

Southern Hills Joint Vocational School District
Brown County, Ohio

Regular Audit

July 1, 2008, through June 31, 2009
Fiscal Year Audited Under GAGAS: 2009



Balestra, Harr & Scherer, CPAs, Inc.

528 South West St, P.O. Box 687, Piketon, Ohio 45661 Phone: 740.289.4131 Fax: 740.289.3639



Mary Taylor, CPA
Auditor of State

Board of Education
Southern Hills Joint Vocational School District
9193 Hamer Road
Georgetown, Ohio 45121

We have reviewed the *Independent Auditor's Report* of the Southern Hills Joint Vocational School District, Brown County, prepared by Balestra, Harr & Scherer, CPAs, Inc., for the audit period July 1, 2008 through June 30, 2009. 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 Southern Hills Joint Vocational School District is responsible for compliance with these laws and regulations.

Mary Taylor

Mary Taylor, CPA
Auditor of State

January 13, 2010

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**SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT
BROWN COUNTY**

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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*

Members of the Board
Southern Hills JVSD
9193 Hamer Road
Georgetown, OH 45121

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southern Hills Joint Vocational School District (the District), as of and for the year ended June 30, 2009, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 11, 2009 in which we indicated that the District implemented GASB Statement No. 49, 52, 55, and 56. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our audit procedures for expressing our opinions on the financial statements, but not to opine on the effectiveness of the District's internal control over financial reporting. Accordingly, we have not opined on the effectiveness of the District's internal control over financial reporting.

A control deficiency exists when the design or operation of a control does not allow management or employees, in performing their assigned functions, to prevent or detect misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to initiate, authorize, record, process, or report financial data reliably in accordance with its applicable accounting basis, such that there is more than a remote likelihood that the District's internal control will not prevent or detect a more-than-inconsequential financial statements misstatement.

A material weakness is a significant deficiency, or combination of significant deficiencies, resulting in more than a remote likelihood that the District's internal control will not prevent or detect a material financial statement misstatement.

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

We noted a certain matter that we reported to the District's management in a separate letter dated December 11, 2009.

Members of the Board
Southern Hills JVSD

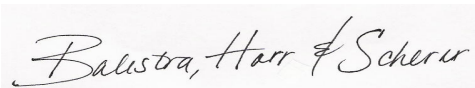
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of
Financial Statements Performed in Accordance with *Government Auditing Standards*

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Compliance and Other Matters

As part of reasonably assuring whether the District's financial statements are free of material misstatement, we tested its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could directly and materially affect the determination of financial statement amounts. However, 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 instance of noncompliance or other matter we must report under *Government Auditing Standards*.

We intend this report solely for the information and use of management and members of the Board. We intend it for no one other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.
December 11, 2009

Southern Hills Joint Vocational School District
Schedule of Prior Audit Findings
For the Fiscal Year Ended June 30, 2009

Finding Number	Finding Summary	Fully Corrected?	Not Corrected, Partially Corrected; Significantly Different Corrective Action Taken; or Finding No Longer Valid; <i>Explain:</i>
2008-001	Noncompliance Citation Ohio Revised Code section 5705.39	Yes	



Independent Auditor’s Report on Applying Agreed-Upon Procedures

Southern Hills Joint Vocational School District
Brown County
9193 Hamer Road
Georgetown, OH 45121

To the Board of Education:

Ohio Rev. Code Section 117.53 states “the auditor of state shall identify whether the school district or community school has adopted an anti-harassment policy in accordance with Section 3313.666 of the Revised Code. This determination shall be recorded in the audit report. The auditor of state shall not prescribe the content or operation of any anti-harassment policy adopted by a school district or community school.”

Accordingly, we have performed the procedures enumerated below, which were agreed to by the Board, solely to assist the Board in evaluating whether Southern Hills Joint Vocational School District (the District) has adopted an anti-harassment policy in accordance with Ohio Rev. Code Section 3313.666. Management is responsible for complying with this requirement. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of the Board. Consequently; we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

1. We noted the Board adopted an anti-harassment policy at its meeting on
2. We read the policy, except as noted, it included the following requirements from the Ohio Rev. Code Section 3313.666(B)
 - 1) A statement prohibiting harassment, intimidation, or bullying of any student on school property or at school-sponsored events;
 - 2) A definition of harassment, intimidation, or bullying that includes the definition in division (A) of Ohio Rev. Code Section 3313.66;
 - 3) A procedure for reporting prohibited incidents;
 - 4) A requirement that school personnel report prohibited incidents of which they are aware to the school principal or other administrator designated by the principal;
 - 5) A requirement that parents or guardians of any student involved in a prohibited incident be notified and, to the extent permitted by section 3319.321 of the Revised Code and the “Family Educational Rights and Privacy Act of 1974,” 88 Stat. 571, 20 U.S.C. 1232q, as amended, have access to any written reports pertaining to the prohibited incident;

The policy does not mention that parents or guardians have access to any written reports pertaining to the prohibited incident.

- 6) A procedure for documenting any prohibited incident that is reported;

The Policy does not mention a procedure for documenting any prohibited incidents.

