

**OAK HILLS LOCAL SCHOOL DISTRICT**



**Single Audit Reports**

**June 30, 2012**





# Dave Yost • Auditor of State

Board of Education  
Oak Hills Local School District  
6325 Rapid Run Road  
Cincinnati, Ohio 45233

We have reviewed the *Independent Auditor's Report* of the Oak Hills Local School District, Hamilton County, prepared by Plattenburg & Associates, Inc., for the audit period July 1, 2011 through June 30, 2012. Based upon this review, we have accepted these reports in lieu of the audit required by Section 117.11, Revised Code. The Auditor of State did not audit the accompanying financial statements and, accordingly, we are unable to express, and do not express an opinion on them.

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

A handwritten signature in black ink that reads "Dave Yost".

Dave Yost  
Auditor of State

January 28, 2013

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**OAK HILLS LOCAL SCHOOL DISTRICT**  
**SCHEDULE OF FEDERAL AWARDS EXPENDITURES**  
**FOR THE YEAR ENDED JUNE 30, 2012**

Federal Grant/ Pass Through Grantor Program Title	Pass Through Entity Number	Federal CFDA Number	Receipts	Non-Cash Receipts	Disbursements	Non-Cash Disbursements
<b>U.S. DEPARTMENT OF AGRICULTURE</b>						
Passed Through Ohio Department of Education:						
Nutrition Cluster:						
School Breakfast Program	3L70	10.553	\$39,906	\$0	\$39,906	\$0
National School Lunch Program	3L60	10.555	163,774	19,156	163,774	19,156
Special Milk Program for Children	3L60	10.556	43,125	0	43,125	0
Total Nutrition Cluster			<u>246,805</u>	<u>19,156</u>	<u>246,805</u>	<u>19,156</u>
Total U.S. Department of Agriculture			<u>246,805</u>	<u>19,156</u>	<u>246,805</u>	<u>19,156</u>
<b>U.S. DEPARTMENT OF EDUCATION</b>						
Passed Through Ohio Department of Education:						
Special Education Cluster:						
Special Education-Grants to States	3M20	84.027	1,688,624	0	1,688,624	0
Special Education-Preschool Grants	3C50	84.173	24,009	0	24,009	0
Total Special Education Cluster			<u>1,712,633</u>	<u>0</u>	<u>1,712,633</u>	<u>0</u>
Title I Cluster:						
Title I Grants to Local Educational Agencies	3M00	84.010	860,357	0	860,357	0
Total Title I Cluster			<u>860,357</u>	<u>0</u>	<u>860,357</u>	<u>0</u>
Career & Technical Education Basic Grants to States	N/A	84.048	18,806	0	18,806	0
Race to the Top - ARRA	3FD0	84.395	316,529	0	316,529	0
Education Technology State Grants	3S20	84.318	5,133	0	5,133	0
Improving Teacher Quality	3Y60	84.367	124,393	0	106,393	0
Education Jobs	N/A	84.410	1,361,865	0	1,361,865	0
Total Department of Education			<u>4,399,716</u>	<u>0</u>	<u>4,381,716</u>	<u>0</u>
Total Federal Assistance			<u>\$4,646,521</u>	<u>\$19,156</u>	<u>\$4,628,521</u>	<u>\$19,156</u>

NOTES TO SCHEDULE OF FEDERAL AWARDS EXPENDITURES

NOTE A -- SIGNIFICANT ACCOUNTING POLICIES

The accompanying schedule of federal awards expenditures is a summary of the activity of the District's federal award programs. The schedule has been prepared on the cash basis of accounting.

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**REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND  
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF  
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH  
GOVERNMENT AUDITING STANDARDS**

To the Board of Education  
Oak Hills Local School District

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Oak Hills Local School District (the District), as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements and have issued our report thereon dated November 19, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

Management of the District is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

## Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
November 19, 2012



**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS  
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR  
PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE  
WITH OMB CIRCULAR A-133**

To the Board of Education  
Oak Hills Local School District

Compliance

We have audited the Oak Hills Local School District's (the District) compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2012. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2012.

## Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with the requirements that could have a direct and material effect on a major federal program to determine the auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

## Schedule of Expenditures of Federal Awards

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2012, and have issued our report thereon dated November 19, 2012, which contained an unqualified opinion on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements as a whole. The schedule of expenditures of federal awards is presented for the purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

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

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
November 19, 2012

**OAK HILLS LOCAL SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
Year Ended June 30, 2012**

**Section I – Summary of Auditor’s Results**

<i>(d)(1)(i)</i>	<i>Type of Financial Statement Opinion</i>	Unqualified	
<i>(d)(1)(ii)</i>	<i>Were there any material control weakness conditions reported at the financial statement level (GAGAS)?</i>	No	
<i>(d)(1)(ii)</i>	<i>Were there any other significant control deficiencies reported at the financial statement level (GAGAS)?</i>	No	
<i>(d)(1)(iii)</i>	<i>Was there any material reported non-compliance at the financial statement level (GAGAS)?</i>	No	
<i>(d)(1)(iv)</i>	<i>Were there any material internal control weakness conditions reported for major federal programs?</i>	No	
<i>(d)(1)(iv)</i>	<i>Were the any other significant control deficiencies reported for major federal programs?</i>	No	
<i>(d)(1)(v)</i>	<i>Type of Major Programs' Compliance Opinion</i>	Unqualified	
<i>(d)(1)(vi)</i>	<i>Are there any reportable findings under Section .510?</i>	No	
<i>(d)(1)(vii)</i>	<i>Major Programs (list):</i>	Race to the Top - ARRA Education Jobs	CFDA# 84.395 CFDA# 84.410
<i>(d)(1)(viii)</i>	<i>Dollar Threshold: Type A/B Programs</i>	Type A: > \$300,000 Type B: all others	
<i>(d)(1)(ix)</i>	<i>Low Risk Auditee?</i>	Yes	

**Section II – Findings Related to the Financial Statements Required to be Reported in Accordance with GAGAS**

None

**Section III – Federal Award Findings and Questioned Costs**

None

**OAK HILLS LOCAL SCHOOL DISTRICT  
JUNE 30, 2012**

**SCHEDULE OF PRIOR AUDIT FINDINGS AND QUESTIONED COSTS  
*OMB CIRCULAR A-133***

The Oak Hills Local School District had no prior audit findings or questioned costs.



# ***Oak Hills Local School District***

6325 Rapid Run Road  
Cincinnati, Ohio 45233  
[www.oakhills.k12.oh.us](http://www.oakhills.k12.oh.us)

***think***  
**GLOBALLY**

***investigate***  
—○ the world  
**!** recognize various  
***perspectives***  
communicate

((( ***ideas***  
to diverse groups

**→** ***take***  
***action***



Graphic design by: Emily Marsala, Class of 2012

***Comprehensive Annual Financial Report***

***For the Fiscal Year Ended June 30, 2012***

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**OAK HILLS LOCAL SCHOOL DISTRICT  
CINCINNATI, OHIO**

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**Comprehensive Annual Financial Report  
For The Fiscal Year Ended June 30, 2012**

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**PREPARED BY:  
OFFICE OF THE TREASURER  
RONDA C. JOHNSON, TREASURER**

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# INTRODUCTORY SECTION



November 19, 2012

To the Citizens and Board of Education of the Oak Hills Local School District:

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Oak Hills Local School District (District) for the fiscal year ended June 30, 2012. This report was prepared by the Treasurer's office in conformance with generally accepted accounting principles (GAAP) as set forth by the Governmental Accounting Standards Board (GASB) and includes an unqualified opinion from Plattenburg & Associates, Inc. Responsibility for accurate, complete and fair representation of data, including all disclosures, rests with the District. This report will provide the taxpayers of the Oak Hills Local School District with comprehensive financial data in a format which will enable them to gain an understanding of the District's financial affairs. Copies will be available upon request to taxpayers, financial rating services, banking institutions and other interested parties.

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

The District provides a full range of traditional and 21<sup>st</sup> century educational programs and services. These include elementary and secondary curriculum offerings at the general, college preparatory, advance placement, gifted, special education and vocational levels; a broad range of co-curricular and extra-curricular activities; and adult and community education offerings and community recreation activities.

In addition to these general activities, the District acts as the fiscal agent for State funds distributed to non-public parochial schools located within the District boundaries. This activity is included in the District's reporting entity as Auxiliary Services, a special revenue fund, because the District has administrative involvement in the programs. The schools served are: Our Lady of Victory, Our Lady of Visitation, St. Aloysius Gonzaga, St. Dominic, St. Jude and the Children's House. While these organizations are similar in operations and services provided, each is distinct and separate entities whose financial statements are not included in this report.



## **ECONOMIC CONDITION AND OUTLOOK**

The District is located in southwestern Ohio, a suburb of Cincinnati, in the southwestern part of Hamilton County. Approximately 88% of the District's tax base consists of residential and agricultural properties with the remainder composed of a wide range of commercial and other business properties. The overall economic outlook for the area remains stable with relatively low unemployment rates and low inflationary pressures.

The District is continually challenged by the responsibility bestowed upon it by the community at large. We are always striving to provide the very best educational opportunities to every student, while carefully guarding the District's resources. For twelve consecutive years, the District earned an "Excellent" rating from the State of Ohio accountability system while maintaining one of the lowest expenditures per pupil in Hamilton County.

The funding of K-12 public schools in Ohio is a joint effort between the state and local school districts. Since the 1970s through FY 2009, with the exception of a few years, Ohio's funding formula was foundation based by means of which a per pupil amount determined by the General Assembly as the per-pupil resource for provision of a basic adequate education was multiplied by the number of pupils to determine the base funding of the school districts. From this product, the local share of the basic adequate amount or the charge off was subtracted to arrive at the state share of the base funding. Additional funding was also provided for services targeted to categories of pupils such as handicapped, vocational, gifted, and economically disadvantaged as well as some adjustments and funding guarantees. The 2010-11 biennial budget (Am. Sub. H.B. 1 of the 128<sup>th</sup> General Assembly), established a new funding formula called the Evidence-Based Model (EBM). Am. Sub. H.B. 153 of the 129<sup>th</sup> General Assembly repealed the EBM and implemented a temporary funding formula for the 2012-13 biennial budget as a new school funding formula is developed. The temporary formula is called the Bridge formula. The Bridge formula provides for a simplified approach to fund distribution based on FY 2011 total calculated amounts on per pupil basis for both FY 2012 and FY 2013. The FY 2013 funding calculation involves the use of ADM and funding factors from FY 2011 applied to FY 2013 ADM with additional adjustments utilizing charge-off property valuation data in FY 2011. Based on this approach in FY 2013, school districts are provided with total funding amounts without any calculation for various education or support services such as special education, gifted education or transportation. Oak Hills remains concerned about the instability of the state and local economy and the political ramifications of a new funding model.

## **THE DISTRICT AND ITS FACILITIES**

The Oak Hills Local School District represents a prior consolidation of three elementary districts: Bridgetown, Delhi and Springmyer. The consolidation was finalized by the Hamilton County Board of Education on April 23, 1956 in order to equalize educational opportunities throughout the area. Today, the District operates under current standards as prescribed by the State of Ohio Board of Education, as provided in Division (D) of Section 3301.07 and Section 110.01 of the Ohio Revised Code.

The District serves an area of 28 square miles, encompassing Delhi and Green Townships in Hamilton County. The total District population is reported at 87,880 by census data.

During the 2011-2012 school year, the District served 8,085 students enrolled in five elementary schools (3,635 students), three middle schools (1,840 students) and the fourth largest high school in the State of Ohio (2,610 students). Enrollment has remained stable over the last decade and is projected to vary only slightly over the next five years. See schedule 19 for additional information (age, capacity, etc.) on the District's school buildings.

The District also operates a variety of other facilities, including: a district office administration building, a maintenance building, a bus compound, and several athletic stadiums across the District.

## **ORGANIZATION OF THE SCHOOL DISTRICT**

The Board of Education of the Oak Hills Local School District is a five member body politic and corporate, as defined by Section 3313.02 of the Ohio Revised Code. The Board: (1) serves as the taxing authority, contracting body and policy maker, (2) ensures that all the general laws of the State of Ohio are followed in the expenditures of the District's tax dollars, (3) approves the annual appropriation resolution and tax budget.

The Board members represent a cross section of professions in the community. The board members on June 30, 2012, were as follows:

<u>Board Member</u>	<u>Term</u>	<u>Years on Board</u>
Mrs. Jan Hunter	01/01/12 – 12/31/15	10.5
Mr. Steve Schinkal	01/01/12 – 12/31/15	4.5
Mr. Rick Ahlers	01/01/10 – 12/31/13	6.5
Mrs. Ritsa Tassopoulos	01/01/10 – 12/31/13	2.5
Mrs. Jeannie Schoonover	01/01/10 – 12/31/13	2.5

The Superintendent is the chief executive officer of the District, responsible directly to the Board for all educational and support operations. Mr. Todd Yohey was appointed Superintendent effective August 1, 2009 through July 31, 2013. Mr. Yohey received a Bachelor of Science Degree from Wright State University and a Master of Science degree in Educational Leadership from the University of Dayton. Prior to being named Superintendent, Mr. Yohey served as the Superintendent for four years at the Ross Local School District in Hamilton, Ohio.

The Treasurer is the chief financial officer of the District, responsible directly to the Board for maintaining all financial records, issuing all payments, maintaining custody of all District funds and assets and investing idle funds as specified by Ohio Law. Mrs. Ronda Johnson was appointed Treasurer in January, 2005 and is currently serving under a 5 year contract expiring July 31, 2015. Mrs. Johnson received her B.A. degree from Wilmington College and prior to her appointment, had been employed by the District as the Assistant Treasurer since May, 2000.

## **EMPLOYEE RELATIONS**

The District has over 900 full and part-time employees. This number has decreased slightly over the past few years as part of a concentrated effort to reduce expenditures. There are two organizations representing the certificated and classified employees. The District's administrative employees are not currently represented.

The Oak Hills Education Association (OHEA), an affiliate of the Ohio Education Association (OEA), represents all certificated employees of the District. The collective bargaining agreement between the OHEA and the District was re-negotiated during the 2010-2011 school year to provide for wage freezes through June 30, 2013. The current contract expires June 30, 2014.

Classified employees are represented by Chapter 200 of the Ohio Association of Public School Employees (OAPSE), an affiliate of the American Federation of State, County and Municipal Employees (AFSCME). OAPSE Chapter 200 represents food service employees, custodians, maintenance employees, building secretaries, mechanics, bus drivers, educational assistants and system support technicians. The collective bargaining agreement between OAPSE Chapter 200 and the District was also re-negotiated during the 2010-2011 school year to provide for wage freezes through June 30, 2013. The current contract expires on June 30, 2015.

## **SERVICES PROVIDED**

The District offers regular instructional programs daily to students in grades Pre-K – 12. Nearly 172 students participate in specific trades offered through the vocation education program at Great Oaks Institute of Technology and Career Development. Over 1,200 students receive special services due to physical or mental handicap conditions. In grades K-12, over 700 have been identified as gifted.

The District provides a wide variety of education and support services, as mandated by the Ohio Revised Code and as directed by the Board to meet the needs of all students. Student services include guidance, psychological, speech therapy, physical and occupational therapy, transportation, and school lunch. Limited health services are also provided under the guidance of registered nurses throughout the District.

During the 2011-12 school year, the accounting department processed over 4,500 purchase orders and issued over 5,000 checks for good and/or services for the District. Those goods and services include utilities, instructional supplies, computers, software, textbooks, building maintenance, and tuition.

The payroll department issued more than 24,790 payroll checks to employees entitled to remuneration for services rendered, while 1,475 deduction checks were also issued for payroll-associated costs such as taxes, retirement, and insurance.

## **MAJOR CURRENT AND FUTURE INITIATIVES**

### Curriculum Initiatives

Rigorous academics, relevant educational experiences, and relationships formed with the larger community help prepare our students for future challenges in a 21<sup>st</sup> century global marketplace.

Educational opportunities abound for students with gifted programs, special education services, vocational options, and community education. These successful programs are guided by caring, highly qualified teachers and supported by staff that understand and are committed to meeting the needs of each and every child. Among the best, we continue to strive for better.

Oak Hills reviews curriculum on a five year cycle. For the 2011-12 school year, Social Studies was the curriculum focus for grades K-12. A team of administrators, lead teachers, and community members spent the school year analyzing curriculum and ultimately decided to contract with the Ohio Writing Project to provide professional development to all Social Studies teachers in grades K - 12. New instructional materials were not purchased based on the need to provide additional professional development in the area of the new Common Core State Standards.

The State Board of Education in Ohio adopted the Common Core State Standards for English Language Arts and Mathematics as the result of a multi-state effort. The State Board of Education also adopted more rigorous versions of Ohio's academic content standards in Science and Social Studies. All four sets of standards will underpin teaching in Ohio classrooms by 2014-15, but Oak Hills has been working with staff and students to prepare for the corresponding assessments which are scheduled to begin in 2014-15.

Due to a competitive global economy and the growing need for a highly skilled workforce, Oak Hills is dedicated to ensuring that all students graduate career and college ready. In grades 6 – 12, the District continued the process of aligning curriculum, instruction, and assessment to ACT College Readiness Standards and College Board Advanced Placement curriculum and assessment. Oak Hills High School now offers a total of ten different courses in english, math, science, and social studies that are aligned to ACT Quality Core Curriculum. In addition to these courses, our high school is proud to offer a total of 27 College Board Advanced Placement courses where students can earn both high school and college credit in a variety of academic disciplines. We have also partnered with Cincinnati State to develop several dual credit courses taught by adjunct faculty in the District. Students can earn college and high school credit in these dual credit courses. In addition to course offerings, we offer a variety of Educational Pathways that provide students with an opportunity to focus in a concentrated academic field that could lead to potential college majors or careers.

Beginning with the 2011-12 school year, our high school students were able to choose to focus their study in the following Educational Pathways: International Studies, Creative and Performing Arts, Science, Technology, Engineering, and Math (STEM), or Integrated Studies. Students will complete a Capstone Project as a culminating summary and demonstration of the important content and skills that they have learned in their Educational Pathway. As a school community, we have embraced and promoted career and college readiness for all of our students.

The expansion of on-line learning continues to be a key initiative for Oak Hills. Following a feasibility study and a pilot of on-line courses during the 2010-11 school year, the District is currently offering on-line Spanish, Mandarin, and Health. The ability to move these courses to an on-line environment creates the opportunity for students to take additional in-class courses during the school day. Hybrid courses (seeing students 2 days per week in combination with on-line learning activities) in 9<sup>th</sup> grade World History and 9<sup>th</sup> grade English have enabled teachers to work with two groups of students in one bell, which maximizes the precious resource of instructional time.

Overall, the 2011-12 school year was a successful year for the Oak Hills Local School District. The District earned the “Excellent” rating, as determined by the accountability system of the state of Ohio. After twelve straight years of “Excellent” ratings, Oak Hills remains proud of the achievement of our students!

### Relevant Financial Policies

School Funding in Ohio was changed for FY 12 when the Governor signed HB 153 in the spring of 2011. HB 153 repealed the previous funding formula for all school districts and implemented a temporary funding formula for the 2012-13 biennial budget as a new school funding formula is developed. The temporary formula for FY 13 is called the Bridge Formula. Overall, public education suffered and school Districts are not receiving any material increase in State Funding. Funding for public education at the current level is not secure beyond FY 2013. This uncertainty could have a major impact on our instructional and operational programs. The need for additional revenue and or expenditure reductions will need to be monitored closely.

### **FINANCIAL INFORMATION**

The District’s accounting system is organized on a “fund” basis. Each fund is a distinct, self-balancing entity. Records for general governmental operations are maintained on a budgetary basis system of accounting as prescribed by State statute. The Budgetary basis accounting differs from generally accepted accounting principles [GAAP] as promulgated by the Governmental Accounting Standards Board [GASB].

## **INTERNAL ACCOUNTING AND BUDGETARY CONTROL**

In developing the District's accounting system, much consideration was given to the adequacy of internal accounting controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use or disposition and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance is based on the assumption that the cost of internal accounting controls should not exceed the benefits expected to be derived from their implementation.

The District utilizes a fully automated accounting system as well as an automated system of control for capital assets and payroll. These systems, coupled with the manual auditing of each voucher prior to payment, ensures that the financial information generated is both accurate and reliable.

At the beginning of each fiscal year, the Board adopts either a temporary appropriation measure or a permanent appropriation measure for that fiscal year. Appropriations are monitored, changed and amended/adopted on a monthly basis.

