151,868</u>
Business-type Activities:				
Transfers	160,000	0	0	0
<i>Total Primary Government</i>	<u>4,209,147</u>	<u>3,952,879</u>	<u>4,116,907</u>	<u>12,151,868</u>
Special Item - Loss on Disposal of Capital Assets	0	0	0	0
Change in Net Assets				
Governmental Activities	468,158	274,957	380,920	8,149,147
Business-type Activities	139,452	0	0	0
<i>Total Change in Net Assets</i>	<u>\$607,610</u>	<u>\$274,957</u>	<u>\$380,920</u>	<u>\$8,149,147</u>

2007	2008	2009	2010	2011	2012
\$0	\$0	\$0	\$0	\$0	\$0
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,836,499</u>	<u>1,714,890</u>	<u>1,785,988</u>	<u>1,766,881</u>	<u>1,751,399</u>	<u>1,782,632</u>
(4,791,083)	(4,673,772)	(5,072,940)	(5,091,027)	(4,878,817)	(4,486,983)
0	0	0	0	0	0
<u>(4,791,083)</u>	<u>(4,673,772)</u>	<u>(5,072,940)</u>	<u>(5,091,027)</u>	<u>(4,878,817)</u>	<u>(4,486,983)</u>
1,729,569	1,547,502	1,685,650	1,576,060	1,694,364	1,643,652
560,504	183,045	0	0	0	0
0	0	0	0	157,500	157,500
71,826	372,925	624,312	578,934	471,900	451,520
2,424,552	2,572,144	2,602,104	2,758,836	2,755,127	2,564,226
490,975	416,710	317,305	161,092	115,320	75,298
0	0	23	0	0	843
0	0	0	432	0	0
0	0	0	0	0	0
53,827	3,960	2,663	6,031	3,766	3,891
0	0	0	0	0	0
<u>5,331,253</u>	<u>5,096,286</u>	<u>5,232,057</u>	<u>5,081,385</u>	<u>5,197,977</u>	<u>4,896,930</u>
0	0	0	0	0	0
<u>5,331,253</u>	<u>5,096,286</u>	<u>5,232,057</u>	<u>5,081,385</u>	<u>5,197,977</u>	<u>4,896,930</u>
<u>(1,493,104)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
(952,934)	422,514	159,117	(9,642)	319,160	409,947
0	0	0	0	0	0
<u>(\$952,934)</u>	<u>\$422,514</u>	<u>\$159,117</u>	<u>(\$9,642)</u>	<u>\$319,160</u>	<u>\$409,947</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Program Revenues by Function, Governmental Activities

Last Ten Fiscal Years

(accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
<i>Governmental Activities</i>				
Instruction:				
Regular	\$14,444	\$30,981	\$19,719	\$20,456
Special	0	0	0	0
Vocational	1,112,329	1,285,421	1,311,098	1,271,488
Adult/Continuing	0	195,726	131,835	95,934
Support Services:				
Pupils	172,751	158,955	177,318	164,824
Instructional Staff	22,172	21,927	21,481	14,407
Administration	0	108,855	87,660	96,323
Business	0	23,502	26,026	25,085
Operation and Maintenance of Plant	2,066	630	3,716	2,849
Pupil Transportation	0	0	900	6,450
Central	36,015	22,083	20,430	11,881
Operation of Non-Instructional Services	112,844	108,752	129,223	137,164
Extracurricular Activities	0	655	0	0
<i>Total Program Revenues</i>	<u><u>\$1,472,621</u></u>	<u><u>\$1,957,487</u></u>	<u><u>\$1,929,406</u></u>	<u><u>\$1,846,861</u></u>

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$10,280	\$4,616	\$3,519	\$300	\$331	\$110,104
0	0	175,078	165,032	147,190	147,190
1,261,868	1,140,327	1,040,134	1,042,054	1,066,208	1,043,241
89,512	99,082	111,165	101,999	90,847	76,462
156,012	133,467	148,932	149,687	151,113	126,569
20,022	11,617	9,563	8,157	8,490	7,579
89,512	99,081	77,263	80,565	97,601	89,406
29,678	31,088	18,471	10,607	295	209
1,200	2,783	550	8,376	899	334
4,530	3,288	1,472	0	0	0
5,000	5,000	5,000	5,000	5,000	0
168,655	183,555	194,841	195,104	183,425	181,538
230	986	0	0	0	0
<u>\$1,836,499</u>	<u>\$1,714,890</u>	<u>\$1,785,988</u>	<u>\$1,766,881</u>	<u>\$1,751,399</u>	<u>\$1,782,632</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	<u>2003 (1)</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
General Fund				
Reserved	\$273,310	\$367,086	\$339,030	\$714,693
Unreserved	2,436,497	2,636,093	2,945,269	2,840,755
Nonspendable	0	0	0	0
Committed	0	0	0	0
Assigned	0	0	0	0
Unassigned	0	0	0	0
<i>Total General Fund</i>	<u>2,709,807</u>	<u>3,003,179</u>	<u>3,284,299</u>	<u>3,555,448</u>
All Other Governmental Funds				
Reserved	85,946	72,696	221,542	520,771
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	996,829	1,111,833	1,182,196	1,117,914
Debt Service Fund	0	0	0	0
Capital Projects Funds	1,578,257	1,653,830	2,020,419	5,168,536
Nonspendable	0	0	0	0
Restricted	0	0	0	0
Unassigned	0	0	0	0
<i>Total All Other Governmental Funds</i>	<u>2,661,032</u>	<u>2,838,359</u>	<u>3,424,157</u>	<u>6,807,221</u>
<i>Total Governmental Funds</i>	<u><u>\$5,370,839</u></u>	<u><u>\$5,841,538</u></u>	<u><u>\$6,708,456</u></u>	<u><u>\$10,362,669</u></u>

(1) In 2003, fund balances totaling \$630,655 were reclassified to properly reflect their purpose as special revenue funds.

(2) In 2009, All Other Governmental Fund, Unreserved, Undesignated, Report in Capital Projects Funds was restated by \$227,848 to correct an error.

(3) The change in fund balance accounts occurred due to the implementation of GASB 54 for 2011.