- 7) A procedure for responding to and investigating any reported incident;

- 8) A strategy for protecting a victim from additional harassment, intimidation, or bullying, and from retaliation following a report;

The Policy does not mention how a victim is protected from additional harassment, intimidation, or bullying, and from retaliation following a report.

- 9) A disciplinary procedure for any student guilty of harassment, intimidation, or bullying, which shall not infringe on any student's rights under the first amendment to the Constitution of the United States;

- 10) A requirement that the district administration semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site, if the district has a web site, to the extent permitted by section 3319.321 of the Revised Code and the "Family Educational Rights and Privacy Act of 1974," 88 Stat. 571, 20 U.S.C. 1232q, as amended.

The Policy does not require the district administration to semiannually provide the president of the district board a written summary of all reported incidents and post the summary on its web site.

We were not engaged to and did not conduct an examination, the objective of which would be the expression of an opinion on compliance with the anti-harassment policy. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Board and is not intended to be and should not be used by anyone other than these specified parties.



Balestra, Harr & Scherer, CPAs, Inc.

December 11, 2009

*SOUTHERN HILLS
JOINT VOCATIONAL SCHOOL DISTRICT*

GEORGETOWN, OHIO

*COMPREHENSIVE ANNUAL
FINANCIAL REPORT*

FOR THE FISCAL YEAR ENDED JUNE 30, 2009

Issued by:
Treasurer's Office

Michael Boyd, CPA
Treasurer

INTRODUCTORY SECTION

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Southern Hills Joint Vocational School District
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 For the Fiscal Year Ended June 30, 2009
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December 11, 2009

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

We are pleased to present the Comprehensive Annual Financial Report (CAFR) of the Southern Hills Joint Vocational School District for the fiscal year ended June 30, 2009. This CAFR, which includes financial statements and other financial and statistical data, conforms to generally accepted accounting principles as applicable to governmental entities. The intent of this report is to provide the taxpayers of the Southern Hills Joint Vocational School District with comprehensive financial data in a format that enables them to gain a true understanding of the School District's financial affairs as well as provide management with better financial information for future decision making.

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

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

Balestra, Harr & Scherer, CPAs, Inc., has issued an unqualified ("clean") opinion on the Southern Hills Joint Vocational School District's financial statements for the fiscal year ended June 30, 2009. The Independent Auditor's Report is located at the front of the Financial Section of this report.

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

FORMATION OF THE SCHOOL DISTRICT

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

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

FORM OF GOVERNMENT AND REPORTING ENTITY

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

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

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

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

The Treasurer is the chief financial officer of the School District, and is responsible for maintaining financial records, issuing warrants, acting as the custodian of all School District funds and investing idle funds as specified by Ohio law.

Other administrators include a Principal, an Academic Supervisor, a Director of Adult and Community Education and supervisors of various educational and support services.

The School District employs 61 full-time employees. These employees include certified, non-certified and administrative personnel providing services to 645 secondary students and 1,274 adult students. Secondary students include the full time equivalents of home schooled students and students attending programs offered outside the central building. These students are not included as full time students in the School District's average daily membership.

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

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

The Member School Districts have not been included in the accompanying financial statements. The boards are not appointed by the School District, nor are they fiscally dependent on the School District. The South Central Ohio Computer Association, and the Coalition of Rural and Appalachian Schools are reported as jointly governed organizations in Note 16. The Ohio Association of School Business Officials Workers' Compensation Group Rating Plan is reported as an insurance purchasing pool in Note 17. The Brown County Schools Benefits Consortium is presented as a public entity shared risk and insurance purchasing pool in Note 18.

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

ECONOMIC CONDITION AND OUTLOOK

Major industries located within the School District's boundaries include paper, agricultural/trailer equipment, plastics technology, tool box and surgical/medical equipment manufacturing. With the construction of health facilities in the northern part of Brown County there has been a considerable growth in the health field. Further, the recent purchase of the Brown County Hospital by a for-profit corporation will spur continued growth in this area. Brown County has seen significant increases in the northern part of the County in residential housing, but industrial jobs have been on a slight decline during the past five years. The closing of the Batavia Ford transmission plant, 3M Plant, and DHL will have a severe economic impact as well as a significant effect on the overall health services in the region.

Brown County is a rural community in Southern Ohio with unemployment rates 2.6 percent above the State unemployment rate of 11.1 percent. During the past 10 years, the unemployment rate rose from 5.5 percent in 1998 to a high of 13.7 percent in June, 2009. The population of Brown County in the 2000 census was 42,104. Population projections for Brown County are indicating growth over the next decade. The estimate of the 2010 census is approximated at 48,050. This represents a 14.1 percent change since the 2000 census, compared to an estimated State increase of (.1) percent for 2007. The population growth rate from 1990 to 2000 was 20.9 percent or 7,285 while the State of Ohio rate was 4.7 percent.

There is a projected population increase for Brown County in 2010. In light of the recent unemployment and economic conditions, the projected numbers may be depressed and the State should re-evaluate the State and County population estimates in light of the current State and local conditions.

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

Since the 2000 census, Brown County has seen a steady jump in housing starts. According to estimates provided by the United States Census Bureau, housing units in 2006 and homeownership rate in 2000 were 18,734 and 79.6, respectively.