Annual appropriations may not exceed the County Budget Commission's official estimate of resources. The County Auditor must certify that the Board's appropriation measures, including any supplements or amendments, do not exceed the amount set forth in the latest of those official estimates.

All disbursements and transfers of cash between funds require appropriation authority from the Board. Budgets are controlled at the fund level. All purchase order requests must be approved by the individual program managers and certified by the Treasurer; necessary funds are then encumbered and purchase orders are released to vendors.

The basis of accounting and the various funds utilized by the District are fully described in the notes to the basic financial statements. Additional information on the District's budgetary accounts can also be found in the notes to the required supplementary information.

## **INDEPENDENT AUDIT**

The State of Ohio requires an annual audit by either the Auditor of State or by an independent public accounting firm. Plattenburg & Associates, Inc. performed the audit for the fiscal year ended June 30, 2012. The auditor's unqualified opinion rendered on the District's basic financial statements is included in the financial section of this Comprehensive Annual Financial Report.

## **AWARDS**

### 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 District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011. The Certificate of Achievement is the highest form of recognition for excellence in state and local government financial reporting.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Comprehensive Annual Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of one year only. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to the GFOA.

### ASBO Certificate of Excellence

The Association of School Business Officials International (ASBO) awarded a Certificate of Excellence on Financial Reporting for the fiscal year ended June 30, 2011, to the District. The award certifies that the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2011, substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. This award is granted only after an intensive review of the financial report by an expert panel of certified public accountants and practicing school business officials. Management believes the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2012, will again conform to ASBO's principles and standards as well, and will be submitted to ASBO for review.

## **ACKNOWLEDGEMENTS**

The preparation of the fiscal year 2012 Comprehensive Annual Financial Report of the Oak Hills Local School District was made possible by the combined efforts of the District Treasurer's Office staff and Plattenburg & Associates, Inc. Sincere appreciation is extended for the time and effort they contributed to prepare this report. Appreciation is also extended to the Board of Education, the District Administrative Team and the Oak Hills school community for their continued support.

The publication of this Comprehensive Annual Financial Report for the District is a major step in reinforcing the accountability of the District to the taxpayers of the community.

Respectfully Submitted,

A handwritten signature in cursive script that reads "Ronda Johnson". The signature is written in a dark ink on a white background.

Ronda C. Johnson  
Treasurer

A handwritten signature in cursive script that reads "MT Yohey". The signature is written in a dark ink on a white background.

M. Todd Yohey  
Superintendent



**Oak Hills Local School District, Ohio**  
**List Of Principal Officials**  
**June 30, 2012**

**Board Of Education**

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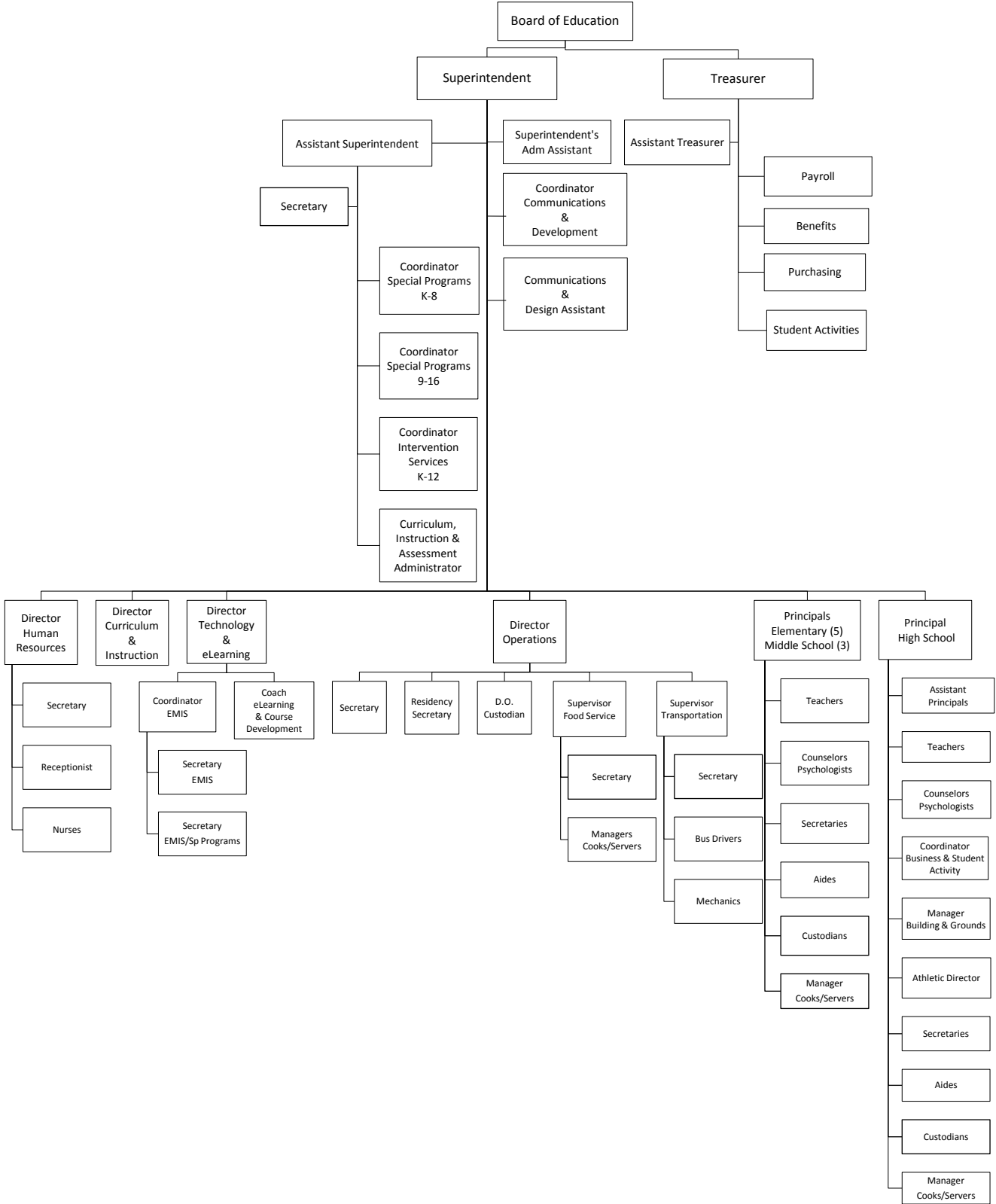
<b>President</b>	<b>Janice Hunter</b>
<b>Vice President</b>	<b>Ritsa Tassopoulos</b>
<b>Board Member</b>	<b>Rick Ahlers</b>
<b>Board Member</b>	<b>Steve Schinkal</b>
<b>Board Member</b>	<b>Jeannie Schoonover</b>

**Administrative Officials**

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<b>Superintendent</b>	<b>Todd Yohey</b>
<b>Treasurer</b>	<b>Ronda Johnson</b>
<b>Assistant Superintendent</b>	<b>Robert Sehlhorst</b>

# Oak Hills Local School District Organizational Chart



# Certificate of Achievement for Excellence in Financial Reporting

Presented to  
Oak Hills Local 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. Danison*

President

*Jeffrey R. Emer*

Executive Director

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# Association of School Business Officials International



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

## Oak Hills Local 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 black ink, reading "Brian L. Mee".

Brian L. Mee, SFO, RSBA  
President

A handwritten signature in black ink, reading "John D. Musso".

John D. Musso, CAE, RSBA  
Executive Director

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# FINANCIAL SECTION



## INDEPENDENT AUDITOR'S REPORT

To the Board of Education  
Oak Hills Local School District

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Oak Hills Local School District (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 19, 2012, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting 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 assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's financial statements as a whole. The introductory section, combining and individual nonmajor fund financial statements and schedules and statistical section, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual nonmajor fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

*Plattenburg & Associates, Inc.*

Plattenburg & Associates, Inc.  
November 19, 2012

**Oak Hills Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2012**  
**(Unaudited)**

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The discussion and analysis of Oak Hills Local School District's financial performance provides an overall review of the District's financial activities for the fiscal year ended June 30, 2012. The intent of this discussion and analysis is to look at the District's financial performance as a whole; readers should also review the transmittal letter, notes to the basic financial statements and financial statements to enhance their understanding of the District's performance.

**Financial Highlights**

Key financial highlights for 2012 are as follows:

- Net assets of governmental activities decreased \$97,312 which represents a 0.3% decrease from 2011.
- General revenues accounted for \$64,572,641 in revenue or 83% of all revenues. Program specific revenues in the form of charges for services and sales, grants and contributions accounted for \$12,857,722 or 17% of total revenues of \$77,430,363.
- The District had \$77,527,675 in expenses related to governmental activities; \$12,857,722 of these expenses were offset by program specific charges for services, grants or contributions. General revenues of \$64,572,641 were also used to provide for these programs.

**Overview of the Financial Statements**

This annual report consists of a series of financial statements and notes to those statements. These statements are organized so the reader can understand the District as a financial whole, an entire operating entity. The statements then proceed to provide an increasingly detailed look at specific financial activities.

The *Government-wide Financial Statements* provide information about the activities of the whole District, presenting both an aggregate view of the District's finances and a longer-term view of those finances. *Fund financial statements* provide the next level of detail. For governmental funds, these statements tell how services were financed in the short-term as well as what remains for future spending. The fund financial statements also look at the District's most significant funds with all other nonmajor funds presented in total in one column. The General Fund and Permanent Improvement Fund are the major funds of the District.

**Oak Hills Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2012**  
**(Unaudited)**

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**Government-wide Financial Statements**

While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2012?" The Government-wide Financial Statements answer this question. These statements include *all assets* and *liabilities* using the accrual basis of accounting similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current year's revenues and expenses regardless of when cash is received or paid.

These two statements report the District's *net assets* and changes in those assets. This change in net assets is important because it tells the reader that, for the District as a whole, the financial position has improved or diminished. The causes of this change may be the result of many factors, both financial and non-financial. Non-financial factors include the District's property tax base, current property tax laws in Ohio restricting revenue growth, facility conditions, required educational programs and other factors.

In the Government-wide Financial Statements, the overall financial position of the District is presented as Governmental Activities – All of the District's programs and services are reported as Governmental Activities including instruction, support services, operation of noninstructional services, extracurricular activities, and interest and fiscal charges.

**Fund Financial Statements**

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

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

**Fiduciary Funds** Fiduciary Funds are used to account for resources held for the benefits of parties outside the government. Fiduciary Funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs.

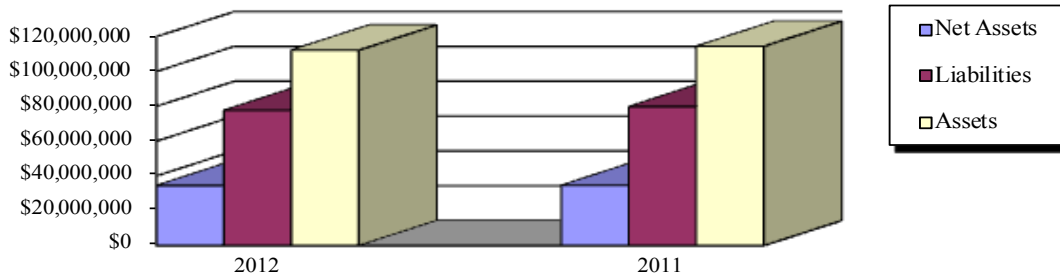
**Oak Hills Local School District, Ohio  
Management's Discussion and Analysis  
For the Fiscal Year Ended June 30, 2012  
(Unaudited)**

**The District as a Whole**

As stated previously, the Statement of Net Assets looks at the District as a whole. Table 1 provides a summary of the District's net assets for 2012 compared to 2011:

**Table 1  
Net Assets**

	Governmental Activities	
	2012	2011 Restated
Assets:		
Current and Other Assets	\$64,535,478	\$65,556,627
Capital Assets	47,727,926	48,924,591
<b>Total Assets</b>	<b>112,263,404</b>	<b>114,481,218</b>
Liabilities:		
Other Liabilities	34,252,602	34,498,626
Long-Term Liabilities	43,487,416	45,361,894
<b>Total Liabilities</b>	<b>77,740,018</b>	<b>79,860,520</b>
Net Assets:		
Invested in Capital Assets, Net of Related Debt	9,492,221	8,896,621
Restricted	4,378,079	4,153,714
Unrestricted	20,653,086	21,570,363
<b>Total Net Assets</b>	<b>\$34,523,386</b>	<b>\$34,620,698</b>



Over time, net assets can serve as a useful indicator of a government's financial position. At June 30, 2012, the District's assets exceeded liabilities by \$34,523,386.

At year-end, capital assets represented 43% of total assets. Capital assets include land, buildings and improvements, furniture and equipment. Capital assets, net of related debt to acquire the assets at June 30, 2012, was \$9,492,221. These capital assets are used to provide services to the students and are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources to repay the debt must be provided from other sources, since capital assets may not be used to liquidate these liabilities.

**Oak Hills Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2012**  
**(Unaudited)**

A portion of the District's net assets, \$4,378,079 represents resources that are subject to external restriction on how they must be used. The external restriction will not affect the availability of fund resources for future use.

Total assets decreased from the prior year mainly due to the decrease in cash and capital assets at year end, which was mainly due to capital asset depreciation being greater than current year additions. Long-term liabilities decreased, while invested in capital assets, net of related debt increased due to the District making regularly scheduled debt service payments on their General Obligation Bonds. Other Liabilities decreased mainly due to the decrease in accrued wages and benefits.

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

**Table 2**  
**Changes in Net Assets**

	Governmental Activities	
	2012	2011
Revenues:		
Program Revenues		
Charges for Services	\$4,824,726	\$4,786,800
Operating Grants, Contributions	8,032,996	8,656,757
General Revenues:		
Property Taxes	28,005,058	29,755,707
Grants and Entitlements	26,470,882	26,449,129
Other	10,096,701	10,407,749
Total Revenues	<u>77,430,363</u>	<u>80,056,142</u>
Program Expenses:		
Instruction	42,082,843	44,447,001
Support Services:		
Pupil and Instructional Staff	10,650,151	12,259,979
School Administrative, General		
Administration, Fiscal and Business	7,285,073	7,138,523
Operations and Maintenance	6,047,467	6,846,285
Pupil Transportation	3,045,054	3,004,197
Central	483,088	580,400
Operation of Non-Instructional Services	4,075,877	4,827,525
Extracurricular Activities	2,058,361	2,025,274
Interest and Fiscal Charges	1,799,761	1,867,715
Total Program Expenses	<u>77,527,675</u>	<u>82,996,899</u>
Change in Net Assets	(97,312)	(2,940,757)
Net Assets Beginning of Year	<u>34,620,698</u>	<u>37,561,455</u>
Net Assets End of Year	<u>\$34,523,386</u>	<u>\$34,620,698</u>

**Oak Hills Local School District, Ohio**  
**Management’s Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2012**  
**(Unaudited)**

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The District revenues are mainly from two sources. Property taxes levied for general, debt service and capital projects purposes and grants and entitlements comprised 70% of the District’s revenues for governmental activities.

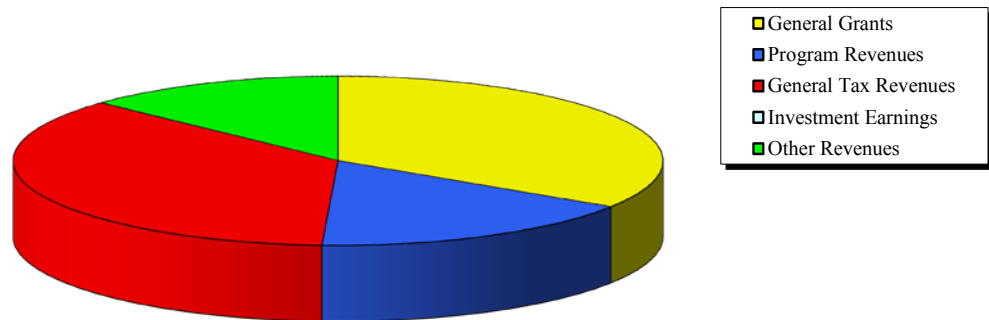
The District depends greatly on property taxes as a revenue source. The unique nature of property taxes in Ohio creates the need to routinely seek voter approval for operating funds. The overall revenues generated by a levy will not increase solely as a result of inflation. As an example, a homeowner with a home valued at \$100,000 and taxed at 1.0 mill would pay \$35.00 annually in taxes. If three years later the home were reappraised and increased to \$200,000 (and this inflationary increase in value is comparable to other property owners) the effective tax rate would become .5 mills and the owner would still pay \$35.00.

Thus Ohio districts dependent upon property taxes are hampered by a lack of revenue growth and must regularly return to the voters to maintain a constant level of service. Property taxes made up 36% of revenue for governmental activities for the District in fiscal year 2012.

**Governmental Activities**  
**Revenue Sources**

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	2012	Percentage
General Grants	\$26,470,882	34.2%
Program Revenues	12,857,722	16.6%
General Tax Revenues	28,005,058	36.2%
Investment Earnings	28,397	0.0%
Other Revenues	10,068,304	13.0%
<b>Total Revenue Sources</b>	<b>\$77,430,363</b>	<b>100.0%</b>



Instruction comprises 54.3% of governmental program expenses. Support services expenses were 35.5% of governmental program expenses. All other expenses including interest expense were 10.2% . Interest expense was attributable to the outstanding bond and borrowing for capital projects.

The District’s overall financial position diminished from 2011 to 2012. Program revenues decreased from the prior year due to a decrease in operation grants and contributions (ARRA grant monies received). General revenues decreased due to property tax revenues decreasing from the prior year.

**Oak Hills Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2012**  
(Unaudited)

**Governmental Activities**

The Statement of Activities shows the cost of program services and the charges for services and grants offsetting those services. Table 3 shows, for government activities, the total cost of services and the net cost of services. These services are mainly supported by tax revenue and unrestricted State entitlements.

**Table 3**  
**Governmental Activities**

	Total Cost of Services		Net Cost of Services	
	2012	2011	2012	2011
Instruction	\$42,082,843	\$44,447,001	(\$37,247,501)	(\$39,017,552)
Support Services:				
Pupil and Instructional Staff	10,650,151	12,259,979	(9,212,302)	(10,731,236)
School Administrative, General				
Administration, Fiscal and Business	7,285,073	7,138,523	(6,646,371)	(6,618,703)
Operations and Maintenance	6,047,467	6,846,285	(6,024,137)	(6,823,335)
Pupil Transportation	3,045,054	3,004,197	(2,754,223)	(2,671,300)
Central	483,088	580,400	(483,088)	(580,400)
Operation of Non-Instructional Services	4,075,877	4,827,525	165,325	(639,310)
Extracurricular Activities	2,058,361	2,025,274	(667,895)	(603,791)
Interest and Fiscal Charges	1,799,761	1,867,715	(1,799,761)	(1,867,715)
Total Expenses	<u>\$77,527,675</u>	<u>\$82,996,899</u>	<u>(\$64,669,953)</u>	<u>(\$69,553,342)</u>

**The District's Funds**

The District has two major governmental funds: the General Fund and Permanent Improvement Fund. Assets of the General Fund comprised \$49,639,195 (77%). the Permanent Improvement Fund comprised \$8,620,244 (13%) of the total \$64,301,271 governmental funds assets.

**General Fund:** Fund balance at June 30, 2012 was \$18,764,866 including \$13,308,707 of unassigned balance. The District had a decrease in fund balance of \$2,018,597. One of the causes for the decrease in fund balance was a decrease in property tax revenue.

**Permanent Improvement Fund:** Fund balance at June 30, 2012 was \$6,038,603 with an increase in fund balance of \$1,439,982. The fund balance increased over 2011 was due mainly to a decrease in expenditures from 2011.

**General Fund Budgeting Highlights**

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

The District uses site-based budgeting and the budgeting systems are designed to tightly control total site budgets but provide flexibility for site management. During the course of the year, the District revised the Budget in an attempt to deal with unexpected changes in revenues and expenditures.

For the General Fund, final budget basis revenue was \$61,345,643, compared to original budget estimates of \$61,342,657. Of this \$2,986 difference, most was due to underestimating payments in lieu of taxes revenues in the original budget.

**Oak Hills Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2012**  
(Unaudited)

The District's unobligated cash balance for the General Fund was \$17,162,817.