<u>2007</u>	<u>2008</u>	<u>2009 (2)</u>	<u>2010 (3)</u>	<u>2011</u>	<u>2012</u>
\$764,760	\$759,786	\$607,520	\$0	\$0	\$0
2,564,833	2,717,764	2,548,635	0	0	0
0	0	0	261,828	264,130	204,367
0	0	0	332,892	173,474	182,435
0	0	0	0	66,402	88,520
0	0	0	2,410,365	2,658,281	3,170,458
<u>3,329,593</u>	<u>3,477,550</u>	<u>3,156,155</u>	<u>3,005,085</u>	<u>3,162,287</u>	<u>3,645,780</u>
1,353,518	384,829	196,433	0	0	0
1,485,255	1,731,936	1,928,176	0	0	0
0	183,045	0	0	0	0
821,094	2,806,175	3,316,853	0	0	0
0	0	0	8,609	2,314	2,298
0	0	0	5,033,698	4,999,848	4,995,532
0	0	0	0	(30,030)	0
<u>3,659,867</u>	<u>5,105,985</u>	<u>5,441,462</u>	<u>5,042,307</u>	<u>4,972,132</u>	<u>4,997,830</u>
<u>\$6,989,460</u>	<u>\$8,583,535</u>	<u>\$8,597,617</u>	<u>\$8,047,392</u>	<u>\$8,134,419</u>	<u>\$8,643,610</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Changes in Fund Balances

Last Ten Fiscal Years

(modified accrual basis of accounting)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Revenues				
Property Taxes	\$1,669,712	\$1,760,329	\$1,708,920	\$2,193,737
Intergovernmental	3,616,761	3,721,937	3,762,188	7,046,707
Investment Earnings	175,847	50,080	208,017	210,706
Tuition and Fees	11,990	241,994	177,577	142,634
Rent	4,972	5,649	1,999	2,849
Extracurricular Activities	0	655	0	0
Customer Sales and Services	89,589	185,269	201,167	143,760
Contributions and Donations	5,095	32	15	1,325
Miscellaneous	48,551	20,531	8,798	13,705
Total Revenues	<u>5,622,517</u>	<u>5,986,476</u>	<u>6,068,681</u>	<u>9,755,423</u>
Expenditures				
Current:				
Instruction:				
Regular	137,486	149,831	166,774	229,285
Special	0	0	0	0
Vocational	2,942,906	3,021,586	3,086,492	3,150,317
Adult/Continuing	0	201,619	173,658	132,561
Support Services:				
Pupils	304,975	334,182	319,058	344,802
Instructional Staff	95,701	88,894	90,457	105,657
Board of Education	30,306	35,096	40,507	36,805
Administration	363,712	492,296	528,753	572,906
Fiscal	290,034	303,079	311,241	312,680
Business	16,059	37,603	48,267	53,684
Operation and Maintenance of Plant	470,382	555,178	507,195	466,129
Pupil Transportation	24,804	29,049	23,859	37,910
Central	45,637	47,305	48,794	43,630
Operation of Non-Instructional Services	181,557	173,732	202,055	206,109
Extracurricular Activities	17,761	7,373	10,195	7,146
Capital Outlay	28,295	40,693	166,273	3,026,921
Debt Service:				
Principal	0	0	0	33,333
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	<u>4,949,615</u>	<u>5,517,516</u>	<u>5,723,578</u>	<u>8,759,875</u>
Excess of Revenues Over (Under) Expenditures	<u>672,902</u>	<u>468,960</u>	<u>345,103</u>	<u>995,548</u>
Other Financing Sources (Uses)				
Proceeds from Lease	0	0	0	0
Proceeds from Sale of Capital Assets	5,674	1,739	21,815	89,665
Transfers In	85,000	161,250	190,500	1,786,228
Transfers Out	(245,000)	(161,250)	(190,500)	(1,786,228)
Inception of Capital Lease	0	0	0	2,569,000
Proceeds from Loan	0	0	500,000	0
Total Other Financing Sources (Uses)	<u>(154,326)</u>	<u>1,739</u>	<u>521,815</u>	<u>2,658,665</u>
Net Change in Fund Balances	<u>\$518,576</u>	<u>\$470,699</u>	<u>\$866,918</u>	<u>\$3,654,213</u>
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.6%

2007	2008	2009	2010	2011	2012
\$2,277,227	\$2,184,977	\$2,292,186	\$2,158,783	\$2,313,887	\$2,250,904
8,063,662	3,947,517	4,094,701	4,210,829	4,188,961	4,093,396
535,112	384,132	352,596	156,289	144,960	71,088
139,930	160,508	144,670	132,991	134,985	117,504
0	591	550	876	899	334
230	986	0	0	0	0
166,324	129,095	184,432	164,784	137,662	176,384
0	1,000	23	7,665	54	1,143
53,827	3,960	2,663	6,031	3,766	3,891
<u>11,236,312</u>	<u>6,812,766</u>	<u>7,071,821</u>	<u>6,838,248</u>	<u>6,925,174</u>	<u>6,714,644</u>
247,770	256,277	235,772	183,210	161,949	141,918
89,120	96,749	29,250	19,533	1,876	0
3,239,157	2,964,215	3,614,713	3,671,523	3,646,856	3,115,819
120,405	129,421	188,290	142,655	131,838	133,160
256,849	227,206	356,036	453,373	463,416	502,512
163,412	210,574	203,977	202,249	135,283	100,489
37,938	48,883	45,750	39,025	42,922	33,808
539,251	589,050	605,068	643,374	697,582	613,394
413,443	372,948	361,225	411,034	364,758	363,043
56,884	62,111	17,642	5,428	5,259	4,285
470,457	480,456	552,832	536,747	562,713	546,827
39,842	41,598	51,573	37,107	26,334	38,995
39,822	41,283	41,016	41,036	62,764	55,388
216,972	247,569	341,669	311,269	260,316	182,748
7,496	9,949	5,149	10,728	9,560	8,879
8,043,543	681,722	424,236	403,242	91,205	121,465
497,543	2,138,123	197,747	205,457	213,528	221,978
139,206	89,214	25,996	25,995	25,995	25,995
<u>14,619,110</u>	<u>8,687,348</u>	<u>7,297,941</u>	<u>7,342,985</u>	<u>6,904,154</u>	<u>6,210,703</u>
(3,382,798)	(1,874,582)	(226,120)	(504,737)	21,020	503,941
0	3,465,997	0	0	0	0
9,589	2,660	12,354	3,415	17,104	5,250
456,131	477,390	296,500	341,315	120,000	125,000
(456,131)	(477,390)	(296,500)	(341,315)	(120,000)	(125,000)
0	0	0	0	0	0
0	0	0	0	0	0
<u>9,589</u>	<u>3,468,657</u>	<u>12,354</u>	<u>3,415</u>	<u>17,104</u>	<u>5,250</u>
<u>(\$3,373,209)</u>	<u>\$1,594,075</u>	<u>(\$213,766)</u>	<u>(\$501,322)</u>	<u>\$38,124</u>	<u>\$509,191</u>
9.7%	29.1%	3.6%	3.7%	3.9%	4.3%

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Assessed and Estimated Actual Value of Taxable Property

Last Ten Collection (Calendar) Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2003	\$407,749,970	\$46,290,510	\$1,297,258,514	\$26,721,530	\$33,401,913
2004	465,496,910	50,345,480	1,473,835,400	26,705,570	33,381,963
2005	480,268,210	49,524,170	1,513,692,514	27,491,040	34,363,800
2006	495,641,230	53,515,160	1,569,018,257	27,693,710	34,617,138
2007	631,795,500	64,478,580	1,989,354,514	32,590,390	40,737,988
2008	641,867,610	64,133,290	2,017,145,429	31,647,450	39,559,313
2009	652,578,070	65,877,200	2,052,729,343	32,343,540	40,429,425
2010	687,771,430	66,869,190	2,156,116,057	37,543,190	46,928,988
2011	690,988,760	66,056,580	2,162,986,686	40,091,590	50,114,488
2012	693,949,090	65,050,530	2,168,570,343	42,131,110	52,663,888

Real property is reappraised every six years with a State mandated update of the current market value in the third year following each reappraisal.

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and 23 percent for inventories. General business tangible personal property tax was phased out in 2009.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue billed in that year. For real property, the amounts generated by multiplying the assessed values by the applicable rates would be reduced by the 10 percent and 2 1/2 percent rollback reductions, and the homestead exemptions before being billed. Beginning in the 2006 collection year, the 10 percent rollback reduction for commercial/industrial property has been eliminated.

Source: State of Ohio Department of Taxation

Tangible Personal Property General Business		Total			Weighted Average Tax Rate
Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value	Ratio	
\$22,421,692	\$89,686,768	\$503,183,702	\$1,420,347,195	35.43	\$3.25
21,801,871	87,207,484	564,349,831	1,594,424,847	35.40	2.98
22,619,850	90,479,400	579,903,270	1,638,535,714	35.39	2.75
21,466,778	114,489,483	598,316,878	1,718,124,878	34.82	3.74
17,096,520	136,772,160	745,960,990	2,166,864,662	34.43	3.33
8,293,196	132,691,136	745,941,546	2,189,395,878	34.07	3.29
1,715,740	27,451,840	752,514,550	2,120,610,608	35.49	3.26
857,870	13,725,920	793,041,680	2,216,770,965	35.77	3.27
0	0	797,136,930	2,213,101,174	36.02	3.27
0	0	801,130,730	2,221,234,231	36.05	3.27

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Property Tax Rates (Per \$1,000 of Assessed Valuation)

Direct and Overlapping Governments

Last Ten Collection (Calendar) Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Voted Millage					
Operating					
Residential/Agricultural Real	2.68	2.43	2.43	2.43	2.17
Commerical/Industrial and Public Utility Real	3.27	3.10	3.16	3.16	2.73
General Business and Public Utility Personal	5.40	5.40	5.40	5.40	5.40
1989 10 Year Permanent Improvement					
Residential/Agricultural Real	0.23	0.21	0.00	0.00	0.00
Commerical/Industrial and Public Utility Real	0.33	0.31	0.00	0.00	0.00
General Business and Public Utility Personal	0.40	0.40	0.00	0.00	0.00
2005 Continuous Permanent Improvement					
Residential/Agricultural Real	0.00	0.00	0.00	1.00	0.89
Commerical/Industrial and Public Utility Real	0.00	0.00	0.00	1.00	0.86
General Business and Public Utility Personal	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>1.00</u>	<u>1.00</u>
Total voted millage by type of property					
Residential/Agricultural Real	2.91	2.64	2.43	3.43	3.06
Commerical/Industrial and Public Utility Real	3.60	3.41	3.16	4.16	3.59
General Business and Public Utility Personal	<u>5.80</u>	<u>5.80</u>	<u>5.40</u>	<u>6.40</u>	<u>6.40</u>
Total School District Millage	<u><u>5.80</u></u>	<u><u>5.80</u></u>	<u><u>5.40</u></u>	<u><u>6.40</u></u>	<u><u>6.40</u></u>
Overlapping Rates by Taxing District					
County Units					
General	3.80	3.80	3.80	3.80	3.80
General (Highland)	2.90	2.90	2.90	2.90	2.90
Board of MR/DD	2.00	2.00	2.00	2.00	2.00
Board of MR/DD (Highland)	4.35	4.35	4.35	4.35	4.35
Health District	1.00	1.00	1.00	1.00	1.00
Total	<u>14.05</u>	<u>14.05</u>	<u>14.05</u>	<u>14.05</u>	<u>14.05</u>
School Districts					
Bright Local	32.69	30.69	30.76	30.76	30.76
Eastern Local	37.80	37.80	37.80	40.20	40.20
Fayetteville Local	34.10	34.10	34.10	39.55	39.55
Georgetown Exempted Village	27.00	30.40	30.40	30.40	28.90
Ripley Union Lewis Huntington Local	36.35	36.35	36.35	36.35	36.35
Western Brown Local	23.70	23.70	23.70	23.00	23.00
Corporations					
Aberdeen Village	6.00	6.00	6.00	6.00	6.00
Fayetteville Village	13.30	13.30	13.30	13.30	14.10
Georgetown Village	3.30	3.30	3.30	3.30	3.30
Hamersville Village	4.60	4.60	2.90	2.90	2.90
Higginsport Village	15.20	15.20	15.20	15.20	15.20
Mt. Orab Village	9.10	9.10	7.60	7.60	7.60
Ripley Village	9.00	9.00	9.00	9.00	9.00
Russellville Village	13.60	17.60	17.60	17.60	17.60
Sardinia Village	14.00	14.00	14.00	10.50	10.50
St. Martin Village	0.50	0.50	0.50	0.50	0.50
Mowrystown	16.90	16.90	16.90	16.90	21.90

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
2.17	2.17	2.07	2.07	2.07
2.74	2.75	2.76	2.78	2.80
5.40	5.40	5.40	5.40	5.40
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.00	0.00	0.00	0.00	0.00
0.89	0.89	0.85	0.85	0.85
0.87	0.87	0.87	0.88	0.88
<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
3.06	3.06	2.92	2.92	2.92
3.61	3.62	3.63	3.66	3.68
<u>6.40</u>	<u>6.40</u>	<u>6.40</u>	<u>6.40</u>	<u>6.40</u>
<u>6.40</u>	<u>6.40</u>	<u>6.40</u>	<u>6.40</u>	<u>6.40</u>
3.80	3.80	3.80	3.80	3.80
2.90	2.90	2.90	2.90	2.90
2.00	2.00	1.00	1.00	1.00
4.35	4.35	4.35	4.35	4.35
<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>	<u>1.00</u>
<u>14.05</u>	<u>14.05</u>	<u>13.05</u>	<u>13.05</u>	<u>13.05</u>
27.40	27.20	27.20	27.20	26.20
40.20	40.20	40.20	39.70	39.70
39.55	39.80	39.80	39.80	39.80
30.40	30.40	30.40	30.40	30.40
36.35	34.65	34.65	34.65	34.65
23.00	22.75	22.75	22.75	22.75
6.00	6.00	1.00	1.00	1.00
14.10	14.10	14.10	14.10	14.10
3.30	3.30	3.30	3.30	3.30
2.90	2.90	2.90	2.90	2.90
15.20	15.20	15.20	15.20	12.20
7.60	7.60	7.60	7.60	7.60
7.00	8.00	8.00	8.00	8.00
17.60	18.10	18.10	18.10	18.10
10.50	7.60	7.60	7.60	7.60
0.50	0.50	0.50	0.50	0.50
21.90	21.90	16.90	16.90	16.90