**Capital Assets and Debt Administration**

*Capital Assets*

At the end of fiscal year 2012, the District had \$47,727,926 invested in land, buildings and improvements, and furniture and equipment. Table 4 shows fiscal year 2012 balances compared to fiscal year 2011:

**Table 4**  
**Capital Assets at Year End**  
**(Net of Depreciation)**

	Governmental Activities	
	2012	2011
Land	\$2,221,943	\$2,221,943
Buildings and Improvements	42,677,991	43,962,998
Furniture and Equipment	2,827,992	2,739,650
Total Net Capital Assets	<u>\$47,727,926</u>	<u>\$48,924,591</u>

Total Net Capital Assets decreased in 2012 as compared to 2011 because depreciation expense was greater than current year additions.

See Note 6 to the Basic Financial Statements for further details on the District's capital assets.

*Debt*

At June 30, 2012, the District had \$39,078,460 in debt outstanding, \$1,490,000 due within one year. Table 5 summarizes total debt outstanding.

**Table 5**  
**Outstanding Debt at Year End**

	2012	2011
General Obligation Bonds Payable:		
Oak Hills Building Project II	\$2,350,000	\$3,375,000
Refunding Bonds:		
Current Interest Bonds –		
School Improvement	31,520,000	31,820,000
Capital Appreciation Bonds - Principal	2,919,986	2,919,986
Capital Appreciation Bonds - Interest	842,755	708,008
Premium on Bonds	1,445,719	1,548,984
Subtotal Bonds	<u>39,078,460</u>	<u>40,371,978</u>
Loan Payable:		
Rickenbacker Port Authority	0	364,000
Subtotal Loan Payable	<u>0</u>	<u>364,000</u>
Total Outstanding Debt at Year End	<u>\$39,078,460</u>	<u>\$40,735,978</u>



**Oak Hills Local School District, Ohio**  
**Management's Discussion and Analysis**  
**For the Fiscal Year Ended June 30, 2012**  
**(Unaudited)**

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See Notes 7 and 8 to the Basic Financial Statements for further details on the District's obligations.

### **Economic Outlook**

The Ohio Department of Education explains the school funding model in Ohio as follows:

The funding of K-12 public schools in Ohio is a joint effort between the state and local school districts. Since the 1970s through FY 2009, with the exception of a few years, Ohio's funding formula was foundation based by means of which a per pupil amount determined by the General Assembly as the per-pupil resource for provision of a basic adequate education was multiplied by the number of pupils to determine the base funding of the school districts. From this product, the local share of the basic adequate amount or the charge off was subtracted to arrive at the state share of the base funding. Additional funding was also provided for services targeted to categories of pupils such as handicapped, vocational, gifted, and economically disadvantaged as well as some adjustments and funding guarantees.

The 2010-11 biennial budget (Am. Sub. H.B. 1 of the 128<sup>th</sup> General Assembly), established a new funding formula called the Evidence-Based Model (EBM). Am. Sub. H.B. 153 of the 129<sup>th</sup> General Assembly repealed the EBM and implemented a temporary funding formula for the 2012-13 biennial budget as a new school funding formula is developed. The temporary formula is called the Bridge formula.

The Bridge formula provides for a simplified approach to fund distribution based on FY 2011 total calculated amounts on per pupil basis for both FY 2012 and FY 2013. The FY 2013 funding calculation involves the use of ADM and funding factors from FY 2011 applied to FY 2013 ADM with additional adjustments utilizing charge-off property valuation data in FY 2011. Based on this approach in FY 2013, school districts are provided with total funding amounts without any calculation for various education or support services such as special education, gifted education or transportation.

Oak Hills remains concerned about the instability of the state and local economy and the political ramifications of a new funding model.

Management is required to plan carefully and prudently to provide the resources to meet student needs over the next several years.

All of the District's financial abilities will be needed to meet the challenges of the future. With careful planning and monitoring of the District's finances, the District's management is confident that the District can continue to provide a quality education for our students and provide a secure financial future.

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

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. If you have questions about this report or need additional financial information, contact Ronda Johnson, Treasurer at Oak Hills Local School District, 6325 Rapid Run Road, Cincinnati, Ohio 45233. Or E-mail at Johnson\_R2@oakhills.hccanet.org.

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Oak Hills Local School District, Ohio  
Statement of Net Assets  
June 30, 2012

	<u>Governmental Activities</u>
Assets:	
Equity in Pooled Cash and Investments	\$24,428,841
Restricted Cash and Investments	380,716
Receivables:	
Taxes	29,206,131
Accounts	25,658
Interest	8,217
Intergovernmental	10,229,876
Deferred Bond Issuance Costs	252,207
Inventory	3,832
Nondepreciable Capital Assets	2,221,943
Depreciable Capital Assets, Net	<u>45,505,983</u>
 Total Assets	 <u>112,263,404</u>
Liabilities:	
Accounts Payable	117,775
Accrued Wages and Benefits	7,655,261
Accrued Interest Payable	142,398
Unearned Revenue	26,327,291
Claims Payable	9,877
Long-Term Liabilities:	
Due Within One Year	2,446,774
Due In More Than One Year	<u>41,040,642</u>
 Total Liabilities	 <u>77,740,018</u>
Net Assets:	
Invested in Capital Assets, Net of Related Debt	9,492,221
Restricted for:	
Extracurricular	234,101
Debt Service	3,660,545
State Grants	271,904
Federal Grants	211,529
Unrestricted	<u>20,653,086</u>
 Total Net Assets	 <u><u>\$34,523,386</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
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 and Contributions	Governmental Activities
<b>Governmental Activities:</b>				
<b>Instruction:</b>				
Regular	\$33,430,393	\$1,188,266	\$1,545,455	(\$30,696,672)
Special	8,422,056	113,323	1,957,403	(6,351,330)
Vocational	149	0	1,475	1,326
Other	230,245	27,945	1,475	(200,825)
<b>Support Services:</b>				
Pupil	5,337,790	0	479,604	(4,858,186)
Instructional Staff	5,312,361	0	958,245	(4,354,116)
General Administration	730,144	0	0	(730,144)
School Administration	5,009,998	0	638,702	(4,371,296)
Fiscal	1,245,878	0	0	(1,245,878)
Business	299,053	0	0	(299,053)
Operations and Maintenance	6,047,467	23,330	0	(6,024,137)
Pupil Transportation	3,045,054	61,423	229,408	(2,754,223)
Central	483,088	0	0	(483,088)
Operation of Non-Instructional Services	4,075,877	2,019,973	2,221,229	165,325
Extracurricular Activities	2,058,361	1,390,466	0	(667,895)
Interest and Fiscal Charges	1,799,761	0	0	(1,799,761)
<b>Total Governmental Activities</b>	<b>\$77,527,675</b>	<b>\$4,824,726</b>	<b>\$8,032,996</b>	<b>(64,669,953)</b>

<b>General Revenues:</b>	
<b>Property Taxes Levied for:</b>	
General Purposes	21,255,588
Debt Service Purposes	2,574,878
Capital Projects Purposes	4,174,592
Grants and Entitlements not Restricted	26,470,882
Revenue in Lieu of Taxes	9,619,710
Unrestricted Contributions	155,153
Investment Earnings	28,397
Other Revenues	293,441
<b>Total General Revenues</b>	<b>64,572,641</b>
<b>Change in Net Assets</b>	<b>(97,312)</b>
<b>Net Assets Beginning of Year</b>	<b>34,620,698</b>
<b>Net Assets End of Year</b>	<b>\$34,523,386</b>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
Balance Sheet  
Governmental Funds  
June 30, 2012

	General	Permanent Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Assets:				
Equity in Pooled Cash and Investments	\$17,006,759	\$4,416,452	\$3,005,630	\$24,428,841
Restricted Cash and Investments	380,716	0	0	380,716
Receivables:				
Taxes	22,315,551	4,203,792	2,686,788	29,206,131
Accounts	21,952	0	3,706	25,658
Interest	8,217	0	0	8,217
Intergovernmental	9,888,000	0	341,876	10,229,876
Interfund	18,000	0	0	18,000
Inventory	0	0	3,832	3,832
<b>Total Assets</b>	<b>49,639,195</b>	<b>8,620,244</b>	<b>6,041,832</b>	<b>64,301,271</b>
Liabilities and Fund Balances:				
Liabilities:				
Accounts Payable	61,396	50,954	5,425	117,775
Accrued Wages and Benefits	6,940,499	7,895	706,867	7,655,261
Compensated Absences	533,002	0	0	533,002
Interfund Payable	0	0	18,000	18,000
Deferred Revenue	23,339,432	2,522,792	1,883,664	27,745,888
<b>Total Liabilities</b>	<b>30,874,329</b>	<b>2,581,641</b>	<b>2,613,956</b>	<b>36,069,926</b>
Fund Balances:				
Nonspendable	0	0	3,832	3,832
Restricted	0	0	3,997,885	3,997,885
Committed	0	6,038,603	0	6,038,603
Assigned	5,456,159	0	0	5,456,159
Unassigned	13,308,707	0	(573,841)	12,734,866
<b>Total Fund Balances</b>	<b>18,764,866</b>	<b>6,038,603</b>	<b>3,427,876</b>	<b>28,231,345</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$49,639,195</b>	<b>\$8,620,244</b>	<b>\$6,041,832</b>	<b>\$64,301,271</b>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
 Reconciliation of Total Governmental Fund Balance to  
 Net Assets of Governmental Activities  
 June 30, 2012

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Total Governmental Fund Balance		\$28,231,345
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.		47,727,926
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		
Delinquent Property Taxes	1,176,846	
Interest	4,875	
Intergovernmental	<u>236,876</u>	
		1,418,597
An internal service fund is used by management to charge back costs to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net assets.		(9,877)
In the statement of net assets interest payable is accrued when incurred, whereas in the governmental funds interest is reported as a liability only when it will require the use of current financial resources.		(142,398)
Some liabilities reported in the statement of net assets do not require the use of current financial resources and therefore are not reported as liabilities in governmental funds.		
Compensated Absences		(3,875,954)
Deferred bond issuance cost associated with long-term liabilities are not reported in the funds.		252,207
Long-term liabilities, are not due and payable in the current period and therefore are not reported in the funds.		<u>(39,078,460)</u>
Net Assets of Governmental Activities		<u>\$34,523,386</u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Governmental Funds  
For the Fiscal Year Ended June 30, 2012

	General	Permanent Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Revenues:				
Taxes	\$21,436,603	\$4,211,081	\$2,587,627	\$28,235,311
Revenue in lieu of taxes	9,619,710	0	0	9,619,710
Tuition and Fees	1,241,469	0	0	1,241,469
Investment Earnings	51,451	0	29	51,480
Intergovernmental	26,859,788	741,479	6,960,736	34,562,003
Extracurricular Activities	631,015	0	896,365	1,527,380
Charges for Services	0	0	2,019,973	2,019,973
Other Revenues	383,132	4,838	96,527	484,497
<b>Total Revenues</b>	<b>60,223,168</b>	<b>4,957,398</b>	<b>12,561,257</b>	<b>77,741,823</b>
Expenditures:				
Current:				
Instruction:				
Regular	29,943,681	760,821	1,790,195	32,494,697
Special	7,573,352	14,423	715,577	8,303,352
Vocational	149	0	0	149
Other	232,155	0	0	232,155
Support Services:				
Pupil	4,834,507	0	476,023	5,310,530
Instructional Staff	3,498,700	1,010,625	972,786	5,482,111
General Administration	98,442	3,030	628,672	730,144
School Administration	4,967,307	0	391	4,967,698
Fiscal	1,121,844	67,271	41,445	1,230,560
Business	353,546	0	0	353,546
Operations and Maintenance	5,215,155	757,325	0	5,972,480
Pupil Transportation	2,391,653	500,054	0	2,891,707
Central	489,965	0	0	489,965
Operation of Non-Instructional Services	117,302	0	3,889,612	4,006,914
Extracurricular Activities	999,686	0	1,037,976	2,037,662
Capital Outlay	32,837	403,867	0	436,704
Debt Service:				
Principal Retirement	0	0	1,689,000	1,689,000
Interest and Fiscal Charges	0	0	1,757,064	1,757,064
<b>Total Expenditures</b>	<b>61,870,281</b>	<b>3,517,416</b>	<b>12,998,741</b>	<b>78,386,438</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,647,113)</b>	<b>1,439,982</b>	<b>(437,484)</b>	<b>(644,615)</b>
Other Financing Sources (Uses):				
Transfers In	0	0	371,484	371,484
Transfers (Out)	(371,484)	0	0	(371,484)
<b>Total Other Financing Sources (Uses)</b>	<b>(371,484)</b>	<b>0</b>	<b>371,484</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(2,018,597)</b>	<b>1,439,982</b>	<b>(66,000)</b>	<b>(644,615)</b>
<b>Fund Balance Beginning of Year</b>	<b>20,783,463</b>	<b>4,598,621</b>	<b>3,493,876</b>	<b>28,875,960</b>
<b>Fund Balance End of Year</b>	<b>\$18,764,866</b>	<b>\$6,038,603</b>	<b>\$3,427,876</b>	<b>\$28,231,345</b>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
 Reconciliation of the Statement of Revenues, Expenditures, and Changes  
 in Fund Balance of Governmental Funds to the Statement of Activities  
 For the Fiscal Year Ended June 30, 2012

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Net Change in Fund Balance - Total Governmental Funds (\$644,615)

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

Governmental funds report capital asset additions as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of the difference between capital asset additions and depreciation in the current period.

Capital assets used in governmental activities	608,945	
Depreciation Expense	<u>(1,805,610)</u>	(1,196,665)

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

Delinquent Property Taxes	(230,253)	
Interest	(23,083)	
Intergovernmental	<u>(58,124)</u>	(311,460)

Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. 1,689,000

Interest expense in the statement of activities differs from the amount reported in governmental funds for two reasons. Additional accrued interest was calculated for bonds and notes payable, and the difference arising from the advance refunding due to premium and bond issuance costs.

Accrued Interest		6,800
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Some expenses 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.

Compensated Absences	419,002	
Amortization of Bond Issuance Cost	(18,015)	
Amortization of Bond Premium	103,265	
Bond Accretion	<u>(134,747)</u>	369,505

The internal service fund used by management to charge back costs to individual funds is not reported in the district-wide statement of activities. Governmental fund expenditures and the related internal service fund revenues are eliminated. The net revenue (expense) of the internal service fund is allocated among the governmental activities. (9,877)

Change in Net Assets of Governmental Activities (\$97,312)

See accompanying notes to the basic financial statements.



Oak Hills Local School District, Ohio  
Statement of Net Assets  
Proprietary Fund  
June 30, 2012

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	<u>Governmental Activities- Internal Service Fund</u>
Assets:	
Equity in Pooled Cash and Investments	<u>\$0</u>
Total Assets	<u>0</u>
Liabilities:	
Current Liabilities:	
Claims Payable	<u>9,877</u>
Total Liabilities	<u>9,877</u>
Net Assets:	
Unrestricted	<u>(9,877)</u>
Total Net Assets	<u><u>(\$9,877)</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
Statement of Revenues, Expenses  
and Changes in Fund Net Assets  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2012

	Governmental Activities- Internal Service Fund
Operating Revenues:	
Charges for Services	<u>\$129,777</u>
Total Operating Revenues	<u>129,777</u>
Operating Expenses:	
Personal Services	<u>139,654</u>
Total Operating Expenses	<u>139,654</u>
Change in Net Assets	(9,877)
Net Assets Beginning of Year	<u>0</u>
Net Assets End of Year	<u><u>(\$9,877)</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
Statement of Cash Flows  
Proprietary Fund  
For the Fiscal Year Ended June 30, 2012

	Governmental Activities- Internal Service Fund
Cash Flows from Operating Activities:	
Cash Received from Customers	\$129,777
Cash Payments to Employees	<u>(129,777)</u>
Net Cash Provided (Used) by Operating Activities	<u>0</u>
Net Increase (Decrease) in Cash and Cash Equivalents	0
Cash and Cash Equivalents Beginning of Year	<u>0</u>
Cash and Cash Equivalents End of Year	<u><u>\$0</u></u>

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
Statement of Fiduciary Net Assets  
Fiduciary Funds  
June 30, 2012

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	Private Purpose Trust	Agency
Assets:		
Equity in Pooled Cash and Investments	\$973,015	\$84,837
Receivables:		
Accounts	9	276
Total Assets	<u>973,024</u>	<u>\$85,113</u>
Liabilities:		
Other Liabilities	<u>0</u>	<u>85,113</u>
Total Liabilities	<u>0</u>	<u>\$85,113</u>
Net Assets:		
Held in Trust	<u>973,024</u>	
Total Net Assets	<u>\$973,024</u>	

See accompanying notes to the basic financial statements.

Oak Hills Local School District, Ohio  
Statement of Changes in Fiduciary Net Assets  
Fiduciary Fund  
For the Fiscal Year Ended June 30, 2012

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	Private Purpose Trust
Additions:	
Donations	\$45,490
Investment Earnings	1,513
Total Additions	<u>47,003</u>
Deductions:	
Scholarships	<u>71,815</u>
Total Deductions	<u>71,815</u>
Change in Net Assets	(24,812)
Net Assets Beginning of Year	<u>997,836</u>
Net Assets End of Year	<u><u>\$973,024</u></u>

See accompanying notes to the basic financial statements.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**Note 1 - Summary of Significant Accounting Policies**

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**Description of the District**

The Oak Hills Local School District (“the District”) represents a prior consolidation of three elementary districts: Bridgetown, Delhi and Springmyer. The consolidation was finalized by the Hamilton County Board of Education on April 23, 1956, in order to equalize educational opportunities throughout the area. Today, the District operates under current standards as prescribed by the Ohio State Board of Education, as provided in Division (D) of Section 3301.07 and Section 110.01 of the Ohio Revised Code.

The District operates under a locally elected five-member board form of government and provides educational services. The Board controls the District’s instructional programs and support facilities, staffed by approximately 535 certificated teaching and administrative personnel and approximately 355 non-certificated personnel. To provide services to the adult population in the community, Oak Hills has developed one of the largest community education programs in Hamilton County, Ohio.

The District is the third largest in Hamilton County and is 26<sup>th</sup> largest of all 614 districts in Ohio in terms of student enrollment, with 8,085 students for the 2011-12 school year. The District currently operates five (5) elementary schools (grades K-5), three (3) middle schools (grades 6-8), and one (1) comprehensive high school (grades 9-12).

**Reporting Entity**

In accordance with Governmental Accounting Standards Board [GASB] Statement 14, the financial reporting entity consists of a primary government. The District is a primary government because it is a special-purpose government that has a separately elected governing body, is legally separate, and is fiscally independent of other state and local governments.

There are no component units combined with the District for financial statement presentation purposes, and it is not included in any other governmental reporting entity. Consequently, the District's financial statements include only the funds of those organizational entities for which its elected governing body is financially accountable. The District's major operations include education, pupil transportation, food service, and maintenance of District facilities.

The District is associated with two organizations that are defined as jointly governed organizations. These organizations include Hamilton/Clermont Cooperative Association and Great Oaks Institute of Career Technology and Development. These organizations are presented in Note 12.

The financial statements of the 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 most significant of the District’s accounting policies are described below.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**Measurement Focus**

Government-wide Financial Statements

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

The government-wide statements are prepared using the economic resources measurement focus. All assets and liabilities associated with the operation of the District are included on the statement of net assets. Fiduciary Funds are not included in entity-wide statements.

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

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 reconciliations with brief explanations to better identify the relationship between the government-wide statements and the statements for governmental funds.

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

Private Purpose Trust Funds are reported using the economic resources measurement focus.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**Fund Accounting**

The District uses funds to maintain its financial records during the fiscal year. Fund accounting is designed to demonstrate legal compliance and to aid management by segregating transactions related to certain District functions or activities. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts. The various funds of the District are grouped into the categories governmental, proprietary, and fiduciary. The focus of government fund financial statements is on major funds rather than reporting funds by type. Each major fund is presented in a separate column. Nonmajor funds are aggregated and presented in a single column.

**Governmental Funds**

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

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

Permanent Improvement Fund – The permanent improvement fund is used to account for all transactions related to acquiring, constructing, or improving of such permanent improvements as are authorized by Chapter 5705 of the Ohio Revised Code.

**Proprietary Funds**

Proprietary funds are used to account for the District's ongoing activities which are similar to those often found in the private sector where the determination of net income is necessary or useful to sound financial administration. The District has no enterprise funds. The following is a description of the District's internal service fund:

Internal Service Fund - The internal service fund is used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the district, or to other governments, on a cost-reimbursement basis. The internal service fund of the District accounts for a self-insurance program which provides workers' compensation benefits to employees.



**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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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 District under a trust agreement for individuals, private organizations, or other governments and are therefore not available to support the District's own programs. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The District's only fiduciary funds are a private purpose trust which accounts for scholarship programs for students and a student managed activity agency fund which accounts for assets and liabilities generated by student managed activities.

**Note 2 - Basis of Accounting**

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

Revenues – Exchange and Non-exchange Transactions

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

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

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Under the modified accrual basis, the following revenue sources are considered to be both measurable and available at 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.

Unearned Revenue

Unearned revenue represents amounts under the accrual basis of accounting for which asset recognition criteria have been met, but for which revenue recognition criteria have not yet been met because such amounts have not yet been earned.

Expenses/Expenditures

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

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Expenditures are generally recognized in the accounting period in which the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences, are recorded only when payment is due. Allocations of cost, such as depreciation and amortization, are not recognized in the governmental funds.

Equity in Pooled Cash and Investments

Cash received by the District is pooled for investment purposes. Interest in the pool is presented as "Equity in Pooled Cash and Investments" on the financial statements.

Investments are reported at fair value which is based on quoted market prices.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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The District has invested funds in the State Treasury Asset Reserve of Ohio (STAR Ohio) during fiscal year 2012. STAR Ohio is an investment pool managed by the State Treasurer's Office, which allows governments within the State to pool their funds for investment purposes. STAR Ohio is not registered with the SEC as an investment company but does operate in a manner consistent with Rule 2A7 of the Investment Company Act of 1940. Investments in STAR Ohio are valued at STAR Ohio's share price, which is the price the investment could be sold for on June 30, 2012.

Following Ohio statutes, the Board 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 \$51,451 and \$29 in Other Governmental Funds.

For purposes of the statement of cash flows, the internal service portion of pooled cash and investments is considered a cash equivalent because the District is able to withdraw resources from the internal service funds without prior notice or penalty.

Inventory

Inventories are presented at cost on a first-in, first-out basis and are expensed/expensed when used. Inventories are accounted for using the purchase method on the fund level statements and using the consumption method on the government-wide statements.

On the fund financial statements, reported material and supplies inventory is equally offset by a nonspendable fund balance in the governmental funds which indicates that it does not constitute available spendable resources even though it is a component of net current assets.

Inventory consists of expendable supplies held for consumption, donated food and purchased food.

Capital Assets

All capital assets are capitalized at cost (or estimated historical cost) and updated for additions and retirements during the year. Donated capital assets are recorded at their fair market values as of the date received. The District maintains a capitalization threshold of five thousand dollars (\$5,000). The 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. Interest incurred during the construction of capital assets is also capitalized.

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

<u>Description</u>	<u>Estimated Lives</u>
Buildings and Improvements	45-50 years
Furniture and Equipment	5-20 years

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Compensated Absences

The District reports compensated absences in accordance with the provisions of GASB Statement No. 16, "Accounting for 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 District will compensate the employees for the benefits through paid time off or some other means. The 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 entire compensated absence liability is reported on the government-wide financial statements.

The compensated absences liability is recorded in the account "compensated absences payable" in the fund from which the employees who have accumulated unpaid leave are paid. Compensated absences are reported in governmental funds only if they have matured.

The District's policies regarding compensated absences are determined by the state laws and/or negotiated agreements. In summary, the policies are as follows:

<u>Vacation</u>	<u>Certified</u>	<u>Administrators</u>	<u>Non-Certificated</u>
How Earned	Not Eligible	25 days at the start of each contract year	5-20 days for each service year, depending on length of service
Maximum Accumulation	Not Applicable	37.5 days; can be paid for 5 days at year end	30 days
Vested	Not Applicable	As Earned	As Earned
Termination Entitlement	Not Applicable	Paid upon termination	Paid upon termination
<u>Sick Leave</u>			
How Earned	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)	1 1/4 days per month of employment (15 days per year)
Maximum Accumulation	252 days	252 days	255 days
Vested	As Earned	As Earned	As Earned
Termination Entitlement	Per contract	Per contract	Per contract

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Net Assets

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

The District applies restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available. Of the District's \$4,378,079 in restricted net assets, none was restricted by enabling legislation.

Interfund Activity

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

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

As a general rule the effect of interfund (internal) activity has been eliminated from the government-wide statement of activities. The interfund services provided and used are not eliminated in the process of consolidation.

Fund Balance

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

Nonspendable – resources that are not in spendable form (inventory) or have legal or contractual requirements to maintain the balance intact.

Restricted – resources that have external purpose restraints imposed on them by providers, such as creditors, grantors, or other regulators.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Committed – resources that can be used only for the specific purposes imposed by a formal action (board resolution) of the District’s Board of Education. The Board of Education is the its highest level of decision making authority for the District. Those committed resources cannot be used for any other purpose unless the District’s Board of Education removes or changes the specified use by taking the same type of action (board resolution) it employed to previously commit those resources.

Assigned – resources intended to be used by the District for specific purposes but do not meet the criteria to be classified as restricted or committed. In the general fund, assigned amounts are intended to be used for specific purposes as approved through the District’s formal purchase order procedure by the Superintendent and the Treasurer. The adoption of the board appropriation resolution is the established policy, which gives the authorization to assign resources for a specific purpose.

Unassigned – residual fund balance within the General Fund that is not restricted, committed, or assigned. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from incurred expenses for specific purposes exceeding amounts which had been restricted, committed or assigned for said purposes.

The District applies restricted resources first when an expense is incurred for purposes which both restricted and unrestricted net assets are available. The District considers committed, assigned, and unassigned fund balances, respectively, to be spent when expenditures are incurred for purposes for which any of the unrestricted fund balance classifications could be uses.

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.

Restricted Assets

Restricted assets in the general fund represent Equity in Pooled Cash and Investments set aside to establish a budget stabilization reserve.

**Note 3 - Equity in Pooled Cash and Investments**

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The District maintains a cash and investment pool used by all funds. Each fund type's portion of this pool is displayed on the combined balance sheet as "Equity in Pooled Cash and Investments."

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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State statute requires the classification of monies held by the District into three categories:

Active Monies - Those monies required to be kept in a "cash" or "near cash" status for immediate use by the District. Such monies must by law be maintained either as cash in the District treasury, in depository accounts payable or withdrawable on demand.

Inactive Monies – Those monies not required for use within the current two year period of designated depositories. Ohio law permits inactive monies to be deposited or invested as certificates of deposit maturing not later than the end of the current period of designated depositories, or as savings or deposit accounts, including, but not limited to passbook accounts.

Interim Monies – 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. Ohio law permits interim monies to be invested or deposited in the following securities:

- (1) Bonds, notes, or other obligations of or guaranteed by the United States, or those for which the faith of the United States is pledged for the payment of principal and interest.
- (2) Bonds, notes, debentures, or other obligations or securities issued by any federal governmental agency.
- (3) No-load money market mutual funds consisting exclusively of obligations described in (1) or (2) above and repurchase agreements secured by such obligations, provided that investments in securities described in this division are made only through eligible institutions.
- (4) Interim deposits in the eligible institutions applying for interim monies to be evidenced by time certificates of deposit maturing not more than one year from date of deposit, or by savings or deposit accounts, including, but limited to, passbook accounts.
- (5) Bonds and other obligations of the State of Ohio.
- (6) The Ohio State Treasurer's investment pool (STAR Ohio).
- (7) Commercial paper and banker's acceptances which meet the requirements established by Ohio Revised Code, Sec. 135.142.
- (8) Under limited circumstances, corporate debt interests in either of the two highest rating classifications by at least two nationally recognized rating agencies.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Protection of the District's deposits is provided by the Federal Deposit Insurance Corporation, by eligible securities pledged by the financial institution as security for repayment, by surety company bonds deposited with the treasurer by the financial institution or by a single collateral pool established by the financial institution to secure the repayment of all public moneys deposited with the institution.

Investments in stripped principal or interest obligations, reverse repurchase agreements and derivatives are prohibited. The issuance of taxable notes for the purpose of arbitrage, the use of leverage and short selling are also prohibited. An investment must mature within five years from the date of purchase unless matched to a specific obligation or debt of the District, and must be purchased with the expectation that it will be held to maturity. Investments may only be made through specified dealers and institutions. Payment for investments may be made only upon delivery of the securities representing the investments to the treasurer or, if the securities are not represented by a certificate, upon receipt of confirmation of transfer from the custodian.

The following information classifies deposits and investments by categories of risk as defined in GASB Statement 3, "Deposits with Financial Institutions, Investments and Reverse Repurchase Agreements".

**Deposits**

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The District's policy for deposits is any balance not covered by depository insurance will be collateralized by the financial institutions with pledged securities. As of June 30, 2012, \$9,396,894 of the District's bank balance of \$13,185,865 was exposed to custodial risk because it was uninsured and collateralized with securities held by the pledging financial institution's trust department or agent, but not in the District's name.

Ohio Revised Code Chapter 135, Uniform Depository Act, authorizes pledging of pooled securities in lieu of specific securities. Specifically, a designated public depository may pledge a single pool of eligible securities to secure repayment of all public monies deposited in the financial institution, provided that all times the total value of the securities so pledged is at least equal to 105% of the total amount of all public deposits secured by the pool, including the portion of such deposits covered by any federal deposit insurance.



**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**Investments**

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

	<u>Fair Value</u>	<u>Weighted Average Maturity (Years)</u>
Money Market Funds	\$3,271,667	0.00
STAR Ohio	4,349,662	0.14
Federal Home Loan Bank	3,662,284	1.30
Federal Home Loan Mortgage Corporation	500,578	0.42
Federal Home Loan Mortgage Corporation - Discount	654,968	0.10
Federal National Mortgage Association	1,438,001	2.70
	<u>\$13,877,160</u>	
Portfolio Weighted Average Maturity		0.69

Interest Rate Risk - In accordance with the investment policy, the District manages its exposure to declines in fair values by limiting the weighted average maturity of its investment portfolio to three years.

Credit Risk – It is the District’s policy to limit its investments that are not obligations of the U.S. Government or obligations explicitly guaranteed by the U.S. Government to investments which have a credit quality rating of the top 2 ratings issued by nationally recognized statistical rating organizations. The District’s investments in Federal Home Loan Bank, Federal Home Loan Mortgage Corporation – Discount, Federal Home Loan Mortgage Corporation, and in Federal National Mortgage Association were rated AAA by Standard & Poor’s and Fitch Ratings and Aaa by Moody’s Investors Service. Investments in STAR Ohio were rated AAAM by Standard & Poor’s. Money Market Funds are not rated.

Concentration of Credit Risk – The District’s investment policy allows investments in Federal Agencies or Instrumentalities. The District has invested 24% of the District’s investments in Money Market Funds, 31% in STAR Ohio, 26% in Federal Home Loan Bank, 10% in Federal National Mortgage Association, 4% in Federal Home Loan Mortgage Corporation, and 5% in Federal Home Loan Mortgage Corporation - Discount.

Custodial Credit Risk is the risk that in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. All of the District’s securities are either insured and registered in the name of the District or at least registered in the name of the District.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**Note 4 - Property Taxes**

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Property taxes are levied and assessed on a calendar year basis. Second half distributions occur in a new fiscal year. Property taxes include amounts levied against all real, public utility, and tangible personal (used in business) property located in the District. Real property taxes are levied after April 1 on the assessed value listed as of the prior January 1, the lien date. Public utility property taxes attached as a lien on December 31 of the prior year, were levied April 1 and are collected with real property taxes. Assessed values for real property taxes are established by State law at 35 percent of appraised market value. All property is required to be revalued every six years. Public utility property taxes are assessed on tangible personal property at 88 percent of true value (with certain exceptions) and on real property at 35 percent of true value.

Tangible personal property tax revenue received during calendar year 2012 (other than public utility property tax) represents the collection of 2012 taxes levied against local and interexchange telephone companies. Tangible personal property tax on business inventory, manufacturing machinery and equipment, and furniture and fixtures is no longer levied and collected. The October 2008 tangible personal property tax settlement was the last property tax settlement for general personal property taxes. Tangible personal property taxes received from telephone companies in calendar year 2012 were levied after April 1, 2011, on the value as of December 31, 2010. Payments by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. Tangible personal property taxes paid by April 30 are usually received by the School District prior to June 30.

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. Tangible personal property taxes paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semi-annually. If paid annually, payment is due April 30; if paid semi-annually, the first payment is due April 30, with the remainder payable by September 20. The District receives property taxes from the County. The County Auditor periodically advances to the District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2012, are available to finance fiscal year 2013 operations. The amount available for advance can vary based on the date the tax bills are sent.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Accrued property taxes receivable represents delinquent taxes outstanding and real property, personal property and public utility taxes which became measurable at June 30, 2012. Delinquent property taxes collected within 60 days are included as a receivable and tax revenue as of June 30, 2012 on the fund financial statements. The entire amount of delinquent taxes receivable is recognized as revenue in the government-wide financial statements. Although total property tax collections for the next fiscal year are measurable, only the amount available as an advance at June 30 is available to finance current year operations. The receivable is, therefore, offset by a credit to deferred revenue for that portion not intended to finance current year operations. The amount available as an advance at June 30, 2012, was \$8,460,000 for General Fund, \$1,681,000 for Permanent Improvement Fund and \$1,040,000 for Other Governmental Funds, and is recognized as revenue.

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

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

	<u>Amount</u>
Real Property	\$1,061,520,000
Public Utility Personal	<u>35,117,890</u>
Total	<u><u>\$1,096,637,890</u></u>

**Note 5 – Receivables**

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Receivables at June 30, 2012, consisted of taxes, accounts (rent and student fees), interest, intergovernmental (TIF payments and grants) and interfund. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current year guarantee of federal funds.

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**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

**Note 6 - Capital Assets**

Capital asset activity for the fiscal year ended was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
<b>Governmental Activities</b>				
<i>Capital Assets, not being depreciated:</i>				
Land	\$2,221,943	\$0	\$0	\$2,221,943
<i>Capital Assets, being depreciated:</i>				
Buildings and Improvements	69,506,631	181,642	0	69,688,273
Furniture and Equipment	<u>6,279,097</u>	<u>427,303</u>	<u>0</u>	<u>6,706,400</u>
Totals at Historical Cost	<u>\$78,007,671</u>	<u>\$608,945</u>	<u>\$0</u>	<u>\$78,616,616</u>
Less Accumulated Depreciation:				
Buildings and Improvements	\$25,543,633	\$1,466,649	\$0	\$27,010,282
Furniture and Equipment	<u>3,539,447</u>	<u>338,961</u>	<u>0</u>	<u>3,878,408</u>
Total Accumulated Depreciation	<u>29,083,080</u>	<u>1,805,610</u>	<u>0</u>	<u>30,888,690</u>
Governmental Activities Capital Assets, Net	<u>\$48,924,591</u>	<u>(\$1,196,665)</u>	<u>\$0</u>	<u>\$47,727,926</u>

Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$1,253,184
Special	48,728
Support Services:	
Pupils	553
Instructional Staff	40,316
School Administration	82,805
Fiscal	1,170
Operations and Maintenance	72,321
Pupil Transportation	234,178
Operation of Non-Instructional Services	48,812
Extracurricular Activities	23,543
Total Depreciation Expense	<u>\$1,805,610</u>

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

**Note 7 - Long-Term Liabilities**

	Maturity Date	Interest Rate	Beginning Balance	Additions	Deductions	Ending Balance	Due In One Year
<b>Governmental Activities:</b>							
General Obligation Bonds:							
\$10,385,000 - Oak Hills Building Project II	12/1/13	5.42%	\$3,375,000	\$0	\$1,025,000	\$2,350,000	\$1,090,000
\$35,989,986 - 2005 Refunding Bonds:							
Current Interest Bonds -							
School Improvement	12/1/25	4.37%	31,820,000	0	300,000	31,520,000	400,000
Capital Appreciation Bonds -							
Principal Only	12/1/15	4.37%	2,919,986	0	0	2,919,986	0
Capital Appreciation Bonds -							
Interest Only	12/1/15	4.37%	708,008	134,747	0	842,755	0
Premium on Bonds			1,548,984	0	103,265	1,445,719	0
Total General Obligation Bonds			40,371,978	134,747	1,428,265	39,078,460	1,490,000
\$2,635,000 - Loan Payable	1/1/12		364,000	0	364,000	0	0
Total Long Term Debt			40,735,978	134,747	1,792,265	39,078,460	1,490,000
Compensated Absences			4,625,916	578,684	795,644	4,408,956	956,774
Total Governmental Activities			\$45,361,894	\$713,431	\$2,587,909	\$43,487,416	\$2,446,774

General obligation bonds will be paid from the debt service fund. Compensated absences will be paid from the fund from which the person is paid (usually general and special revenue funds). Loan Payable obligations will be paid from the debt service fund.

Principal and interest requirements to retire general obligation debt outstanding at year end are as follows:

Fiscal Year Ending June 30	General Obligation Bonds		Capital Appreciation Bonds	
	Principal	Interest	Principal	Interest
2013	\$1,490,000	\$1,664,175	\$0	\$0
2014	1,260,000	1,706,963	279,137	130,863
2015	0	2,055,646	1,306,984	523,016
2016	0	2,128,765	1,333,865	596,135
2017	2,035,000	1,481,755	0	0
2018-2022	13,430,000	5,671,445	0	0
2023-2026	15,655,000	1,647,125	0	0
Total	\$33,870,000	\$16,355,874	\$2,919,986	\$1,250,014

**Note 8 - Loan Payable**

During the fiscal year 2002, the District entered into a \$3,300,000 loan payable and reissued \$2,635,000 loan payable during fiscal year 2004 to the Rickenbacker Port Authority, Ohio, (the Port Authority). The District capitalized buildings related to the loan.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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The loan document refers to the transaction as a lease-purchase agreement, but the substance of the transaction is in the nature of a loan. The loan was made by the Port Authority to the District as the result of the Port Authority's issuance of bonds, the proceeds of which were made available to numerous public school districts in Ohio to assist in the financing and re-financing of permanent improvements and was sponsored by the Ohio School Board Association Expanded Asset Pooled Financing Program. The last principal payment was made in fiscal year 2012.

**Note 9 - Pension Plans**

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**School Employees Retirement System of Ohio**

Plan Description

The District contributes to the School Employees Retirement System of Ohio (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 state statute per Chapter 3309 of the Ohio Revised Code. SERS issues a publicly available, stand-alone financial report that includes financial statements and required supplementary information. That report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Employers/Audit Resources*.

Funding Policy

Plan members are required to contribute 10% of their annual covered salary and District is required to contribute 14% of annual covered payroll. The contribution requirements of plan members and employers are established and may be amended, up to statutory maximum amounts, by the SERS' Retirement Board. The Retirement Board acting with the advice of the actuary, allocates the employer contribution rate among four of the funds (Pension Trust Fund, Death Benefit Fund, Medicare B Fund, and Health Care fund) of the System. For fiscal year ending June 30, 2012, the allocation to pension and death benefits is 12.7%. The remaining 2.19% of the 14% employer contribution rate is allocated to the Health Care and Medicare B Funds. The District's required contributions to SERS for the years ended June 30, 2012, 2011, and 2010 were \$1,649,352, \$1,796,352, and \$1,544,748, respectively; 58% has been actually contributed for fiscal year 2012 and 100% has been actually contributed for fiscal years 2011 and 2010. The District's unpaid contractually required SERS contributions (including post employment benefits) at year end (the liability) were recorded in the accrued wages and benefits line item of the government-wide and fund financial statements along with various corresponding expenses/expenditures.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**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 is a statewide retirement plan for licensed teachers and other faculty members employed in the public schools of Ohio or any school, community school, college, university, institution, or other agency controlled, managed and supported, in whole or in part, by the state or any political subdivision thereof. Additional information or copies of STRS Ohio's *Comprehensive Annual Financial Report* can be requested by writing to STRS Ohio, 275 E. Broad Street, Columbus, OH 43215-3771, by calling toll-free 1-888-227-7877, or by visiting the STRS Ohio web site at [www.strsoh.org](http://www.strsoh.org).

Plan Options

New members have a choice of three retirement plan options. In addition to the Defined Benefit (DB) Plan, new members are offered a Defined Contribution (DC) Plan and a Combined Plan. The DC Plan allows members to allocate all their member contributions and employer contributions equal to 10.5% of earned compensation among various investment choices. The Combined Plan offers features of the DC Plan and DB Plan. In the Combined Plan, member contributions are allocated to investment choices by the member, and employer contributions are used to fund the defined benefit payment at a reduced level from the regular DB Plan. Contributions into the DC Plan and Combined Plan are credited to member accounts as employers submit their payroll information to STRS Ohio, generally on a biweekly basis. DC and Combined Plan members will transfer to the DB Plan during their fifth year of membership unless they permanently select the DC or Combined Plan.