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Property Tax Rates (Per \$1,000 of Assessed Valuation)

Direct and Overlapping Governments

Last Ten Collection (Calendar) Years

(continued)

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>
Townships					
Byrd	8.00	8.00	8.00	8.50	8.50
Clark	4.60	4.60	4.60	4.15	4.60
Eagle	4.40	4.40	4.40	4.40	4.40
Franklin	2.60	2.60	2.60	3.10	3.10
Green	4.50	4.50	4.50	4.50	4.50
Huntington	6.30	6.30	6.30	6.30	6.30
Jackson	1.70	1.70	2.20	2.20	2.20
Jefferson	1.60	1.60	1.60	1.60	3.60
Lewis	3.25	3.25	3.25	3.25	3.25
Perry	6.90	6.90	6.90	6.90	6.90
Pike	4.50	4.50	4.50	4.50	4.50
Pleasant	1.80	1.80	1.80	1.80	2.10
Scott	4.00	4.00	4.00	4.00	4.00
Sterling	6.50	6.50	6.50	6.50	6.50
Union	1.40	1.40	1.40	1.40	2.10
Washington	3.70	3.70	3.70	3.70	3.70
Brushcreek	6.20	6.20	6.20	6.20	6.20
Concord	2.70	3.10	2.60	3.10	3.10
Hamer	3.80	3.80	3.80	3.80	3.80
Jackson	3.60	3.60	3.60	2.20	3.60
Marshall	4.65	4.65	4.65	4.65	4.65
New Market	4.40	4.40	4.40	4.40	4.40
Paint	3.40	3.40	3.40	3.40	3.40
Salem	1.80	1.80	1.80	1.80	1.80
Washington	3.10	3.10	2.60	3.10	3.10
Whiteoak	1.80	1.80	1.80	1.80	1.80
Other Units					
Library	0.75	0.75	0.75	0.75	0.50
Mental Health (Highland County)	1.00	1.00	1.00	1.00	1.00

Source: Brown County Auditor and Ohio Department of Taxation

Direct rates of localities can be raised only by a majority of the voters in a public election.

Real property tax rates are reduced so that inflationary increases in value do not generate additional taxes. Real property is appraised every six years and property values are updated in the third year following each reappraisal.

<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
8.50	8.50	8.50	8.50	8.00
4.60	4.00	4.60	4.60	4.00
4.40	4.40	4.40	4.40	4.40
3.10	2.20	3.10	3.10	5.50
4.50	4.50	1.40	1.40	1.40
6.30	6.30	6.30	6.30	6.30
2.20	2.20	2.50	2.50	2.50
3.60	3.60	1.60	1.60	1.60
3.25	3.25	3.25	3.25	3.25
6.90	6.40	6.90	6.90	6.90
4.50	4.50	4.50	4.50	4.50
2.10	2.10	2.10	2.10	2.10
4.00	4.00	4.00	4.00	4.00
6.50	6.50	6.50	6.50	6.50
2.10	2.10	2.10	2.10	2.10
3.70	3.70	3.70	3.70	3.70
6.20	6.20	6.20	6.20	6.20
3.10	3.10	2.10	2.10	2.10
3.80	3.80	4.60	4.60	4.60
3.60	3.60	3.60	3.60	3.60
4.65	4.65	4.65	4.65	4.65
4.40	4.40	4.40	4.40	4.40
3.40	3.40	4.40	4.40	4.40
1.80	1.80	1.80	1.80	1.80
2.60	3.70	3.70	3.10	3.10
1.80	1.80	1.05	1.05	1.05
0.50	0.35	0.35	0.35	0.35
1.00	1.00	1.00	1.00	1.00

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Property Tax Levies and Collections (1)
Last Ten Collection (Calendar) Years (2)

Collection Year (2)	Current Tax Levy (3)	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (4)	Total Tax Collections (4)	Percent of Total Tax Collections to Current Tax Levy
2003	\$1,830,350	\$1,898,205	103.71%	\$259,864	\$2,158,069	117.90%
2004	1,860,866	1,993,373	107.12	147,150	2,140,523	115.03
2005	2,381,724	1,821,752	76.49	95,804	1,917,556	80.51
2006	2,467,733	2,538,936	102.89	6,373	2,545,309	103.14
2007	2,482,873	1,967,970	79.26	1,475,514	3,443,484	138.69
2008	2,207,931	1,775,805	80.43	134,063	1,909,868	86.50
2009	2,359,488	1,797,396	76.18	127,624	1,925,020	81.59
2010	2,251,090	1,812,405	80.51	156,282	1,968,687	87.45
2011	N/A	N/A	N/A	N/A	N/A	N/A
2012	N/A	N/A	N/A	N/A	N/A	N/A

Source: Brown County Auditor (Delinquent Tax Collection Information)
Southern Hills Joint Vocational School District Records (Current Tax Levy Information)

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The Brown County Auditor was unable to provide the information for 2011. The 2012 collections cannot be presented because all collections have not been made by June 30, 2012.
- (3) Current tax levy information is based on estimates at June 30 of each year, while tax collections are based on actual receipts.
- (4) The County does not identify delinquent tax collections by tax year. Therefore, in years when delinquent collections include amounts from previous tax years, the total tax collections exceed the current tax levy.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Principal Real and Personal Property Tax Payers

2012 and 2004 (Calendar Years) (1)

Name of Taxpayer	2012	
	Assessed Value	Percent of Real and Personal Property Assessed Value
Kroger Limited Partnership	\$5,203,314	0.65%
Ohio Valley Manor	5,031,514	0.63%
LAH Property Enterprise	4,647,428	0.58%
Cincinnati Milacron	4,166,485	0.52%
Cincinnati Gas and Electric	4,046,468	0.50%
Reyton Georgetown	3,180,600	0.40%
Mac Tools	3,101,114	0.39%
Davon, Inc.	2,659,971	0.33%
Ripley Federal Savings	2,429,028	0.30%
Crout Properties	2,060,857	0.26%
Totals	<u>\$36,526,779</u>	<u>4.56%</u>
Total Assessed Valuation	<u>\$801,130,730</u>	<u>100.00%</u>
Name of Taxpayer	2004	
	Assessed Value	Percent of Real and Personal Property Assessed Value
Kroger Limited Partnership	\$5,137,000	0.91%
Ohio Valley Manor	5,037,885	0.89%
Mac Tool, Inc.	4,948,400	0.88%
Cincinnati Milacron	4,495,457	0.80%
Crout Properties	2,030,028	0.36%
Georgetown Land Company	2,875,114	0.51%
AHE of Ohio, Inc.	1,770,771	0.31%
HPWFP Limited Partnership	1,581,971	0.28%
Timothy R. Hale	1,572,457	0.28%
Davon, Inc.	1,541,485	0.27%
Totals	<u>\$30,990,568</u>	<u>5.49%</u>
Total Assessed Valuation	<u>\$564,349,831</u>	<u>100.00%</u>

Source: Brown County Auditor.