DB Plan Benefits

Plan benefits are established under Chapter 3307 of the Revised Code. Any member may retire who has (i) five years of service credit and attained age 60; (ii) 25 years of service credit and attained age 55; or (iii) 30 years of service credit regardless of age. The annual retirement allowance, payable for life, is the greater of the "formula benefit" or the "money-purchase benefit" calculation. Under the "formula benefit," the retirement allowance is based on years of credited service and final average salary, which is the average of the member's three highest salary years. The annual allowance is calculated by using a base percentage of 2.2% multiplied by the total number of years of service credit (including Ohio-valued purchased credit) times the final average salary. The 31<sup>st</sup> year of earned Ohio service credit is calculated at 2.5%. An additional one-tenth of a percent is added to the calculation for every year of earned Ohio service over 31 years (2.6% for 32 years, 2.7% for 33 years and so on) until 100% of final average salary is reached. For members with 35 or more years of Ohio contributing service, the first 30 years will be calculated at 2.5% instead of 2.2%. Under the "money-purchase benefit" calculation, a member's lifetime contributions plus interest at specified rates are matched by an equal amount from other STRS Ohio funds. This total is then divided by an actuarially determined annuity factor to determine the maximum annual retirement allowance.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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DC Plan Benefits

Benefits are established under Sections 3307.80 to 3307.89 of the Revised Code. For members who select the DC Plan, all member contributions and employer contributions at a rate of 10.5% are placed in an investment account. The member determines how to allocate the member and employer money among various investment choices. 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. Employer contributions into members' accounts are vested after the first anniversary of the first day of paid service. Members in the DC Plan who become disabled are entitled only to their account balance. If a member dies before retirement benefits begin, the member's designated beneficiary is entitled to receive the member's account balance.

Combined Plan Benefits

Member contributions are allocated by the member, and employer contributions are used to fund a defined benefit payment. A member's defined benefit is determined by multiplying 1% of the member's final average salary by the member's years of service credit. The defined benefit portion of the Combined Plan payment is payable to a member on or after age 60. The defined contribution portion of the account may be taken as a lump sum or converted to a lifetime monthly annuity at age 50.

Eligible faculty of Ohio's public colleges and universities may choose to enroll in either STRS Ohio or an alternative retirement plan (ARP) offered by their employer. Employees have 120 days from their employment date to select a retirement plan.

A retiree of STRS Ohio or another Ohio public retirement system is eligible for reemployment as a teacher following the elapse of two months from the date of retirement. Contributions are made by the reemployed member and employer during the reemployment. Upon termination of reemployment or age 65, whichever comes later, the retiree is eligible for an annuity benefit or equivalent lump-sum payment in addition to the original retirement allowance. A reemployed retiree may alternatively receive a refund of only member contributions with interest before age 65, once employment is terminated.

Benefits are increased annually by 3% of the original base amount for DB Plan participants.

The DB and Combined Plans offer access to health care coverage to eligible retirees who participated in the plans and their eligible dependents. Coverage under the current program includes hospitalizations, physicians' fees, prescription drugs and partial reimbursement of monthly Medicare Part B premiums. By Ohio law, health care benefits are not guaranteed.

A DB or Combined Plan member with five or more years' credited service who becomes disabled may qualify for a disability benefit. Eligible spouses and dependents of members who die before retirement may qualify for survivor benefits. A death benefit of \$1,000 is payable to the beneficiary of each deceased retired member who participated in the DB Plan. Death benefit coverage up to \$2,000 can be purchased by participants in the DB, DC or Combined Plans. Various other benefits are available to members' beneficiaries.



**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Funding Policy

Chapter 3307 of the Revised Code provides statutory authority for member and employer contributions. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10% for members and 14% for employers.

Contribution requirements and the contributions actually made for the fiscal year ended June 30, 2012, were 10% of covered payroll for members and 14% for employers. The District's required contributions to STRS for the years ended June 30, 2012, 2011, and 2010 were \$5,087,280, \$5,273,952, and \$5,195,808; respectively; 84% has been actually contributed for fiscal year 2012 and 100% has been actually contributed for fiscal years 2011 and 2010. The District's unpaid contractually required STRS contributions (including post employment benefits) at year end (the liability) were recorded in the accrued wages and benefits line item of the government-wide and fund financial statements along with various corresponding expenses/expenditures.

**Note 10- Post Employment Benefits**

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**School Employees Retirement System of Ohio**

Plan Description

In addition to a cost-sharing multiple-employer defined benefit pension plan, the School Employees Retirement System of Ohio (SERS) administers two postemployment benefit plans.

Medicare Part B Plan

The Medicare B plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries as set forth in Ohio Revised Code (ORC) 3309.69. Qualified benefit recipients who pay Medicare Part B premiums may apply for and receive a monthly reimbursement from SERS. The reimbursement amount is limited by statute to the lesser of the January 1, 1999 Medicare Part B premium or the current premium. The Medicare Part B premium for calendar year 2012 was \$99.90 for most participants, but could be as high as \$319.70 depending on their income; SERS' reimbursement to retirees was \$45.50.

The Retirement Board, acting with the advice of the actuary, allocates a portion of the current employer contribution rate to the Medicare B Fund. For fiscal year 2012, the actuarially required allocation was .75%. District contributions for the year ended June 30, 2012, 2011 and 2010 were \$88,358, \$97,516, and \$83,858; respectively, which equaled the required contributions each year.

Health Care Plan

ORC 3309.375 and 3309.69 permit SERS to offer health care benefits to eligible retirees and beneficiaries. SERS' Retirement Board reserves the right to change or discontinue any health plan or program. SERS offers several types of health plans from various vendors, including HMO's, PPO's, Medicare Advantage and traditional indemnity plans. A prescription drug program is also available to those who elect health coverage. SERS employs two third-party administrators and a pharmacy benefit manager to manage the self-insurance and prescription drug plans, respectively.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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The ORC provides the statutory authority to fund SERS' postemployment benefits through employer contributions. Active members do not make contributions to the postemployment benefit plans.

The Health Care Fund was established under, and is administered in accordance with, Internal Revenue Code 105(e). Each year after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer 14% contribution to the Health Care Fund. At June 30, 2012, the health care allocation was 0.55%. An additional health care surcharge on employers is collected for employees earning less than an actuarially determined minimum compensation amount, pro-rated according to service credit earned. Statutes provide that no employer shall pay a health care surcharge greater than 2% of that employer's SERS-covered payroll; nor may SERS collect in aggregate more than 1.5% of the total statewide SERS-covered payroll for the health care surcharge. For fiscal year 2012, the minimum compensation level was established at \$35,800. The surcharge, added to the unallocated portion of the 14% employer contribution rate is the total amount assigned to the Health Care Fund. The District required contributions assigned to health care for the years ended June 30, 2012, 2011, and 2010 were \$64,745, \$183,485, and \$50,756; respectively; 58% has been actually contributed for fiscal year 2012 and 100% has been actually contributed for fiscal years 2011 and 2010.

The SERS Retirement Board establishes the rules for the premiums paid by the retirees for health care coverage for themselves and their dependents or for their surviving beneficiaries. Premiums vary depending on the plan selected, qualified years of service, Medicare eligibility, and retirement status.

The financial reports of SERS' Health Care and Medicare B plans are included in its *Comprehensive Annual Financial Report*. The report can be obtained by contacting SERS, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746 or by calling toll free (800) 878-5853. It is also posted on SERS' website at [www.ohsers.org](http://www.ohsers.org) under *Employers/Audit Resources*.

**State Teachers Retirement System of Ohio**

Plan Description

STRS Ohio administers a pension plan that is comprised of: a Defined Benefit Plan; a self-directed Defined Contribution Plan and a Combined Plan that is a hybrid of the Defined Benefit and the Defined Contribution Plan.

Ohio law authorized STRS Ohio to offer a cost-sharing, multiple-employer health care plan. STRS Ohio provides access to health care coverage to eligible retirees who participated in the Defined Benefit or Combined Plans. Coverage under the current program includes hospitalization, physicians' fees, prescription drugs and reimbursement of monthly Medicare Part B premiums.

Pursuant to 3307 of the Revised Code, the Retirement Board has discretionary authority over how much, if any, of the associated health care costs will be absorbed by STRS Ohio. All benefit recipients, for the most recent year, pay a portion of the health care costs in the form of a monthly premium.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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STRS Ohio issues a stand-alone financial report. Interested parties can view the most recent *Comprehensive Annual Financial Report* by visiting [www.strsoh.org](http://www.strsoh.org) or by requesting a copy by calling toll-free 1-888-227-7877.

Funding Policy

Under Ohio law, funding for post-employment health care may be deducted from employer contributions. Of the 14% employer contributions rate, 1% of covered payroll was allocated to post-employment health care for the year ended June 30, 2012, 2011 and 2010. The 14% employer contribution rate is the maximum rate established under Ohio law. The District required contributions for the years ended June 30, 2012, 2011, and 2010 were \$363,377, \$376,711, and \$371,129; respectively; 84% has been actually contributed for fiscal year 2012 and 100% has been actually contributed for fiscal years 2011 and 2010.

**Note 11 - Contingent Liabilities**

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**Student Attendance Data Review**

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.

**Litigation**

The District's attorney estimates that all other potential claims against the District not covered by insurance resulting from all other litigation would not materially affect the financial statements of the District.

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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**Note 12 - Jointly Governed Organizations**

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The Great Oaks Institute of Career Technology and Development (the Institute), a jointly governed organization, is a distinct political subdivision of the State of Ohio which operates under the direction of a Board consisting of one representative from each participating school district's elected board. The Board possesses its own budgeting and taxing authority. The Institute provides academic preparation and job training which leads to employment and/or further education upon graduation from high school. The District has no ongoing financial interest in or responsibility for the Institute.

The District is a participant in the Hamilton/Clermont Cooperative Association (HCCA) which is a computer consortium A-site used by the District. HCCA is an association of public districts in a geographic area determined by the Ohio Department of Education. 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 districts. The Board of the School consists of one representative from each of the participating members. The degree of control exercised by any participating district is limited to its representation on the board.

**Note 13 - Risk Management**

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The District is exposed to various risks of loss related to: torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees, and natural disasters. The District carries insurance coverage with the following companies.

<u>Coverage</u>	<u>Company</u>
Automobile	Ohio Casualty Group
Property	Ohio Casualty Group
General Liability	Ohio Casualty Group

Limits and deductible amounts for the above policies vary accordingly.

<u>Coverage</u>	<u>Limits</u>	<u>Deductible</u>
Automobile	\$1,000,000 each occurrence	\$1,000 collision
Property	\$115,908,867 blanket coverage	\$2,500 each loss
General Liability	\$2,000,000 general aggregate	
Umbrella	\$10,000,000 (vehicles only)	

There were no significant reductions in insurance coverage from the prior year. Also, there were no settlements that exceeded insurance coverage for the past three fiscal years.

The District is self-insured for its workers' compensation costs. Expenses for claims are recorded on the current basis based on an actuarially determined charge per employee. The District accounts for the activities of this program in an internal service fund in accordance with GASB Statement No. 10. A summary of the changes in self-insurance workers' compensation claims liability is as follows:

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Claims Liability at July 1, 2011	\$0
Claims Incurred	139,654
Claims Paid	<u>(129,777)</u>
Claims Liability at June 30, 2012	<u><u>\$9,877</u></u>

**Note 14 – Accountability**

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The following individual funds had a deficit in fund balance at year end:

	<u>Deficit</u>
Other Governmental Funds:	
Title I	\$7,762
Special Education	127,504
Race to the Top	347
Food Service	188,126
Education Jobs	246,270
Internal Service Fund	9,877

The deficit fund balances were caused by GAAP Accruals.

**Note 15 - Set-Asides**

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

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

	<u>Textbooks</u>	<u>Capital Acquisition</u>	<u>Budget Stabilization</u>
Set Aside Reserve Balance as of June 30, 2011	(\$2,841,855)	\$0	\$380,716
Current Year Set Aside Requirement	0	1,371,807	0
Qualified Disbursements	0	(314,198)	0
Elimination per H.B. 30 of the Ohio 129th General Assembly	2,841,855	0	0
Current Year Offsets	0	(1,057,609)	0
Set Aside Reserve Balance as of June 30, 2012	<u>\$0</u>	<u>\$0</u>	<u>\$380,716</u>
Restricted Cash as of June 30, 2012	<u>\$0</u>	<u>\$0</u>	<u>\$380,716</u>

**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

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Although the District had offsets from 2005 Series Debt of \$50,677,000 and qualifying disbursements during the year that reduced the set-aside amounts for capital maintenance reserve to below zero, extra qualified disbursement amounts may not be used to reduce the set-aside requirements of future years.

**Note 16 - Interfund Balances/Transfers**

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At fiscal year end, interfund receivables, interfund payables, transfers in and transfers out were as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$18,000	\$0	\$0	\$371,484
Other Governmental Funds	0	18,000	371,484	0
Total all funds	<u>\$18,000</u>	<u>\$18,000</u>	<u>\$371,484</u>	<u>\$371,484</u>

Interfund balance/transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorization; to segregate and to return money to the fund from which it was originally provided once a project is completed.

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**Oak Hills Local School District, Ohio**  
**Notes to the Basic Financial Statements**  
**For the Fiscal Year Ended June 30, 2012**

**Note 17 – 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 government funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below:

<b>Fund Balances</b>	<b>General</b>	<b>Permanent Improvement</b>	<b>Other Governmental Funds</b>	<b>Total</b>
Nonspendable on:				
Inventory	\$0	\$0	\$3,832	\$3,832
Total Nonspendable	0	0	3,832	3,832
Restricted for:				
Misc State Grants	0	0	1,084	1,084
Auxiliary Services	0	0	315,245	315,245
Debt Service	0	0	3,447,455	3,447,455
Extracurricular Activities	0	0	234,101	234,101
Total Restricted	0	0	3,997,885	3,997,885
Committed to:				
Capital Improvements	0	6,038,603	0	6,038,603
Total Committed	0	6,038,603	0	6,038,603
Assigned to:				
Encumbrances	5,456,159	0	0	5,456,159
Total Assigned	5,456,159	0	0	5,456,159
Unassigned (Deficit)	13,308,707	0	(573,841)	12,734,866
Total Fund Balance	\$18,764,866	\$6,038,603	\$3,427,876	\$28,231,345

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# **REQUIRED SUPPLEMENTARY INFORMATION**

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Oak Hills Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2012

	General Fund			
	Original Budget	Final Budget	Actual	Variance from Final Budget
<b>Revenues:</b>				
Taxes	\$21,962,963	\$21,962,963	\$21,354,609	(\$608,354)
Tuition and Fees	1,194,488	1,194,488	1,161,402	(33,086)
Investment Earnings	221,552	221,552	215,415	(6,137)
Intergovernmental	27,624,974	27,624,974	26,859,788	(765,186)
Extracurricular Activities	229,064	229,064	222,719	(6,345)
Payment in Lieu of Taxes	9,893,758	9,896,744	9,619,710	(277,034)
Other Revenues	215,858	215,858	209,879	(5,979)
<b>Total Revenues</b>	<b>61,342,657</b>	<b>61,345,643</b>	<b>59,643,522</b>	<b>(1,702,121)</b>
<b>Expenditures:</b>				
<b>Current:</b>				
<b>Instruction:</b>				
Regular	30,984,089	30,989,009	30,547,860	441,149
Special	7,769,920	7,771,153	7,660,526	110,627
Vocational	151	151	149	2
Other	235,533	235,570	232,217	3,353
<b>Support Services:</b>				
Pupil	4,412,055	4,412,755	4,349,937	62,818
Instructional Staff	3,647,601	3,648,180	3,596,246	51,934
General Administration	109,893	109,911	108,346	1,565
School Administration	5,041,831	5,042,631	4,970,846	71,785
Fiscal	1,182,165	1,182,353	1,165,521	16,832
Business	287,503	287,548	283,455	4,093
Operations and Maintenance	5,405,976	5,406,835	5,329,865	76,970
Pupil Transportation	2,444,474	2,444,862	2,410,058	34,804
Central	476,425	476,500	469,717	6,783
Operation of Non-Instructional Services	55,424	55,433	54,644	789
Extracurricular Activities	1,013,832	1,013,993	999,558	14,435
Capital Outlay	31,180	31,185	30,741	444
<b>Total Expenditures</b>	<b>63,098,052</b>	<b>63,108,069</b>	<b>62,209,686</b>	<b>898,383</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>(1,755,395)</b>	<b>(1,762,426)</b>	<b>(2,566,164)</b>	<b>(803,738)</b>
<b>Other Financing Sources (Uses):</b>				
Advances In	18,513	18,513	18,000	(513)
Transfers (Out)	(376,789)	(376,849)	(371,484)	5,365
<b>Total Other Financing Sources (Uses)</b>	<b>(358,276)</b>	<b>(358,336)</b>	<b>(353,484)</b>	<b>4,852</b>
<b>Net Change in Fund Balance</b>	<b>(2,113,671)</b>	<b>(2,120,762)</b>	<b>(2,919,648)</b>	<b>(798,886)</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>20,082,465</b>	<b>20,082,465</b>	<b>20,082,465</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$17,968,794</b>	<b>\$17,961,703</b>	<b>\$17,162,817</b>	<b>(\$798,886)</b>

See accompanying notes to the required supplementary information.

**Oak Hills Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2012**

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**Note 1 – Budgetary Process**

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All funds, except agency funds, are legally required to be budgeted and appropriated. The major documents prepared are the tax budget, the appropriations resolution and the certificate of estimated resources which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amount 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 the level of control selected by Board. The legal level of control has been established by the Board at the fund level. Any budgetary modifications at this level may only be made by resolution of the Board.

The certificate of estimated resources may be amended during the year if projected increases or decreases in revenue are identified by the School District Treasurer. The amounts reported as the original budgeted amounts on the budgetary statements reflect the amounts on the certificate of estimated resources when the original appropriations were adopted. The amounts reported as the final budgeted amounts on the budgetary statements reflect the amounts on the final amended certificate of estimated resources issued during the fiscal year 2012.

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

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

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 for all funds (budget basis) rather than as assigned to a fund balance for governmental fund types and expendable trust funds (GAAP basis).
4. Advances in and advances out are operating transactions (budget basis) as opposed to balance sheet transactions.
5. Some funds are reported as part of the general fund (GAAP basis) as opposed to the general fund being reported alone (budget basis).

**Oak Hills Local School District, Ohio**  
**Notes to the Required Supplementary Information**  
**For The Year Ended June 30, 2012**

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

Net Change in Fund Balance

	<u>General</u>
GAAP Basis	(\$2,018,597)
Revenue Accruals	64,018
Expenditure Accruals	(896,486)
Advances In	18,000
Encumbrances	(84,894)
Funds Budgeted Elsewhere	<u>(1,689)</u>
Budget Basis	<u><u>(\$2,919,648)</u></u>

**COMBINING STATEMENTS AND  
INDIVIDUAL FUND SCHEDULES**

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## **MAJOR GOVERNMENTAL FUNDS**

### **Capital Projects Fund**

The Capital Projects Fund is 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 capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows financed by proprietary funds or for assets that will be held in trust for individuals, private organizations, or other governments. The District has only one Capital Projects Fund for fiscal year 2012, the Permanent Improvement Fund. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance are included in the Basic Financial Statements. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.

Oak Hills Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2012

	Permanent Improvement Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$4,338,014	\$4,443,081	\$105,067
Intergovernmental	723,945	741,479	17,534
Other Revenues	4,724	4,838	114
Total Revenues	<u>5,066,683</u>	<u>5,189,398</u>	<u>122,715</u>
Expenditures:			
Current:			
Instruction:			
Regular	1,356,358	973,213	383,145
Special	23,944	17,180	6,764
Support Services:			
Instructional Staff	1,483,688	1,064,575	419,113
School Administration	4,223	3,030	1,193
Fiscal	93,755	67,271	26,484
Operations and Maintenance	1,108,855	795,625	313,230
Pupil Transportation	755,171	541,850	213,321
Capital Outlay	678,037	486,505	191,532
Total Expenditures	<u>5,504,031</u>	<u>3,949,249</u>	<u>1,554,782</u>
Net Change in Fund Balance	(437,348)	1,240,149	1,677,497
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,969,293</u>	<u>2,969,293</u>	<u>0</u>
Fund Balance End of Year	<u>\$2,531,945</u>	<u>\$4,209,442</u>	<u>\$1,677,497</u>

## **NONMAJOR GOVERNMENTAL FUNDS**

### **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 expenditures for specified purposes other than debt service or capital projects. The term *proceeds of specific revenue sources* establishes that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

### **Debt Service Fund**

The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The District has only one Debt Service Fund for fiscal year 2012.



Oak Hills Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
Assets:			
Equity in Pooled Cash and Investments	\$598,175	\$2,407,455	\$3,005,630
Receivables:			
Taxes	0	2,686,788	2,686,788
Accounts	3,706	0	3,706
Intergovernmental	341,876	0	341,876
Inventory	3,832	0	3,832
<b>Total Assets</b>	<b>947,589</b>	<b>5,094,243</b>	<b>6,041,832</b>
Liabilities and Fund Balances:			
Liabilities:			
Accounts Payable	5,425	0	5,425
Accrued Wages and Benefits	706,867	0	706,867
Interfund Payable	18,000	0	18,000
Deferred Revenue	236,876	1,646,788	1,883,664
<b>Total Liabilities</b>	<b>967,168</b>	<b>1,646,788</b>	<b>2,613,956</b>
Fund Balances:			
Nonspendable	3,832	0	3,832
Restricted	550,430	3,447,455	3,997,885
Unassigned	(573,841)	0	(573,841)
<b>Total Fund Balances</b>	<b>(19,579)</b>	<b>3,447,455</b>	<b>3,427,876</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$947,589</b>	<b>\$5,094,243</b>	<b>\$6,041,832</b>

Oak Hills Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2012

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Total Nonmajor Governmental Funds
<b>Revenues:</b>			
Taxes	\$0	\$2,587,627	\$2,587,627
Investment Earnings	29	0	29
Intergovernmental	6,520,827	439,909	6,960,736
Extracurricular Activities	896,365	0	896,365
Charges for Services	2,019,973	0	2,019,973
Other Revenues	96,527	0	96,527
<b>Total Revenues</b>	<b>9,533,721</b>	<b>3,027,536</b>	<b>12,561,257</b>
<b>Expenditures:</b>			
<b>Current:</b>			
<b>Instruction:</b>			
Regular	1,790,195	0	1,790,195
Special	715,577	0	715,577
<b>Support Services:</b>			
Pupil	476,023	0	476,023
Instructional Staff	972,786	0	972,786
General Administration	628,672	0	628,672
School Administration	391	0	391
Fiscal	0	41,445	41,445
Operation of Non-Instructional Services	3,889,612	0	3,889,612
Extracurricular Activities	1,037,976	0	1,037,976
<b>Debt Service:</b>			
Principal Retirement	0	1,689,000	1,689,000
Interest and Fiscal Charges	0	1,757,064	1,757,064
<b>Total Expenditures</b>	<b>9,511,232</b>	<b>3,487,509</b>	<b>12,998,741</b>
<b>Excess of Revenues Over (Under) Expenditures</b>	<b>22,489</b>	<b>(459,973)</b>	<b>(437,484)</b>
<b>Other Financing Sources (Uses):</b>			
Transfers In	0	371,484	371,484
<b>Total Other Financing Sources (Uses)</b>	<b>0</b>	<b>371,484</b>	<b>371,484</b>
<b>Net Change in Fund Balance</b>	<b>22,489</b>	<b>(88,489)</b>	<b>(66,000)</b>
<b>Fund Balance Beginning of Year</b>	<b>(42,068)</b>	<b>3,535,944</b>	<b>3,493,876</b>
<b>Fund Balance End of Year</b>	<b>(\$19,579)</b>	<b>\$3,447,455</b>	<b>\$3,427,876</b>

## **NONMAJOR SPECIAL REVENUE FUNDS**

### **Fund Descriptions**

**Other Grants** – Fund used to account for grant funds that are legally restricted to expenditures for specified purposes.

**Student Activity** – Fund used to account for student activity programs that do not have student management of the program, i.e. athletics, band, etc.

**Auxiliary Services** – Fund used to account for state funds used to provide services and materials to students attending non-public schools within the boundaries of the District.

**Data Communications** – State grant used to support technology used for non-instructional purposes, i.e. networking.

**Miscellaneous State Grants** – Fund used to account for state funds that are legally restricted to expenditures for specified purposes.

**Race to the Top** – A competitive grant program designed to encourage and reward states that are creating the conditions for education innovation and reform; achieving significant improvement in student outcomes, including making substantial gains in student achievement, closing achievement gaps, improving high school graduation rates, and ensuring student preparation for success in college and careers.

**Education Jobs** – Fund used to provide compensation and benefits and other expenses, such as support services, necessary to retain existing employees, to recall or rehire former employees, and to hire new employees, in order to provide early childhood, elementary or secondary educational and related services.

**Special Education** – Fund used to account for federal monies provided to support programs for students with disabilities.

**Title I** – Fund used to account for federal monies provided to support programs for educationally deprived students.

**IDEA Preschool Grant** – Fund used to account for federal monies provided to support programs for pre-school aged students with disabilities.

**Improving Teacher Quality** – Fund used to account for funds provided for staff development programs.

**Food Service** – Fund used to record financial transactions related to the food service operation.

**Title II D** – To account for competitive grant monies received from the Federal Government which focuses on professional development and student learning needed for the 21st century.

Oak Hills Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2012

	Other Grants	Student Activity	Auxiliary Services	Data Communications	Miscellaneous State Grants
<b>Assets:</b>					
Equity in Pooled Cash and Investments	\$0	\$230,484	\$339,939	\$0	\$1,084
<b>Receivables:</b>					
Accounts	0	3,617	0	0	0
Intergovernmental	0	0	0	0	0
Inventory	0	0	0	0	0
<b>Total Assets</b>	<b>0</b>	<b>234,101</b>	<b>339,939</b>	<b>0</b>	<b>1,084</b>
<b>Liabilities and Fund Balances:</b>					
<b>Liabilities:</b>					
Accounts Payable	0	0	5,078	0	0
Accrued Wages and Benefits	0	0	19,616	0	0
Interfund Payable	0	0	0	0	0
Deferred Revenue	0	0	0	0	0
<b>Total Liabilities</b>	<b>0</b>	<b>0</b>	<b>24,694</b>	<b>0</b>	<b>0</b>
<b>Fund Balances:</b>					
Nonspendable	0	0	0	0	0
Restricted	0	234,101	315,245	0	1,084
Unassigned	0	0	0	0	0
<b>Total Fund Balances</b>	<b>0</b>	<b>234,101</b>	<b>315,245</b>	<b>0</b>	<b>1,084</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$0</b>	<b>\$234,101</b>	<b>\$339,939</b>	<b>\$0</b>	<b>\$1,084</b>

Race to the Top	Education Jobs	Special Education	Title I	IDEA Preschool Grant	Improving Teacher Quality	Food Service
\$0	\$0	\$0	\$0	\$0	\$0	\$26,668
0	0	0	0	0	0	89
62,500	0	0	130,000	0	149,376	0
0	0	0	0	0	0	3,832
<u>62,500</u>	<u>0</u>	<u>0</u>	<u>130,000</u>	<u>0</u>	<u>149,376</u>	<u>30,589</u>
347	0	0	0	0	0	0
0	246,270	109,504	112,762	0	0	218,715
0	0	18,000	0	0	0	0
62,500	0	0	25,000	0	149,376	0
<u>62,847</u>	<u>246,270</u>	<u>127,504</u>	<u>137,762</u>	<u>0</u>	<u>149,376</u>	<u>218,715</u>
0	0	0	0	0	0	3,832
0	0	0	0	0	0	0
<u>(347)</u>	<u>(246,270)</u>	<u>(127,504)</u>	<u>(7,762)</u>	<u>0</u>	<u>0</u>	<u>(191,958)</u>
<u>(347)</u>	<u>(246,270)</u>	<u>(127,504)</u>	<u>(7,762)</u>	<u>0</u>	<u>0</u>	<u>(188,126)</u>
<u>\$62,500</u>	<u>\$0</u>	<u>\$0</u>	<u>\$130,000</u>	<u>\$0</u>	<u>\$149,376</u>	<u>\$30,589</u>

(continued)

Oak Hills Local School District, Ohio  
Combining Balance Sheet  
Nonmajor Special Revenue Funds  
June 30, 2012

	Title II D	Total Nonmajor Special Revenue Funds
Assets:		
Equity in Pooled Cash and Investments	\$0	\$598,175
Receivables:		
Accounts	0	3,706
Intergovernmental	0	341,876
Inventory	0	3,832
<b>Total Assets</b>	<b>0</b>	<b>947,589</b>
Liabilities and Fund Balances:		
Liabilities:		
Accounts Payable	0	5,425
Accrued Wages and Benefits	0	706,867
Interfund Payable	0	18,000
Deferred Revenue	0	236,876
<b>Total Liabilities</b>	<b>0</b>	<b>967,168</b>
Fund Balances:		
Nonspendable	0	3,832
Restricted	0	550,430
Unassigned	0	(573,841)
<b>Total Fund Balances</b>	<b>0</b>	<b>(19,579)</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$0</b>	<b>\$947,589</b>

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Oak Hills Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2012

	Other Grants	Student Activity	Auxiliary Services	Data Communications	Micellaneous State Grants
Revenues:					
Investment Earnings	\$0	\$0	\$0	\$0	\$0
Intergovernmental	18,806	0	1,769,433	16,200	132,992
Extracurricular Activities	0	896,365	0	0	0
Charges for Services	0	0	0	0	0
Other Revenues	0	96,527	0	0	0
<b>Total Revenues</b>	<b>18,806</b>	<b>992,892</b>	<b>1,769,433</b>	<b>16,200</b>	<b>132,992</b>
Expenditures:					
Current:					
Instruction:					
Regular	0	0	0	16,200	0
Special	0	0	0	0	0
Support Services:					
Pupil	18,806	0	0	0	107,992
Instructional Staff	0	0	0	0	19,247
General Administration	0	0	0	0	0
School Administration	0	0	0	0	0
Operation of Non-Instructional Services	0	0	1,460,136	0	0
Extracurricular Activities	0	1,037,976	0	0	0
<b>Total Expenditures</b>	<b>18,806</b>	<b>1,037,976</b>	<b>1,460,136</b>	<b>16,200</b>	<b>127,239</b>
Net Change in Fund Balance	0	(45,084)	309,297	0	5,753
Fund Balance Beginning of Year	0	279,185	5,948	0	(4,669)
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$234,101</b>	<b>\$315,245</b>	<b>\$0</b>	<b>\$1,084</b>



Race to the Top	Education Jobs	Special Education	Title I	IDEA Preschool Grant	Improving Teacher Quality	Food Service
\$0	\$0	\$0	\$0	\$0	\$0	\$29
316,529	1,361,865	1,688,624	810,857	24,009	106,393	269,986
0	0	0	0	0	0	0
0	0	0	0	0	0	2,019,973
0	0	0	0	0	0	0
316,529	1,361,865	1,688,624	810,857	24,009	106,393	2,289,988
160,727	1,608,135	0	0	0	0	0
0	0	92,000	623,577	0	0	0
0	0	349,225	0	0	0	0
148,783	0	530,382	151,639	24,009	98,726	0
5,338	0	586,539	29,128	0	7,667	0
0	0	391	0	0	0	0
0	0	161,672	28,519	0	0	2,239,285
0	0	0	0	0	0	0
314,848	1,608,135	1,720,209	832,863	24,009	106,393	2,239,285
1,681	(246,270)	(31,585)	(22,006)	0	0	50,703
(2,028)	0	(95,919)	14,244	0	0	(238,829)
(\$347)	(\$246,270)	(\$127,504)	(\$7,762)	\$0	\$0	(\$188,126)

(continued)

Oak Hills Local School District, Ohio  
Combining Statement of Revenues, Expenditures  
and Changes in Fund Balance  
Nonmajor Special Revenue Funds  
For the Fiscal Year Ended June 30, 2012

	Title II D	Total Nonmajor Special Revenue Funds
Revenues:		
Investment Earnings	\$0	\$29
Intergovernmental	5,133	6,520,827
Extracurricular Activities	0	896,365
Charges for Services	0	2,019,973
Other Revenues	0	96,527
<b>Total Revenues</b>	<b>5,133</b>	<b>9,533,721</b>
Expenditures:		
Current:		
Instruction:		
Regular	5,133	1,790,195
Special	0	715,577
Support Services:		
Pupil	0	476,023
Instructional Staff	0	972,786
General Administration	0	628,672
School Administration	0	391
Operation of Non-Instructional Services	0	3,889,612
Extracurricular Activities	0	1,037,976
<b>Total Expenditures</b>	<b>5,133</b>	<b>9,511,232</b>
Net Change in Fund Balance	0	22,489
Fund Balance Beginning of Year	0	(42,068)
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>(\$19,579)</b>

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

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	Other Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$18,806	\$18,806	\$0
Total Revenues	18,806	18,806	0
Expenditures:			
Current:			
Support Services:			
Pupil	18,806	18,806	0
Total Expenditures	18,806	18,806	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Student Activity Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$1,060,664	\$893,514	(\$167,150)
Other Revenues	114,436	96,402	(18,034)
Total Revenues	<u>1,175,100</u>	<u>989,916</u>	<u>(185,184)</u>
Expenditures:			
Current:			
Extracurricular Activities	<u>1,331,642</u>	<u>1,065,655</u>	<u>265,987</u>
Total Expenditures	<u>1,331,642</u>	<u>1,065,655</u>	<u>265,987</u>
Net Change in Fund Balance	(156,542)	(75,739)	80,803
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>278,556</u>	<u>278,556</u>	<u>0</u>
Fund Balance End of Year	<u>\$122,014</u>	<u>\$202,817</u>	<u>\$80,803</u>

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Auxiliary Services Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,769,433	\$1,769,433	\$0
Total Revenues	1,769,433	1,769,433	0
Expenditures:			
Current:			
Operation of Non-Instructional Services	1,796,421	1,473,047	323,374
Total Expenditures	1,796,421	1,473,047	323,374
Net Change in Fund Balance	(26,988)	296,386	323,374
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	26,988	26,988	0
Fund Balance End of Year	\$0	\$323,374	\$323,374

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Data Communications Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$16,200	\$16,200	\$0
Total Revenues	16,200	16,200	0
Expenditures:			
Current:			
Instruction:			
Regular	16,200	16,200	0
Total Expenditures	16,200	16,200	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Miscellaneous State Grants Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$132,992	\$132,992	\$0
Total Revenues	132,992	132,992	0
Expenditures:			
Current:			
Support Services:			
Pupil	108,875	107,992	883
Instructional Staff	25,205	25,000	205
Total Expenditures	134,080	132,992	1,088
Net Change in Fund Balance	(1,088)	0	1,088
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	1,088	1,088	0
Fund Balance End of Year	\$0	\$1,088	\$1,088

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Race to the Top Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$379,029	\$316,529	(\$62,500)
Total Revenues	379,029	316,529	(62,500)
Expenditures:			
Current:			
Instruction:			
Regular	194,892	162,755	32,137
Support Services:			
Instructional Staff	177,745	148,436	29,309
School Administration	6,392	5,338	1,054
Total Expenditures	379,029	316,529	62,500
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0



Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Education Jobs Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,361,865	\$1,361,865	\$0
Total Revenues	1,361,865	1,361,865	0
Expenditures:			
Current:			
Instruction:			
Regular	1,361,865	1,361,865	0
Total Expenditures	1,361,865	1,361,865	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Special Education Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$1,688,625	\$1,688,625	\$0
Total Revenues	1,688,625	1,688,625	0
Expenditures:			
Current:			
Instruction:			
Special	92,000	92,000	0
Support Services:			
Pupil	352,806	352,806	0
Instructional Staff	500,366	500,366	0
School Administration	586,540	586,540	0
Operation of Non-Instructional Services	156,913	156,913	0
Total Expenditures	1,688,625	1,688,625	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Title I Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$990,357	\$860,357	(\$130,000)
Total Revenues	990,357	860,357	(130,000)
Expenditures:			
Current:			
Instruction:			
Special	738,585	641,634	96,951
Support Services:			
Instructional Staff	170,601	148,207	22,394
School Administration	33,529	29,128	4,401
Operation of Non-Instructional Services	47,642	41,388	6,254
Total Expenditures	990,357	860,357	130,000
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	IDEA Preschool Grant Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$24,009	\$24,009	\$0
Total Revenues	24,009	24,009	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	24,009	24,009	0
Total Expenditures	24,009	24,009	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Improving Teacher Quality Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$124,393	\$124,393	\$0
Total Revenues	124,393	124,393	0
Expenditures:			
Current:			
Support Services:			
Instructional Staff	98,726	98,726	0
School Administration	7,667	7,667	0
Total Expenditures	106,393	106,393	0
Excess of Revenues Over (Under) Expenditures	18,000	18,000	0
Other Financing Sources (Uses):			
Advances (Out)	(18,000)	(18,000)	0
Total Other Financing Sources (Uses)	(18,000)	(18,000)	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Food Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Investment Earnings	\$29	\$29	\$0
Intergovernmental	248,046	250,830	2,784
Charges for Services	1,997,486	2,019,905	22,419
<b>Total Revenues</b>	<b>2,245,561</b>	<b>2,270,764</b>	<b>25,203</b>
Expenditures:			
Current:			
Operation of Non-Instructional Services	2,245,961	2,245,961	0
<b>Total Expenditures</b>	<b>2,245,961</b>	<b>2,245,961</b>	<b>0</b>
<b>Net Change in Fund Balance</b>	<b>(400)</b>	<b>24,803</b>	<b>25,203</b>
<b>Fund Balance Beginning of Year (includes prior year encumbrances appropriated)</b>	<b>1,528</b>	<b>1,528</b>	<b>0</b>
<b>Fund Balance End of Year</b>	<b>\$1,128</b>	<b>\$26,331</b>	<b>\$25,203</b>

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

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	Title II D Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Intergovernmental	\$5,133	\$5,133	\$0
Total Revenues	5,133	5,133	0
Expenditures:			
Current:			
Instruction:			
Regular	5,133	5,133	0
Total Expenditures	5,133	5,133	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
Fund Balance End of Year	\$0	\$0	\$0

## **NONMAJOR DEBT SERVICE FUND**

### **Fund Description**

**Debt Service Fund** – The Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated (i.e. debt payable from property taxes). Financial resources that are being accumulated for principal and interest maturing in future years also should be reported in debt service funds. The Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance for the Debt Service Fund has been included in the Nonmajor Governmental Funds Combining Balance Sheet and Combining Statement of Revenues, Expenditures and Changes in Fund Balance. The Schedule of Revenues, Expenditures and Changes in Fund Balance Budget and Actual (Non-GAAP Budgetary Basis) follows this page.



Oak Hills Local School District, Ohio  
Schedule of Revenues, Expenditures and Changes in Fund Balance  
Budget and Actual (Non-GAAP Budgetary Basis)  
For the Fiscal Year Ended June 30, 2012

	Debt Service Fund		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$2,579,472	\$2,637,627	\$58,155
Intergovernmental	430,210	439,909	9,699
Total Revenues	<u>3,009,682</u>	<u>3,077,536</u>	<u>67,854</u>
Expenditures:			
Current:			
Support Services:			
Fiscal	41,452	41,445	7
Debt Service:			
Principal Retirement	1,689,000	1,689,000	0
Interest and Fiscal Charges	1,757,612	1,757,064	548
Total Expenditures	<u>3,488,064</u>	<u>3,487,509</u>	<u>555</u>
Excess of Revenues Over (Under) Expenditures	<u>(478,382)</u>	<u>(409,973)</u>	<u>68,409</u>
Other Financing Sources (Uses):			
Transfers In	363,293	371,484	8,191
Total Other Financing Sources (Uses)	<u>363,293</u>	<u>371,484</u>	<u>8,191</u>
Net Change in Fund Balance	(115,089)	(38,489)	76,600
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>2,445,945</u>	<u>2,445,945</u>	<u>0</u>
Fund Balance End of Year	<u><u>\$2,330,856</u></u>	<u><u>\$2,407,456</u></u>	<u><u>\$76,600</u></u>

## **OTHER GENERAL FUNDS**

With the implementation of GASB Statement No. 54, certain funds that the District prepares legally adopted budgets for no longer meet the definition to be reported as Special Revenue funds and have been included with the General Fund in the governmental fund financial statements. The District has only presented the budget schedules for these funds.

### **Fund Descriptions**

**Adult Education** – Fund used to account for expenses related to the adult education program provided to the general public.

**Public School** – Fund used to account for specific local revenue sources generated by individual school buildings. Expenditures include field trips, items to support co-curricular and extra-curricular programs, and recognition programs.