(1) Information prior to 2004 was not available.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Ratio of General Debt
to Personal Income and Debt per Capita
Last Ten Fiscal Years

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Facility Improvement and Equipment Replacement Loan</u>	<u>Capital Lease</u>
2003	42,104	\$735,009,528	\$0	\$0
2004	42,104	735,009,528	0	0
2005	42,104	735,009,528	500,000	0
2006	42,104	735,009,528	466,667	2,569,000
2007	42,104	735,009,528	433,334	2,104,790
2008	42,104	735,009,528	400,001	3,465,997
2009	42,104	735,009,528	366,668	3,301,583
2010	42,104	735,009,528	333,335	3,129,459
2011	44,846	896,426,694	300,002	2,949,264
2012	44,846	904,409,282	266,669	2,760,619

Sources: (1) National Center for Education Statistics
2003-2010 from 2000 U.S. Census Data
2011 and 2012 from 2010 U.S. Census Data

(2) National Center for Education Statistics
2003-2010 from 2000 U.S. Census Data
2011 and 2012 from 2010 U.S. Census Data
(Per Capita Personal Income multiplied by population)

(3) Although the general obligation bond retirement fund is restricted for debt service, it is not specifically restricted to the payment of principal. Therefore, these resources are not shown as a deduction from general obligation bonded debt.

The School District has no bonded debt.

General Debt

Total Debt (3)	Ratio of General Debt to Estimated Actual Value	General Debt Per Capita	Percentage of Personal Income
\$0	0.00%	\$0.00	0.00%
0	0.00%	0.00	0.00
500,000	0.03%	11.88	0.07
3,035,667	0.19%	72.10	0.41
2,538,124	0.15%	60.28	0.35
3,865,998	0.18%	91.82	0.53
3,668,251	0.17%	87.12	0.50
3,462,794	0.16%	82.24	0.47
3,249,266	0.15%	72.45	0.36
3,027,288	0.14%	67.50	0.34

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Legal Debt Margin
Last Ten Fiscal Years

	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>
Assessed Valuation (1)	\$503,183,702	\$564,349,831	\$579,903,270	\$598,316,878
Less:				
General Business Personal Property	0	0	0	0
Railroad and Telephone Tangible Property	<u>0</u>	<u>0</u>	<u>0</u>	<u>(5,854,500)</u>
Total Assessed Valuation used to calculate Legal Debt Margin	<u>\$503,183,702</u>	<u>\$564,349,831</u>	<u>\$579,903,270</u>	<u>\$592,462,378</u>
Debt Limit - 9% of Assessed Value (2)	\$45,286,533	\$50,791,485	\$52,191,294	\$53,321,614
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin	<u>\$45,286,533</u>	<u>\$50,791,485</u>	<u>\$52,191,294</u>	<u>\$53,321,614</u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limit - .10% of Assessed Value (2)	\$503,184	\$564,350	\$579,903	\$592,462
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u>\$503,184</u>	<u>\$564,350</u>	<u>\$579,903</u>	<u>\$592,462</u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Ohio Department of Taxation and School District Financial Records

- (1) The definition of tax valuation for the purpose of calculating the legal debt margin was modified by H.B. 360, effective March 30, 2006, to exclude tangible personal property used in business, telephone and telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.
- (2) Ohio Bond Law sets a limit of nine percent for overall debt and 1/10 of one percent for unvoted debt.
- (3) Beginning in 2009, telephone tangible property is included as part of general business personal property.

<u>2007</u>	<u>2008</u>	<u>2009 (3)</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
\$745,960,990	\$745,941,546	\$752,514,550	\$793,041,680	\$797,136,930	\$801,130,730
(17,096,520)	(8,293,196)	(1,715,740)	(857,870)	0	0
<u>(4,963,690)</u>	<u>(3,409,670)</u>	<u>(1,275,440)</u>	<u>(224,730)</u>	<u>(220,830)</u>	<u>0</u>
<u>\$723,900,780</u>	<u>\$734,238,680</u>	<u>\$749,523,370</u>	<u>\$791,959,080</u>	<u>\$796,916,100</u>	<u>\$801,130,730</u>
\$65,151,070	\$66,081,481	\$67,457,103	\$71,276,317	\$71,722,449	\$72,101,766
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$65,151,070</u>	<u>\$66,081,481</u>	<u>\$67,457,103</u>	<u>\$71,276,317</u>	<u>\$71,722,449</u>	<u>\$72,101,766</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$723,901	\$734,239	\$749,523	\$791,959	\$796,916	\$801,131
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>\$723,901</u>	<u>\$734,239</u>	<u>\$749,523</u>	<u>\$791,959</u>	<u>\$796,916</u>	<u>\$801,131</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Computation of Direct and Overlapping Debt

Governmental Activities

June 30, 2012

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Southern Hills Joint Vocational School District			
Facility Improvement and Equipment Replacement Loan	\$266,669	100.00%	\$266,669
Capital Lease Obligation	2,760,619	100.00	2,760,619
Total Direct	3,027,288	100.00	3,027,288
Overlapping:			
Eastern Local School District			
General Obligation Bonds	7,875,000	100.00	7,875,000
Bright Local School District			
General Obligation Bonds	818,000	100.00	818,000
Fayetteville Perry Local School District			
General Obligation Bonds	7,415,000	100.00	7,415,000
Ripley Union Lewis Huntington Local School District			
General Obligation Bonds	1,429,569	100.00	1,429,569
Capital Lease Obligation	418,000	100.00	418,000
Western Brown Local School District			
General Obligation Bonds	4,095,000	100.00	4,095,000
Capital Lease Obligation	762,000	100.00	762,000
Georgetown Exempted Village School District			
General Obligation Bonds	4,125,124	100.00	4,125,124
Certificates of Participation	450,000	100.00	450,000
Total Overlapping	27,387,693		27,387,693
Total	\$30,414,981		\$30,414,981

Sources: Southern Hills Joint Vocational School District Records
Individual overlapping governments' records

(1) Percentages were determined by dividing each overlapping subdivision's assessed valuation within the County by its total assessed valuation.