**State Subdivision** – Fund used to account for state monies provided for the state subdivision programs.

**Uniform School Supply** – Fund to account for the purchase and sale of school supplies as adopted by the Board of Education for use in all schools of the District.

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Adult Education Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$81,105	\$55,545	(\$25,560)
Other Revenues	1,095	750	(345)
<b>Total Revenues</b>	<b>82,200</b>	<b>56,295</b>	<b>(25,905)</b>
Expenditures:			
Current:			
Operation of Non-Instructional Services	82,200	55,171	27,029
<b>Total Expenditures</b>	<b>82,200</b>	<b>55,171</b>	<b>27,029</b>
<b>Net Change in Fund Balance</b>	<b>0</b>	<b>1,124</b>	<b>1,124</b>
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	0	0	0
<b>Fund Balance End of Year</b>	<b>\$0</b>	<b>\$1,124</b>	<b>\$1,124</b>

(1) - This fund is included in General Fund in GAAP Statements

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Public School Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Extracurricular Activities	\$775,562	\$408,250	(\$367,312)
Other Revenues	290,316	152,820	(137,496)
Total Revenues	<u>1,065,878</u>	<u>561,070</u>	<u>(504,808)</u>
Expenditures:			
Current:			
Support Services:			
Pupil	701,888	545,841	156,047
Central	31,625	24,594	7,031
Total Expenditures	<u>733,513</u>	<u>570,435</u>	<u>163,078</u>
Net Change in Fund Balance	332,365	(9,365)	(341,730)
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	<u>229,926</u>	<u>229,926</u>	<u>0</u>
Fund Balance End of Year	<u>\$562,291</u>	<u>\$220,561</u>	<u>(\$341,730)</u>

(1) - This fund is included in General Fund in GAAP Statements

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

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	State Subdivision Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Taxes	\$0	\$0	\$0
Total Revenues	0	0	0
Expenditures:			
Current:			
Instruction:			
Regular	0	0	0
Total Expenditures	0	0	0
Net Change in Fund Balance	0	0	0
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	11,000	11,000	0
Fund Balance End of Year	<u>\$11,000</u>	<u>\$11,000</u>	<u>\$0</u>

(1) - This fund is included in General Fund in GAAP Statements

Oak Hills Local School District, Ohio  
 Schedule of Revenues, Expenditures and Changes in Fund Balance  
 Budget and Actual (Non-GAAP Budgetary Basis)  
 For the Fiscal Year Ended June 30, 2012

	Uniform School Supply Fund (1)		
	Final Budget	Actual	Variance from Final Budget
Revenues:			
Tuition and Fees	\$28,000	\$26,299	(\$1,701)
Total Revenues	28,000	26,299	(1,701)
Expenditures:			
Current:			
Instruction:			
Regular	28,000	25,629	2,371
Total Expenditures	28,000	25,629	2,371
Net Change in Fund Balance	0	670	670
Fund Balance Beginning of Year (includes prior year encumbrances appropriated)	15,641	15,641	0
Fund Balance End of Year	\$15,641	\$16,311	\$670

(1) - This fund is included in General Fund in GAAP Statements

## **NONMAJOR FUNDS**

### **Fiduciary funds**

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

**Student Activity (Agency Fund)** – Fund used to account for resources that belong to various student groups in the District. Students are involved in the management of the program.

Oak Hills Local School District, Ohio  
Statement of Changes In Assets and Liabilities  
Agency Fund  
For the Fiscal Year Ended June 30, 2012

	Student Activity			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets:				
Equity in Pooled Cash and Investments	\$118,456	\$195,142	\$228,761	\$84,837
Receivables:				
Accounts	433	276	433	276
Total Assets	<u>118,889</u>	<u>195,418</u>	<u>229,194</u>	<u>85,113</u>
Liabilities:				
Other Liabilities	<u>118,889</u>	<u>195,418</u>	<u>229,194</u>	<u>85,113</u>
Total Liabilities	<u>\$118,889</u>	<u>\$195,418</u>	<u>\$229,194</u>	<u>\$85,113</u>



# STATISTICAL SECTION



## STATISTICAL SECTION

This part of the 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 District's overall financial health.

### CONTENTS

**Financial Trends** - These schedules contain trend information to help the reader understand how the District's financial position has changed over time.

**Revenue Capacity** - These schedules contain information to help the reader understand and assess the factors affecting the District's ability to generate its most significant local revenue source(s), the property tax (and the income tax).

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

**Economic and Demographic Information** - These schedules offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place and to provide information that facilitates comparisons of financial information over time and among governments.

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

**Sources** - Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year. The District implemented GASB Statement 34 in fiscal year 2003; schedules presenting government-wide information include information beginning in that fiscal year.

Oak Hills Local School District, Ohio  
 Net Assets by Component  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule I

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Governmental Activities										
Invested in Capital Assets, Net of Related Debt	\$1,349,513	\$619,917	\$1,556,634	\$1,625,953	\$1,767,561	\$3,223,283	\$5,852,153	\$7,686,787	\$8,896,621	\$9,492,221
Restricted	3,651,885	3,401,275	4,341,575	3,531,482	4,081,323	6,154,650	6,386,520	8,150,504	4,153,714	4,378,079
Unrestricted	2,224,163	(1,314,935)	1,839,669	1,605,672	1,655,611	25,537,855	23,696,125	21,724,164	21,570,363	20,653,086
Total Net Assets	\$7,225,561	\$2,706,257	\$7,737,878	\$6,763,107	\$7,504,495	\$34,915,788	\$35,934,798	\$37,561,455	\$34,620,698	\$34,523,386

Source: District Records

Oak Hills Local School District, Ohio  
 Expenses, Program Revenues and Net (Expense)/Revenue  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 2

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Expenses</b>										
<b>Governmental Activities:</b>										
Instruction	\$33,235,995	\$34,382,640	\$36,534,799	\$37,076,952	\$38,625,619	\$41,700,556	\$42,044,797	\$43,400,150	\$44,447,001	\$42,082,843
Pupil	3,271,709	3,450,623	3,861,441	4,408,818	4,120,272	4,577,223	4,372,678	4,999,928	4,968,916	5,337,790
Instructional staff	3,118,010	3,263,737	3,469,279	4,225,371	4,661,660	5,400,250	7,246,802	7,100,492	7,291,063	5,312,361
General Administration	148,815	197,048	106,358	146,551	178,256	133,180	176,351	163,458	128,139	730,144
School Administration	3,811,906	4,415,676	4,579,443	4,592,471	4,791,398	4,819,529	5,075,386	5,328,461	5,419,652	5,009,998
Fiscal	933,423	1,026,103	1,004,290	1,051,142	1,069,374	1,124,823	1,208,804	1,281,511	1,313,411	1,245,878
Business	238,008	236,345	241,017	252,250	258,406	395,701	106,493	284,383	277,321	299,053
Operation and Maintenance	5,950,199	5,868,816	5,799,708	7,210,041	7,660,054	6,880,648	6,649,473	6,988,413	6,846,285	6,047,467
Pupil Transportation	1,885,992	1,944,352	2,266,917	2,344,523	2,181,132	2,553,989	2,721,131	2,894,554	3,004,197	3,045,054
Central	559,288	2,378,350	1,135,384	490,215	472,596	534,923	501,881	541,132	580,400	483,088
Operation of Non-Instructional Services	4,360,153	4,607,790	4,645,245	4,788,651	5,115,065	4,715,758	4,891,470	4,428,200	4,827,525	4,075,877
Extracurricular Activities	1,223,506	1,594,496	1,423,258	1,651,206	1,732,180	1,774,568	1,829,779	2,099,337	2,025,274	2,058,361
Interest and Fiscal Charges	2,798,869	2,659,726	4,464,002	3,450,198	2,226,417	1,106,046	2,054,725	1,956,139	1,867,715	1,799,761
Total Government Expenses	61,535,873	66,025,702	69,531,141	71,688,389	73,092,429	75,717,194	78,879,770	81,466,158	82,996,899	77,527,675
<b>Program Revenues</b>										
<b>Governmental Activities:</b>										
Charges for Services										
Instruction	870,203	1,044,967	1,073,373	1,148,265	1,183,360	1,440,889	1,887,712	1,213,258	1,297,724	1,329,534
Pupil	324,191	180,751	483,984	412,093	568,181	520,211	0	278,644	0	0
Instructional Staff	155	640	644	560	549	465	0	0	0	0
Operation and Maintenance	27,406	22,675	8,926	8,638	24,690	33,234	27,421	21,291	22,950	23,330
Pupil Transportation	51,400	60,416	50,086	59,866	53,371	51,838	59,839	68,025	68,099	61,423
Central	0	0	0	16,078	15,501	14,399	16,835	12,677	0	0
Operation of Non-Instructional Extracurricular Activities	2,191,635	2,965,210	2,085,649	2,119,189	2,132,297	2,341,106	2,292,337	2,112,094	1,976,544	2,019,973
Operating Grants and Contributions	715,503	490,163	913,915	1,117,361	1,037,976	931,073	888,863	1,195,044	1,421,483	1,390,466
Capital Grants and Contributions	3,816,043	4,152,417	5,125,899	6,501,819	6,689,612	6,856,642	6,788,833	9,817,213	8,656,757	8,032,996
Total Government Revenues	49,828	79,925	189,759	84,678	101,593	21,882	43,210	0	0	0
Total Government Revenues	8,046,364	8,997,164	9,932,235	11,468,547	11,807,130	12,211,739	12,005,050	14,718,246	13,443,557	12,857,722
Net (Expense)/Revenue										
Total Government Net Expense	(\$53,489,509)	(\$57,028,538)	(\$59,598,906)	(\$60,219,842)	(\$61,285,299)	(\$63,505,455)	(\$66,874,720)	(\$66,747,912)	(\$69,553,342)	(\$64,669,953)

Source: District Records

Oak Hills Local School District, Ohio  
 General Revenues and Total Change in Net Assets  
 Last Ten Fiscal Years  
 (accrual basis of accounting)  
 Schedule 3

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Net (Expense)/Revenue										
Total Government Net Expense	(\$53,489,509)	(\$57,028,538)	(\$59,598,906)	(\$60,219,842)	(\$61,285,299)	(\$63,505,455)	(\$66,874,720)	(\$66,747,912)	(\$69,553,342)	(\$64,669,953)
General Revenues and Other Changes in Net Assets										
Governmental Activities:										
Property Taxes										
Property Taxes Levied for General Purposes	29,423,360	20,925,378	28,140,075	23,708,236	24,116,305	23,040,762	21,853,958	22,457,479	22,185,957	21,255,588
Property Taxes Levied for Special Revenue Purposes	0	0	0	0	0	0	5,706	11,917	0	0
Property Taxes Levied for Debt Service Purposes	402,000	2,936,280	3,890,235	3,718,599	3,365,551	3,421,172	2,885,046	2,793,781	2,749,573	2,574,878
Property Taxes Levied for Capital Projects Purposes	0	0	0	0	0	4,441,391	4,802,644	4,823,270	4,820,177	4,174,592
Grants and Entitlements Not Restricted to Specific Programs	23,749,139	24,297,985	24,698,950	23,421,326	24,071,668	24,903,123	28,454,221	27,516,062	26,449,129	26,470,882
Payment in Lieu of Taxes	3,956,540	4,547,356	5,713,783	6,482,374	7,178,939	7,884,327	8,451,191	9,861,510	9,577,067	9,619,710
Unrestricted Contributions	231,466	229,665	290,013	326,782	771,420	308,447	202,094	126,969	174,606	155,153
Investment Earnings	583,973	457,272	645,611	1,165,363	1,765,728	1,543,598	807,139	373,400	352,248	28,397
Other Revenues	561,137	406,491	452,252	422,391	757,076	486,993	431,731	410,181	303,828	293,441
Total Governmental Activities	58,907,615	53,800,427	63,830,919	59,245,071	62,026,687	66,029,813	67,893,730	68,374,569	66,612,585	64,572,641
Change in Net Assets										
Total Government	\$5,418,106	(\$3,228,111)	\$4,232,013	(\$974,771)	\$741,388	\$2,524,358	\$1,019,010	\$1,626,657	(\$2,940,757)	(\$97,312)

Source: District Records

Oak Hills Local School District, Ohio  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)  
Schedule 4

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011 (1)	2012 (1)
General Fund										
Reserved	\$10,381,336	\$6,054,840	\$10,617,074	\$10,175,814	\$9,736,876	\$8,742,646	\$8,477,245	\$8,795,914	\$0	\$0
Unreserved	22,278,766	22,824,892	21,937,307	21,178,009	20,955,149	19,893,145	18,690,772	16,642,603	0	0
Assigned									99,794	5,456,159
Unassigned									20,683,669	13,308,707
Total General Fund	32,660,102	28,879,732	32,554,381	31,353,823	30,692,025	28,635,791	27,168,017	25,438,517	20,783,463	18,764,866
All Other Governmental Funds										
Reserved	1,719,731	984,996	1,610,313	1,657,327	1,773,948	3,251,804	3,083,542	3,847,042	0	0
Unreserved, Reported in:										
Capital Project Funds	173,844	98,325	171,510	115,125	138,470	(123,922)	806,385	1,206,089	0	0
Debt Service Funds	1,511,738	1,309,996	1,414,120	1,932,891	2,327,584	2,404,439	2,043,439	2,326,797	0	0
Special Revenue Funds	474,216	383,850	489,180	707,623	384,417	275,493	57,736	(263,181)	0	0
Nonspendable									6,574	3,832
Restricted									3,835,321	3,997,885
Committed									4,598,621	6,038,603
Unassigned									(348,019)	(573,841)
Total all Other Governmental Funds	\$3,879,529	\$2,777,167	\$3,685,123	\$4,412,966	\$4,624,419	\$5,807,814	\$5,991,102	\$7,116,747	\$8,092,497	\$9,466,479

Source: District Records

(1) - Prior year amounts have not been restated for the implementation of GASB Statement 54. The classification of fund balance are discussed in the Notes to the Financial Statements.

Oak Hills Local School District, Ohio  
 Governmental Funds Revenues  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 5

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Revenues:										
Taxes	\$29,825,360	\$22,767,820	\$31,683,734	\$27,803,892	\$27,519,547	\$30,772,915	\$29,543,990	\$29,897,760	\$29,696,733	\$28,235,311
Tuition and Fees	1,106,856	1,216,218	1,266,311	1,353,408	1,371,042	1,593,704	1,524,276	1,362,830	1,303,814	1,241,469
Investment Earnings	581,042	457,271	645,611	1,165,362	1,765,728	1,543,598	807,139	360,629	352,248	51,480
Intergovernmental	27,381,748	28,413,286	30,178,259	30,594,365	30,853,911	31,672,670	35,170,424	36,952,325	35,433,886	34,562,003
Extracurricular Activities	1,039,829	1,380,106	1,238,847	1,383,944	1,469,375	1,466,148	1,442,080	1,486,365	1,465,931	1,527,380
Charges for Services	2,041,047	2,130,053	2,085,649	2,119,189	2,132,297	2,221,189	2,158,314	2,016,752	1,976,544	2,019,973
Revenue in Lieu of Taxes	3,956,540	4,547,356	5,713,783	6,482,374	7,178,939	7,884,327	8,451,191	9,861,510	9,577,067	9,619,710
Other Revenues	693,532	575,039	611,299	597,495	1,510,057	847,614	674,364	572,236	518,947	484,497
Total Revenues	\$66,625,954	\$61,487,149	\$73,423,493	\$71,500,029	\$73,800,896	\$78,002,165	\$79,771,778	\$82,510,407	\$80,325,170	\$77,741,823

Source: District Records

Oak Hills Local School District, Ohio  
 Governmental Funds Expenditures and Debt Service Ratio  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 6

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Regular Instruction	\$27,111,832	\$27,470,388	\$29,714,912	\$30,494,145	\$31,733,621	\$33,038,753	\$33,274,310	\$34,100,823	\$34,711,759	\$32,494,697
Special Instruction	5,525,102	6,090,468	6,272,606	6,961,644	6,538,699	6,787,517	7,305,501	8,301,525	8,551,494	8,303,352
Vocational Instruction	5,097	0	4,115	5,051	150	244	0	101	189	149
Other Instruction	0	0	0	193,429	202,521	235,794	304,023	319,185	264,077	232,155
Pupil	3,252,964	3,565,959	3,773,525	4,442,386	4,114,540	4,560,607	4,393,210	5,004,577	5,018,056	5,310,530
Instructional Staff	3,040,652	3,100,870	3,577,830	4,189,685	4,578,310	5,390,162	7,392,702	7,167,145	7,274,389	5,482,111
General Administration	148,815	197,048	106,358	146,551	178,256	133,180	176,351	163,458	128,139	730,144
School Administration	3,770,872	4,280,006	4,427,378	4,493,126	4,848,338	4,926,982	5,082,226	5,294,124	5,253,965	4,967,698
Fiscal	914,865	1,059,965	992,639	1,048,483	1,063,089	1,138,397	1,217,174	1,284,025	1,324,012	1,230,560
Business	234,250	224,379	234,476	243,942	254,917	436,098	103,424	283,795	280,145	353,546
Operations and Maintenance	6,629,008	5,373,375	5,520,983	6,030,135	6,158,799	6,476,119	6,610,399	6,941,682	6,820,243	5,972,480
Pupil Transportation	1,871,419	1,812,659	2,245,040	2,099,642	2,057,393	2,534,099	2,878,513	2,807,110	2,855,087	2,891,707
Central	550,677	2,096,753	1,121,423	487,518	470,489	536,819	509,403	524,294	570,008	489,965
Operation of Non-Instructional Services	4,355,140	4,361,500	4,626,893	4,713,123	5,033,301	4,665,790	4,849,607	4,367,128	4,797,893	4,006,914
Extracurricular Activities	1,324,301	1,504,191	1,326,853	1,641,000	1,728,387	1,759,453	1,852,947	2,089,668	2,004,249	2,037,662
Capital Outlay	714,119	812,516	568,694	913,697	1,268,253	2,070,850	839,383	1,169,126	791,450	436,704
Debt Service:										
Principal Retirement	1,313,292	4,391,757	1,402,500	1,509,000	1,840,000	2,032,000	2,245,000	1,375,000	1,526,000	1,689,000
Interest and Fiscal Charges	2,804,915	2,663,047	2,662,235	2,365,343	2,245,685	2,152,140	2,029,889	1,921,496	1,843,706	1,757,064
Total Expenditures	\$63,567,320	\$69,004,881	\$68,578,460	\$71,977,900	\$74,314,748	\$78,875,004	\$81,064,062	\$83,114,262	\$84,014,861	\$78,386,438

Debt Service as a Percentage of Noncapital Expenditures 6.70% 10.24% 6.01% 5.49% 5.53% 5.42% 5.37% 4.07% 4.08% 4.43%

Source: District Records



Oak Hills Local School District, Ohio  
 Other Financing Sources and Uses and Net Change in Fund Balances - Governmental Funds  
 Last Ten Fiscal Years  
 (modified accrual basis of accounting)  
 Schedule 7

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Other Financing Sources (Uses):										
Proceeds from Sale of Capital Assets	\$9,250	\$0	\$0	\$5,156	\$63,507	\$0	\$7,798	\$0	\$10,387	\$0
Issuance of Long Term Debt	0	2,635,000	0	0	0	0	0	0	0	0
Issuance of Refunding Bonds	0	0	35,989,986	0	0	0	0	0	0	0
Payment to Refunded Bonds Escrow Agent	0	0	(38,158,560)	0	0	0	0	0	0	0
Refunding Bond Premium	0	0	2,168,574	0	0	0	0	0	0	0
Transfers In	860,464	0	434,231	402,617	386,410	381,212	411,794	374,879	671,663	371,484
Transfers (Out)	(860,464)	0	(434,231)	(402,617)	(386,410)	(381,212)	(411,794)	(374,879)	(671,663)	(371,484)
Total Other Financing Sources (Uses)	9,250	2,635,000	0	5,156	63,507	0	7,798	0	10,387	0
Net Change in Fund Balances	\$3,067,884	(\$4,882,732)	\$4,845,033	(\$472,715)	(\$450,345)	(\$872,839)	(\$1,284,486)	(\$603,855)	(\$3,679,304)	(\$644,615)

Source: District Records

Oak Hills Local School District, Ohio  
 Assessed and Estimated Actual Value of Taxable Property  
 Last Ten Collection (Calendar) Years (1)  
 Schedule 8

Collection Year	Real Property	Tangible Personal Property	Public Utilities Personal	Total		Total Direct Rate
	Assessed Value	Assessed Value	Assessed Value	Assessed Value	Estimated Actual Value	
2002	\$1,019,844,180	\$25,356,770	\$34,224,700	\$1,079,425,650	\$3,049,492,294	46.74
2003	1,023,623,720	23,345,190	36,821,410	1,083,790,320	3,054,841,370	46.68
2004	1,028,989,400	25,876,170	35,567,880	1,090,433,450	3,079,042,274	46.68
2005	1,201,989,290	22,066,650	34,152,740	1,258,208,680	3,556,674,454	46.68
2006	1,192,347,460	18,731,100	33,068,880	1,244,147,440	3,514,700,309	46.35
2007	1,192,432,440	9,608,170	31,258,920	1,233,299,530	3,476,641,429	46.35
2008	1,179,229,060	1,966,067	31,364,410	1,212,559,537	3,408,454,564	45.90
2009	1,177,873,300	1,819,270	33,369,740	1,213,062,310	3,405,999,106	45.83
2010	1,176,118,440	911,750	33,888,810	1,210,919,000	3,397,874,210	45.83
2011	1,061,520,280	0	35,117,890	1,096,638,170	3,068,032,976	46.02

Source: County Auditor

(1) - Assessed values shown in this schedule will not agree to amounts in the notes to the financial statements, since the schedules are shown on a calendar year basis, which is consistent with the method county auditors maintain this information

Note: 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 is assessed at 25 percent for everything except inventories, which are assessed at 23 percent. Property is assessed annually.