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the School District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the School District. This process recognizes that, when considering the School District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt, of each overlapping government.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Demographic and Economic Statistics

Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Per Capita Personal Income (3)</u>	<u>Median Household Income (4)</u>	<u>Brown County Unemployment Rate (5)</u>
2003	42,104	\$735,009,528	\$17,457	\$38,189	6.20%
2004	42,104	735,009,528	17,457	38,189	6.20
2005	42,104	735,009,528	17,457	38,189	6.50
2006	42,104	735,009,528	17,457	38,189	6.20
2007	42,104	735,009,528	17,457	38,189	6.60
2008	42,104	735,009,528	17,457	38,189	7.30
2009	42,104	735,009,528	17,457	38,189	13.70
2010	42,104	735,009,528	17,457	38,189	11.90
2011	44,846	896,426,694	19,989	44,796	10.40
2012	44,846	904,409,282	20,167	45,887	7.70

Sources:

- (1) National Center for Education Statistics
2003-2010 from 2000 U.S. Census Data
2011 and 2012 from 2010 U.S. Census Data
Sum of Populations for all school districts within Southern Hills Joint Vocational School District
- (2) Computation of Per Capita Personal Income multiplied by population
- (3) National Center for Education Statistics
2003-2010 from 2000 U.S. Census Data
2011 and 2012 from 2010 U.S. Census Data
Average Per Capita Personal Income for all school districts within Southern Hills Joint Vocational School District
- (4) National Center for Education Statistics
2003-2010 from 2000 U.S. Census Data
2011 and 2012 from 2010 U.S. Census Data
Average Median Household Income for all school districts within Southern Hills Joint Vocational School District
- (5) Bureau of Labor Statistics

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Principal Employers
2012 and 2006 (1)

2012

Employer	Nature of Business	Number of Employees	Rank
Western Brown Local School District	School	318	1
Kroger	Retail Grocer	300	2
Southwest Regional Medical Center	Health Care	300	3
Brown County Government	Government	290	4
Ohio Valley Manor	Health Care	240	5
Cincinnati Milacron	Plastic Injection	220	6
Southern Ohio Veteran's Home	Health Care	200	7
American Trailer Works	Trailers	200	8
Rumpke	Waste Removal	107	9
Mercy Mt. Orab	Health Care	100	10
Total		<u>2,275</u>	

2006

Employer	Nature of Business	Number of Employees	Rank
Brown County Government	Government	304	1
Brown County General Hospital	Health Care	300	2
Kroger	Retail Grocer	287	3
Cincinnati Milacron	Plastic Injection	263	4
Ohio Valley Manor	Health Care	240	5
Southern Ohio Veterans' Home	Health Care	205	6
McDonalds	Fast Food	127	7
PCP Champion	Surgical Appliance	120	8
Rumpke	Waste Removal	115	9
Stanley Mechanics	Tool Company	100	10
Total		<u>2,061</u>	

Source: Brown County Department of Economic Development

(1) Information prior to 2006 and information on total employment within the School District was not available.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Teacher to Student Ratio
Last Ten Fiscal Years

<u>Year</u>	<u>Average Number of Students per Teacher</u>
2003	10.9
2004	10.5
2005	10.7
2006	10.3
2007	10.7
2008	9.9
2009	10.4
2010	8.8
2011	10.6
2012	12.4

Source: Southern Hills Joint Vocational School District records.
Calculation does not include instructional aides

Average is based on average daily membership divided by total teachers. Instructional aides are excluded from the calculation.

Southern Hills Joint Vocational School District

Employees by Function

Last Ten Fiscal Years

	2003	2004	2005	2006
<i>Governmental Activities</i>				
Instruction (1):				
Regular	2	2	2	2
Vocational	37	37	37	36
Adult/Continuing	3	3	3	3
Support Services:				
Pupils	4	4	4	4
Instructional Staff	1	1	1	1
Administration	5	5	5	5
Fiscal	3	3	3	3
Operation and Maintenance of Plant	5	5	5	5
Operation of Non-Instructional Services:				
Food Service Operations	4	4	4	4
<i>Total Number of Employees</i>	64	64	64	63

Source: Southern Hills Joint Vocational School District records

(1) Includes instructional aides

<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>
2	2	2	2	2	2
33	33	34	35	31	27
3	3	3	3	3	3
4	4	4	4	4	5
1	1	1	1	1	1
5	5	5	5	5	5
3	3	3	3	3	3
5	5	5	5	5	5
<u>4</u>	<u>4</u>	<u>4</u>	<u>4</u>	<u>3</u>	<u>3</u>
<u>60</u>	<u>60</u>	<u>61</u>	<u>62</u>	<u>57</u>	<u>54</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT
 Staff Education, Experience and Teacher Salary Data
 June 30, 2012

<u>Degree</u>	<u>Number of Staff</u>	<u>Percent of Total</u>	<u>Number of Teachers</u>	<u>Average Teacher's Salary</u>	<u>Salary Range</u>
Non-Degree	26	48.14%	8	\$60,802	\$50,820-\$64,995
Bachelor's Degree	6	11.11%	2	46,682	42,425 - 53,884
Bachelor with 150 Hours	4	7.41%	4	48,860	35,861 - 62,601
Master's Degree	7	12.96%	7	53,553	39,540 - 70,655
Master's Degree + 18 Hours	11	20.37%	10	67,165	57,328 - 80,445
Total	<u>54</u>	<u>100.00%</u>	<u>31</u>		

<u>Years of Experience</u>	<u>Number of Staff</u>	<u>Percent of Total</u>
0-5	9	16.67%
6-10	14	25.93%
11 and over	<u>31</u>	<u>57.41%</u>
Total	<u>54</u>	<u>100.00%</u>

Source: Southern Hills Joint Vocational School District records

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Percentage of Students who Receive Free and Reduced Lunches
Last Ten Fiscal Years

<u>Year</u>	<u>Percentage</u>
2003	19.66%
2004	24.09
2005	27.69
2006	32.54
2007	34.92
2008	38.85
2009	44.44
2010	48.80
2011	49.59
2012	47.59

Source: Ohio Department of Education

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT
 Building Statistics, Operating Statistics and Classroom Space by Program
 Last Ten Fiscal Years
 (cash basis of accounting)

	2003	2004	2005	2006
Southern Hills Joint Vocational School				
Constructed Completed in 1975				
Total Building Square Footage	103,000	103,000	103,000	103,000
Total Enrollment (1)	292	295	308	300
Student Capacity	400	400	400	400
Power Equipment Mechanics/Agricultural Industrial				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	21	20	33	29
Students Who Graduated from Program	11	6	13	15
Cost of Program	\$97,270	\$65,065	\$105,987	\$85,329
Percentage of Students to Maximum Capacity of Program	42%	40%	66%	58%
Cost of Program Per Student	4,632	3,253	3,212	2,942
Square ft. of Program Space	5,953	5,953	5,953	5,953
Diversified Health Occupations				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	32	26	23	19
Students Who Graduated from Program	10	9	12	5
Cost of Program	\$98,484	\$86,036	\$86,917	\$94,448
Percentage of Students to Maximum Capacity of Program	64%	52%	46%	38%
Cost of Program Per Student	3,078	3,309	3,779	4,971
Square ft. of Program Space	2,141	2,141	2,141	2,141
Information Technology/Computer Systems				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	19	18	20	22
Students Who Graduated from Program	11	6	8	8
Cost of Program	\$94,478	\$88,388	\$94,355	\$58,093
Percentage of Students to Maximum Capacity of Program	38%	36%	40%	44%
Cost of Program Per Student	4,973	4,910	4,718	2,641
Square ft. of Program Space	2,254	2,254	2,254	2,254

Source: Southern Hills Joint Vocational School District records

Cost of Program based on cash expenditures.

(1) Does not include home schooled students and students attending programs offered outside the central building.

2007	2008	2009	2010	2011	2012
113,500	113,500	113,500	113,500	113,500	113,500
286	286	312	325	312	338
400	400	400	400	400	400
50	50	50	50	50	50
22	31	30	31	35	37
9	11	12	11	12	20
\$91,449	\$91,235	\$139,974	\$176,595	\$150,365	\$113,650
44%	62%	60%	62%	70%	74%
4,157	2,943	4,666	5,697	4,296	3,072
5,953	5,953	5,953	5,953	5,953	5,953
50	50	50	50	50	50
33	38	34	32	34	33
9	17	17	10	15	15
\$90,476	\$96,341	\$99,375	\$114,434	\$98,048	\$107,749
66%	76%	68%	64%	68%	66%
2,742	2,535	2,923	3,576	2,884	3,265
2,141	2,141	2,141	2,141	2,141	2,141
50	50	50	50	50	50
33	22	15	16	25	30
11	14	7	7	4	16
\$95,728	\$79,691	\$116,531	\$94,146	\$118,245	\$105,487
66%	44%	30%	32%	50%	60%
2,901	3,622	7,769	5,884	4,730	3,516
2,254	2,254	2,254	2,254	2,254	2,254

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT
 Building Statistics, Operating Statistics and Classroom Space by Program
 Last Ten Fiscal Years
 (cash basis of accounting)
 (continued)

	2003	2004	2005	2006
Early Childhood Education				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	20	34	27	23
Students Who Graduated from Program	5	10	15	11
Cost of Program	\$76,440	\$89,757	\$107,343	\$99,195
Percentage of Students to Maximum Capacity of Program	40%	68%	54%	46%
Cost of Program Per Student	3,822	2,640	3,976	4,313
Square ft. of Program Space	2,853	2,853	2,853	2,853
Automobile Technology				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	39	35	42	42
Students Who Graduated from Program	11	15	18	23
Cost of Program	\$192,696	\$184,921	\$267,631	\$174,855
Percentage of Students to Maximum Capacity of Program	78%	70%	84%	84%
Cost of Program Per Student	4,941	5,283	6,372	4,163
Square ft. of Program Space	6,677	6,677	6,677	6,677
Carpentry				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	27	29	27	17
Students Who Graduated from Program	6	14	13	5
Cost of Program	\$99,873	\$158,772	\$141,109	\$108,423
Percentage of Students to Maximum Capacity of Program	54%	58%	54%	34%
Cost of Program Per Student	3,699	5,475	5,226	6,378
Square ft. of Program Space	5,569	5,569	5,569	5,569
Machining Technology				
Maximum Capacity of Program	50	50	50	25
Number of Students at End of Year (1)	26	17	15	6
Students Who Graduated from Program	12	8	6	5
Cost of Program	\$154,720	\$193,483	\$161,981	\$23,487
Percentage of Students to Maximum Capacity of Program	52%	34%	30%	24%
Cost of Program Per Student	5,951	11,381	10,799	3,915
Square ft. of Program Space	4,086	4,086	4,086	4,086

Source: Southern Hills Joint Vocational School District records

Cost of Program based on cash expenditures.

(1) Does not include home schooled students and students attending programs offered outside the central building.

2007	2008	2009	2010	2011	2012
50	50	50	50	50	50
23	25	26	23	25	28
8	11	14	9	12	12
\$106,964	\$102,759	\$137,554	\$115,426	\$120,039	\$157,430
46%	50%	52%	46%	50%	56%
4,651	4,110	5,291	5,019	4,802	5,623
2,853	2,853	2,853	2,853	2,853	2,853
50	50	50	50	50	50
36	40	33	34	27	37
17	15	14	17	10	17
\$141,590	\$198,485	\$228,617	\$226,263	\$247,638	\$259,339
72%	80%	66%	68%	54%	74%
3,933	4,962	6,928	6,655	9,172	7,009
6,677	6,677	6,677	6,677	6,677	6,677
50	50	50	50	50	50
16	18	22	19	15	18
7	8	4	14	3	12
\$118,770	\$112,423	\$109,086	\$160,574	\$110,675	\$123,494
32%	36%	44%	38%	30%	36%
7,423	6,246	4,958	8,451	7,378	6,861
5,569	5,569	5,569	5,569	5,569	5,569
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT
 Building Statistics, Operating Statistics and Classroom Space by Program
 Last Ten Fiscal Years
 (cash basis of accounting)
 (continued)

	2003	2004	2005	2006
Welding				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	16	23	23	23
Students Who Graduated from Program	6	7	12	7
Cost of Program	\$92,660	\$95,599	\$110,028	\$111,158
Percentage of Students to Maximum Capacity of Program	32%	46%	46%	46%
Cost of Program Per Student	5,791	4,156	4,784	4,833
Square ft. of Program Space	4,273	4,273	4,273	4,273
Cosmotology				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	34	25	24	30
Students Who Graduated from Program	14	12	11	10
Cost of Program	\$142,905	\$161,869	\$141,191	\$142,822
Percentage of Students to Maximum Capacity of Program	68%	50%	48%	60%
Cost of Program Per Student	4,203	6,475	5,883	4,761
Square ft. of Program Space	2,746	2,746	2,746	2,746
Criminal Justice				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	14	16	21	17
Students Who Graduated from Program	5	7	6	6
Cost of Program	\$113,401	\$111,098	\$101,139	\$100,073
Percentage of Students to Maximum Capacity of Program	28%	32%	42%	34%
Cost of Program Per Student	8,100	6,944	4,816	5,887
Square ft. of Program Space	2,776	2,776	2,776	2,776
Graphics				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	16	19	34	47
Students Who Graduated from Program	9	4	11	21
Cost of Program	\$123,427	\$133,703	\$141,459	\$167,829
Percentage of Students to Maximum Capacity of Program	32%	38%	68%	94%
Cost of Program Per Student	7,714	7,037	4,161	3,571
Square ft. of Program Space	2,389	2,389	2,389	2,389

Source: Southern Hills Joint Vocational School District records

Cost of Program based on cash expenditures.