The tangible personal property values associated with each year are the values that, when multiplied by the applicable rates, generated the property tax revenue to be received 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, 2 1/2 percent and homestead exemptions before being billed. House Bill 66 phased out tangible personal property with the last collection during 2010. Telephone personal property was assessed at 10% for 2009, 5% for 2010, and eliminated in 2011.

Oak Hills Local School District, Ohio  
 Direct and Overlapping Property Tax Rates  
 Last Ten Calendar Years  
 Schedule 9

Calendar Year	District Direct Rates					Overlapping Rates				
	General	Debt Service	Permanent Improvement	Total	City of Cincinnati	Hamilton County	Delhi Township	Green Township	Great Oaks Joint Vocational School	
2002	43.20	3.54	0.00	46.74	9.62	21.47	20.46	8.31	2.70	
2003	43.20	3.48	0.00	46.68	8.26	21.87	20.46	8.31	2.70	
2004	43.20	3.48	0.00	46.68	7.99	21.51	20.46	8.31	2.70	
2005	43.20	3.48	0.00	46.68	7.97	21.06	20.46	8.31	2.70	
2006	43.20	3.15	0.00	46.35	7.82	20.81	26.34	9.81	2.70	
2007	38.64	3.15	4.56	46.35	7.56	20.18	26.34	9.81	2.70	
2008	38.64	2.70	4.56	45.90	7.52	20.56	26.34	9.81	2.70	
2009	38.64	2.63	4.56	45.83	7.45	20.48	26.34	11.71	2.70	
2010	38.64	2.63	4.56	45.83	7.45	20.48	26.34	11.71	2.70	
2011	38.83	2.63	4.56	46.02	8.13	19.03	26.34	11.71	2.70	

Source: County Auditor

Oak Hills Local School District, Ohio  
Principal Property Tax Payers  
Current Calendar Year and Six Years Ago (1)  
Schedule 10

Taxpayer	2011	
	Tangible Personal & Real Property	Percentage of Total Assessed Value
Duke Energy	\$34,108,220	3.11%
Sisters of Charity of Cincinnati	2,805,060	0.26%
Dillard's	2,397,500	0.22%
BKS Investors	2,364,480	0.22%
CSG Enterprises LLC	2,201,340	0.20%
Barrett Capital LTD	1,901,950	0.17%
Western Woods Mall Inc.	1,885,100	0.17%
CMPC LLC	1,849,300	0.17%
Hamilton County Commrs	1,712,570	0.16%
West Hills Apt Ltd	1,633,590	0.15%
<b>Total Principal Taxpayers</b>	<b>52,859,110</b>	<b>4.83%</b>
<b>All Other Taxpayers</b>	<b>1,043,779,060</b>	<b>95.17%</b>
<b>Total Taxpayers</b>	<b>\$1,096,638,170</b>	<b>100.00%</b>

Taxpayer	2005 (2)	
	Tangible Personal & Real Property	Percentage of Total Taxable Value
Duke Energy	\$27,461,410	2.18%
Cincinnati Bell Telephone	5,052,010	0.40%
Sisters of Charity of Cincinnati	3,330,460	0.26%
Centro NP Residual Pool	3,085,750	0.25%
BKS Investors	2,553,840	0.20%
Dillard's	2,397,500	0.19%
Cincinnati Marketplace LLC	2,310,010	0.18%
Western Hills Country Club	2,283,300	0.18%
Del-Fair Inc	2,222,500	0.18%
CSG Enterprises LLC	2,005,340	0.17%
<b>Total Principal Taxpayers</b>	<b>52,702,120</b>	<b>4.19%</b>
<b>All Other Taxpayers</b>	<b>1,205,506,560</b>	<b>95.81%</b>
<b>Total Taxpayers</b>	<b>\$1,258,208,680</b>	<b>100.00%</b>

Source: County Auditor

(1) - Current and six calendar years ago information only available. Information from nine years prior is not available.

(2) - 2005 tax year information is the latest available

Oak Hills Local School District, Ohio  
 Property Tax Levies and Collections  
 Last Eight Calendar Years (1)  
 Schedule 11

Calendar Year	Taxes Levied for the Calendar Year (2)	Collected within the Calendar Year of the Levy		Delinquent Collections	Refunds	Total Collections to Date	
		Amount (3)	Percentage of Levy			Amount	Percentage of Levy
2004	\$32,469,539	\$29,908,472	92.11%	\$1,013,685	\$39,223	\$30,882,934	95.11%
2005	32,596,469	30,036,277	92.15%	741,388	190,511	30,587,154	93.84%
2006	33,395,892	31,335,231	93.83%	757,318	145,152	31,947,397	95.66%
2007	32,704,664	30,754,656	94.04%	697,418	67,448	31,384,626	95.96%
2008	36,090,215	34,256,171	94.92%	733,043	19,420	34,969,794	96.90%
2009	35,360,288	33,237,531	94.00%	850,111	40,264	34,047,378	96.29%
2010	35,473,030	33,080,634	93.26%	981,610	63,545	33,998,699	95.84%
2011	34,243,763	32,149,132	93.88%	908,785	477,119	32,580,798	95.14%

Source: County Auditor

- (1) - The last eight calendar years is the only information available from the County Auditor's office
- (2) - Taxes levied and collected are presented on a cash basis
- (3) - State reimbursements of rollback and homestead exemptions are included

Oak Hills Local School District, Ohio  
 Outstanding Debt by Type  
 Last Ten Fiscal Years  
 Schedule 12

Fiscal Year	Governmental Activities			Total Primary Government	Percentage of Estimated Actual Value of Taxable Property	Percentage of Personal Income	Per Capita
	General Obligation Bonds	Capital Lease	Loan Payable				
2003	\$48,663,555	\$72,521	\$3,300,000	\$52,036,076	1.71%	0.17%	\$607
2004	47,705,000	0	2,635,000	50,340,000	1.65%	0.16%	587
2005	48,843,560	0	2,331,000	51,174,560	1.66%	0.16%	597
2006	47,643,993	0	2,022,000	49,665,993	1.40%	0.15%	579
2007	46,127,890	0	1,707,000	47,834,890	1.36%	0.14%	558
2008	44,430,976	0	1,385,000	45,815,976	1.32%	0.13%	534
2009	42,533,409	0	1,055,000	43,588,409	1.28%	0.12%	508
2010	41,520,353	0	715,000	42,235,353	1.24%	0.12%	492
2011	40,371,978	0	364,000	40,735,978	1.20%	0.11%	464
2012	39,078,460	0	0	39,078,460	1.27%	0.10%	445

Source: District Records

Oak Hills Local School District, Ohio  
 Direct and Overlapping Governmental Activities Debt  
 As of June 30, 2012  
 Schedule 13

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Direct and Overlapping Debt
Overlapping Debt:			
Hamilton County	\$87,625,000	6.00%	\$5,257,500
City of Cincinnati	436,230,000	0.00%	0
Delhi Township	5,215,000	98.40%	5,131,560
Great Oaks Joint Vocational School	17,495,000	6.12%	1,070,694
Subtotal, Overlapping Debt	546,565,000		11,459,754
District Direct Debt	39,078,460	100.00%	39,078,460
Total Direct and Overlapping Debt	\$585,643,460		\$50,538,214

Source: Ohio Municipal Advisory Council

(1) - The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the District's boundaries and dividing it by the county's total taxable assessed value.

Oak Hills Local School District, Ohio  
 Legal Debt Margin Information  
 Last Ten Fiscal Years  
 Schedule 14

Legal Debt Margin Calculation for Fiscal Year 2012

Assessed value (1)	\$1,096,638,170
Debt limit (9% of assessed value)	98,697,435
Debt applicable to limit	39,078,460
Legal debt margin	<u>\$59,618,975</u>

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Debt Limit	\$97,148,309	\$97,541,129	\$98,139,011	\$113,238,781	\$111,973,270	\$110,996,958	\$109,130,358	\$109,175,608	\$108,982,710	\$98,697,435
Total Net Debt Applicable to Limit	48,663,555	47,705,000	48,843,560	47,643,993	46,127,890	44,430,976	40,324,986	39,289,986	38,114,986	39,078,460
Legal Debt Margin	<u>\$48,484,754</u>	<u>\$49,836,129</u>	<u>\$49,295,451</u>	<u>\$65,594,788</u>	<u>\$65,845,380</u>	<u>\$66,565,982</u>	<u>\$68,805,372</u>	<u>\$69,885,622</u>	<u>\$70,867,724</u>	<u>\$59,618,975</u>
Total Net Debt Applicable to the Limit as a Percentage of Debt Limit	50.09%	48.91%	49.77%	42.07%	41.20%	40.03%	36.95%	35.99%	34.97%	39.59%

Source: District Records

(1) - Assessed values are on a calendar year basis (i.e. fiscal year 2012 is calendar year 2011)



Oak Hills Local School District, Ohio  
 Demographic and Economic Statistics  
 Last Ten Calendar Years  
 Schedule 15

Calendar Year	Population (1)	Personal Income (Thousands of Dollars) (2)	Per Capita Personal Income (3)	Unemployment Rate (4)
2002	85,764	\$30,010,701	\$36,156	5.5%
2003	85,764	30,636,366	37,256	5.6%
2004	85,764	32,111,846	39,467	5.7%
2005	85,764	33,087,346	39,937	5.7%
2006	85,764	35,146,091	41,477	5.0%
2007	85,764	36,488,577	42,730	5.0%
2008	85,764	37,484,285	43,918	5.6%
2009	85,764	36,248,694	42,393	8.9%
2010	87,880	35,888,024	44,751	9.4%
2011	87,880	37,522,065	46,881	8.0%

- Sources:
- (1) - Population estimates provided by Ohio Department of Development for Green and Delhi Townships
  - (2) - Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Hamilton County
  - (3) - Per Capita Personal Income information provided by Bureau of Economic Analysis: Regional Economic Accounts for Hamilton County
  - (4) - Ohio Department of Job and Family Services - Office of Workforce Development - Bureau of Labor Market Information -- Annual Average

Oak Hills Local School District, Ohio  
Major Employers (1)  
Current Fiscal Year and Fiscal Period Four Years Ago (2)  
Schedule 16

2012

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(4)	(5)
Cincinnati Children's Hospital	Serv	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Ford Motor Co	Mfg	(4)	(5)
General Electric Co	Mfg	(4)	(5)
Johnson & Johnson/Ethicon	Mfg	(4)	(5)
Kroger Co	Trade	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mercy Health Partners	Serv	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
University of Cincinnati	Govt	(4)	(5)

2008

Major Employers (3)	Type	Number of Employees	Employer's Percentage of Total Employment
American Financial Group Inc	Ins	(4)	(5)
Chiquita Brands International Inc	Trade	(4)	(5)
Convergys Corp	Serv	(4)	(5)
Duke Energy Corp	Utility	(4)	(5)
Fifth Third Bancorp	Fin	(4)	(5)
Ford Motor Co	Mfg	(4)	(5)
General Electric Co	Mfg	(4)	(5)
Health Alliance of Greater Cincinnati	Serv	(4)	(5)
Johnson & Johnson/Ethicon	Mfg	(4)	(5)
Kroger Co	Trade	(4)	(5)
Macy's Inc	Trade	(4)	(5)
Mercy Health Partners	Serv	(4)	(5)
Procter & Gamble Co	Mfg	(4)	(5)
TriHealth Inc	Serv	(4)	(5)
University of Cincinnati	Govt	(4)	(5)

Source: Ohio Department of Development

(1) - For all of Hamilton County

(2) - Only current fiscal year and fiscal period four years ago information available. Information for fiscal period nine years ago not available.

(3) - Includes at minimum the ten largest employers for the county. In alphabetical order only.

(4) - The number of employees of each listed major employer was not available

(5) - The employer's percentage of total employment for each major employer was not available

Oak Hills Local School District, Ohio  
 Full-Time Equivalent District Employees by Type  
 Last Ten Fiscal Years  
 Schedule 17

	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
Instruction										
Classroom Teachers	392.0	396.0	394.0	395.0	393.0	393.0	389.3	394.0	388.5	381.0
Special Education Teachers and Tutors	88.0	88.4	89.1	90.0	90.0	90.7	89.0	76.0	75.0	77.0
Educational Aides	41.0	44.0	46.0	48.0	49.0	49.0	45.0	47.0	45.0	34.0
Special Education Aides and Attendants	68.2	68.0	68.0	68.8	70.0	72.0	70.0	77.0	75.0	77.0
Total Instruction	<u>589.2</u>	<u>596.4</u>	<u>597.1</u>	<u>601.8</u>	<u>602.0</u>	<u>604.7</u>	<u>593.3</u>	<u>594.0</u>	<u>583.5</u>	<u>569.0</u>
Support and Administration										
Support Personnel										
Librarians, Nurses, Counselors	32.0	32.0	32.0	32.0	32.0	32.0	32.0	26.0	25.0	24.0
Principals	20.0	20.0	20.0	20.0	20.0	20.0	20.0	20.0	19.0	19.0
Administration	24.0	24.0	24.0	24.0	24.0	24.0	24.0	29.0	19.0	19.0
Secretaries and Clerical	41.0	41.0	41.0	41.0	41.0	41.0	41.0	40.0	37.0	36.0
Technology Support	4.0	4.0	4.0	4.0	4.0	4.0	5.0	5.0	1.0	1.0
Auxiliary Services	5.0	5.0	5.0	5.0	5.0	5.0	5.0	3.0	3.0	3.0
Transportation	59.0	59.0	59.0	59.0	59.0	59.0	58.0	55.0	47.0	52.0
Food Service	66.0	66.0	66.0	66.0	66.0	66.0	63.0	62.0	54.0	54.0
Custodial	65.0	65.0	65.0	65.0	65.0	65.0	65.0	62.0	58.0	52.0
Maintenance and Mechanics	11.0	11.0	11.0	11.0	11.0	11.0	13.0	13.0	11.0	11.0
Total Support and Administration	<u>327.0</u>	<u>327.0</u>	<u>327.0</u>	<u>327.0</u>	<u>327.0</u>	<u>327.0</u>	<u>326.0</u>	<u>315.0</u>	<u>274.0</u>	<u>271.0</u>
Total Employees	<u>916.2</u>	<u>923.4</u>	<u>924.1</u>	<u>928.8</u>	<u>929.0</u>	<u>931.7</u>	<u>919.3</u>	<u>909.0</u>	<u>857.5</u>	<u>840.0</u>

Source: District Records

Oak Hills Local School District, Ohio  
 Operating Statistics  
 Last Ten Fiscal Years  
 Schedule 18

Fiscal Year	Enrollment	Operating Expenditure (1)	Cost Per Pupil	Percentage Change	Expenses (2)	Cost Per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2003	8,153	\$58,734,994	\$7,204	3.08%	\$61,535,873	\$7,548	N/A	480.0	17.0	0.022%
2004	8,132	61,137,561	7,518	4.36%	66,025,702	8,119	7.56%	484.4	16.8	0.024%
2005	8,150	63,945,031	7,846	4.36%	69,531,141	8,531	5.07%	483.1	16.9	0.026%
2006	8,182	67,189,860	8,212	4.66%	71,688,389	8,762	2.69%	485.0	16.9	0.029%
2007	8,108	68,960,810	8,505	3.56%	73,092,429	9,015	2.89%	483.0	16.8	0.035%
2008	8,200	72,620,014	8,856	4.12%	75,717,194	9,234	2.44%	483.7	17.0	0.030%
2009	8,187	75,949,790	9,277	4.75%	78,879,770	9,635	4.35%	478.3	17.1	0.035%
2010	8,096	78,648,640	9,715	4.72%	81,466,158	10,063	4.45%	485.7	16.7	0.044%
2011	8,156	79,853,705	9,791	0.79%	82,996,899	10,176	1.14%	480.0	17.0	0.049%
2012	8,085	74,503,670	9,215	-5.88%	77,527,675	9,589	(5.76%)	473.0	17.1	0.065%

Source: District Records

(1) - Operating Expenditure is Total Expenditures minus Capital Outlay and Debt Service from Schedule 6

(2) - Expenses is Total Expenses from Schedule 2

N/A - Information not available

Oak Hills Local School District, Ohio  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19

School	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Oak Hills High School - 1959</b>										
Square Feet	347,074	347,074	347,074	347,074	347,074	347,074	347,074	347,074	347,074	347,074
Capacity	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200	3,200
Enrollment, incl. JVS students	3,053	3,030	3,000	3,014	2,961	2,931	2,821	2,743	2,705	2,610
<b>Bridgetown Middle School - 1939</b>										
Square Feet	94,962	94,962	94,962	94,962	94,962	94,962	94,962	94,962	94,962	94,962
Capacity	850	850	850	850	850	850	850	850	850	850
Enrollment	674	666	645	586	538	583	628	607	601	604
<b>Delhi Middle School - 1926</b>										
Square Feet	86,367	86,367	86,367	86,367	86,367	86,367	86,367	86,367	86,367	86,367
Capacity	825	825	825	825	825	825	825	825	825	825
Enrollment	640	605	584	599	569	601	607	580	593	610
<b>Rapid Run Middle School - 1999</b>										
Square Feet	126,733	126,733	126,733	126,733	126,733	126,733	126,733	126,733	126,733	126,733
Capacity	950	950	950	950	950	950	950	950	950	950
Enrollment	586	602	621	595	610	612	639	635	615	626
<b>C.O. Harrison Elementary - 1961</b>										
Square Feet	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302	77,302
Capacity	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100	1,100
Enrollment	931	921	937	1,001	981	976	970	981	1,005	1,018
<b>Delshire Elementary - 1970</b>										
Square Feet	50,042	50,042	50,042	50,042	50,042	50,042	50,042	50,042	50,042	50,042
Capacity	600	600	600	600	600	600	600	600	600	600
Enrollment	482	484	508	514	536	551	539	527	562	592
<b>John Foster Dulles Elementary - 1961</b>										
Square Feet	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700	75,700
Capacity	900	900	900	900	900	900	900	900	900	900
Enrollment	720	735	778	763	805	770	826	847	849	823

Oak Hills Local School District, Ohio  
 School Building Information  
 Last Ten Fiscal Years  
 Schedule 19 (Continued)

School	Fiscal Year									
	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
<b>Oakdale Elementary - 1969</b>										
Square Feet	63,273	63,273	63,273	63,273	63,273	63,273	63,273	63,273	63,273	63,273
Capacity	750	750	750	750	750	750	750	750	750	750
Enrollment	693	701	675	658	679	683	671	682	697	681
<b>Springmyer Elementary - 1939</b>										
Square Feet	41,366	41,366	41,366	41,366	41,366	41,366	41,366	41,366	41,366	41,366
Capacity	480	480	480	480	480	480	480	480	480	480
Enrollment	374	388	402	452	429	493	486	494	529	521

Source: District Records

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# Dave Yost • Auditor of State

OAK HILLS LOCAL SCHOOL DISTRICT

HAMILTON COUNTY

## CLERK'S CERTIFICATION

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

*Susan Babbitt*

CLERK OF THE BUREAU

CERTIFIED  
FEBRUARY 7, 2013