(1) Does not include home schooled students and students attending programs offered outside the central building.

2007	2008	2009	2010	2011	2012
50	50	50	50	50	50
22	19	35	30	30	25
13	8	12	14	17	11
\$122,163	\$122,679	\$274,715	\$377,028	\$214,780	\$152,396
44%	38%	70%	60%	60%	50%
5,553	6,457	7,849	12,568	7,159	6,096
9,273	9,273	9,273	9,273	9,273	9,273
50	50	50	50	50	50
26	24	32	43	27	23
16	10	11	18	18	8
\$155,139	\$155,752	\$172,459	\$177,625	\$214,184	\$135,412
52%	48%	64%	86%	54%	46%
5,967	6,490	5,389	4,131	7,933	5,887
2,746	2,746	2,746	2,746	2,746	2,746
50	50	50	50	50	50
13	21	21	25	20	21
4	9	9	10	12	7
\$74,743	\$56,522	\$71,519	\$62,174	\$67,104	\$71,938
26%	42%	42%	50%	40%	42%
5,749	2,692	3,406	2,487	3,355	3,426
2,776	2,776	2,776	2,776	2,776	2,776
50	50	50	50	50	50
42	31	29	36	45	39
18	17	16	9	24	19
\$113,744	\$93,236	\$88,661	\$103,143	\$124,402	\$97,284
84%	62%	58%	72%	90%	78%
2,708	3,008	3,057	2,865	2,764	2,494
2,389	2,389	2,389	2,389	2,389	2,389

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT
 Building Statistics, Operating Statistics and Classroom Space by Program
 Last Ten Fiscal Years
 (cash basis of accounting)
 (continued)

	2003	2004	2005	2006
Administration/Office Technology				
Maximum Capacity of Program	50	50	50	50
Number of Students at End of Year (1)	28	33	19	25
Students Who Graduated from Program	18	24	6	11
Cost of Program	\$143,848	\$75,341	\$74,883	\$98,636
Percentage of Students to Maximum Capacity of Program	56%	66%	38%	50%
Cost of Program Per Student	5,137	2,283	3,941	3,945
Square ft. of Program Space	2,508	2,508	2,508	2,508
BioTech				
Maximum Capacity of Program	n/o	n/o	n/o	n/o
Number of Students at End of Year (1)	n/o	n/o	n/o	n/o
Students Who Graduated from Program	n/o	n/o	n/o	n/o
Cost of Program	n/o	n/o	n/o	n/o
Percentage of Students to Maximum Capacity of Program	n/o	n/o	n/o	n/o
Cost of Program Per Student	n/o	n/o	n/o	n/o
Square ft. of Program Space	n/o	n/o	n/o	n/o
Occupational Work Experience				
Maximum Capacity of Program	n/o	n/o	25	n/o
Number of Students at End of Year (1)	n/o	n/o	14	n/o
Students Who Graduated from Program	n/o	n/o	14	n/o
Cost of Program	n/o	n/o	\$69,697	n/o
Percentage of Students to Maximum Capacity of Program	n/o	n/o	56%	n/o
Cost of Program Per Student	n/o	n/o	4,978	n/o
Square ft. of Program Space	n/o	n/o	558	n/o
Sports Medicine				
Maximum Capacity of Program	n/o	n/o	n/o	n/o
Number of Students at End of Year (1)	n/o	n/o	n/o	n/o
Students Who Graduated from Program	n/o	n/o	n/o	n/o
Cost of Program	n/o	n/o	n/o	n/o
Percentage of Students to Maximum Capacity of Program	n/o	n/o	n/o	n/o
Cost of Program Per Student	n/o	n/o	n/o	n/o

Source: Southern Hills Joint Vocational School District records

Cost of Program based on cash expenditures.

(1) Does not include home schooled students and students attending programs offered outside the central building.

n/o - Program not offered.

2007	2008	2009	2010	2011	2012
50	50	50	50	50	50
20	17	20	19	12	15
11	15	10	8	7	4
\$75,787	\$83,136	\$85,440	\$71,652	\$81,601	\$80,251
40%	34%	40%	38%	24%	30%
3,789	4,890	4,272	3,771	6,800	5,350
2,508	2,508	2,508	2,508	2,508	2,508
n/o	n/o	n/o	n/o	n/o	50
n/o	n/o	n/o	n/o	n/o	9
n/o	n/o	n/o	n/o	n/o	3
n/o	n/o	n/o	n/o	n/o	\$69,288
n/o	n/o	n/o	n/o	n/o	18%
n/o	n/o	n/o	n/o	n/o	7,699
n/o	n/o	n/o	n/o	n/o	2,508
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	n/o	n/o	n/o	n/o
n/o	n/o	50	50	50	50
n/o	n/o	15	12	22	22
n/o	n/o	4	3	8	12
n/o	n/o	\$85,440	\$88,891	\$82,517	\$80,668
n/o	n/o	30%	24%	44%	44%
n/o	n/o	5,696	7,408	3,751	3,667

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Per Pupil Cost
Last Ten Fiscal Years

Fiscal Year	Average Daily Membership (1)	General Government		Governmental Activities	
		Total Expenditures (2)	Per Pupil Cost	Total Expenses (3)	Per Pupil Cost
2003	427	\$4,949,615	\$11,592	\$5,033,201	\$11,787
2004	411	5,517,516	13,425	5,635,409	13,711
2005	416	5,723,580	13,759	5,665,393	13,619
2006	392	8,726,542	22,262	5,849,582	14,922
2007	376	13,982,361	37,187	6,488,376	17,256
2008	346	6,460,011	18,671	6,299,448	18,206
2009	365	7,074,198	19,381	6,830,694	18,714
2010	325	7,111,533	21,882	6,810,033	20,954
2011	370	6,664,631	18,013	6,604,221	17,849
2012	384	5,962,730	15,528	6,243,548	16,259

Source: Southern Hills Joint Vocational School District Records

(1) Average daily membership does not include home schooled students and students attending programs offered outside the central building.

(2) Excludes debt service expenditures.

(3) Excludes interest and fiscal charges.