However, because of recent local and State economic conditions, the current housing growth rates, property values, and market rates are significantly lower and will be suppressed into the 2010 census reporting period. Also, the skyrocketing home foreclosure rates in the local area and State will have a tremendous impact on tax collections, along with local and State revenue for this coming biennium and the near foreseeable future.

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

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

FINANCIAL TRENDS

During fiscal year 2009, the School District experienced no increase in the State foundation revenue. This is due to a decline in student enrollment during the previous fiscal years. The reason for the decline in enrollment is two-fold. The renovation project provided limited access to the building during sophomore tours and fewer students enrolled for their junior year. Secondly, satellite enrollment has declined with the elimination of two programs at the local schools. The School District is currently on the transitional aid guarantee and is expecting to remain on this funding status until enrollment increases. Because of these two factors it has put the School District deep on the State guarantee and it has not seen significant student enrollment to bring the School District out of the guarantee. Since the current biennium has introduced a new school funding system, the State has not indicated how Joint Vocational School Districts will be funded in the future. The funding for fiscal year 2010 and fiscal year 2011 is a mere .75 percent increase for each year of the biennium.

FINANCIAL PLANNING AND POLICIES

The School District recently underwent a major renovation project that had a total cost of \$11,115,454. A one mill permanent improvement levy is earmarked for the renovation project as well as construction projects, maintenance, and equipment purchases that will be done after the renovation is completed.

The School District acquired a \$500,000 loan from the State for renovation that has helped in financing the local share of the project. The School District is also working on a federal program called Qualified Zone Academy Bond (QZAB), which is a program in which bond holders receive a tax credit, rather than interest, for 12-15 years. The School District received the QZAB monies, which were higher than expected, during fiscal year 2008. These monies will cover the local share of the renovation project.

With the help of the QZAB monies, Southern Hills started a new Sports Medicine program that was introduced in the 2008-09 school year and a half day Civil Engineering program in 2009-10. With the new biennium and because of budgetary constraints and a limited increase in revenue, Southern Hills’ expenses will have to be controlled. Another consideration is how the State will be funding Career and Technical Education. The target date for formulating the Career and Technical funding is before the next biennium.

Some significant costs that the School District is incurring are free lunch, students' fees, tools and uniforms. The State has mandated that all school districts pick up these costs if they are part of students' full participation in their career technology or educational programs. This was not budgeted and will have to be considered in the current and future budget unless it is legislatively removed.

MAJOR INITIATIVES

The Southern Hills Joint Vocational School District began a major renovation of the entire building in April, 2006. The majority of the remodeling was completed in August of 2007. The opening day was on time, and the re-dedication of the building was September 16, 2007.

The School District houses 13 career-technology programs at the Career and Technical Center with the new addition of a Sports Medicine program, along with six satellite programs at the local schools, making a total student population of approximately 645 students served by the School District. State funding is based on our average daily membership, which includes two counts of students in October. Students that attend satellite programs are based on the number of hours they are served by our School District. Therefore, it is imperative that we maintain accurate counts of students attending classes both on and off of our campus.

Southern Hills Joint Vocational School District depends mainly on the State of Ohio for funding, with local funding as a second source of revenue. The School District receives little funding from the federal government. With the potential of decreasing local and State population, there could be significant decreases in federal funding for Ohio and Brown County. Also, with the State tightening the budget and not knowing what to expect in the future on State foundation, it is very difficult to formulate an accurate five year forecast. The School District has received the same amount in State funding for the last three years with the current year having a modest increase of .75 percent. However, with limited or reduced State revenues, the opportunity for additional funding is doubtful and flat funding would be the best scenario in the current and near future.

AWARDS AND ACKNOWLEDGEMENTS

GFOA CERTIFICATE OF ACHIEVEMENT

The Government Finance Officers Association of the United States and Canada (GFOA) awards a Certificate of Achievement for Excellence in Financial Reporting to any government unit that publishes an easily readable and efficiently organized Comprehensive Annual Financial Report which conforms to program standards. Such a report must also satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is the highest form of recognition in the area of governmental financial reporting. Since this report was prepared with the stringent guidelines of the Certificate of Achievement in mind, it will be submitted to the GFOA to determine its eligibility for the Certificate of Achievement for the fiscal year ended June 30, 2009.

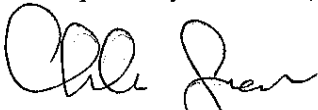
ASBO CERTIFICATE OF EXCELLENCE

The Association of School Business Officials (ASBO) International Certificate of Excellence is awarded to those school districts who have voluntarily submitted their system's Comprehensive Annual Financial Report for review by an ASBO Panel of Review. This award certifies that the Comprehensive Annual Financial Report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials. The Southern Hills Joint Vocational School District will also be submitting its fourth CAFR for this award for the fiscal year ended June 30, 2009.

ACKNOWLEDGEMENTS

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

Respectfully submitted,



Charles A. Guadino Ed. D., Superintendent



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

*Southern Hills Joint Vocational School District
Principal Officials
As Of June 30, 2009*

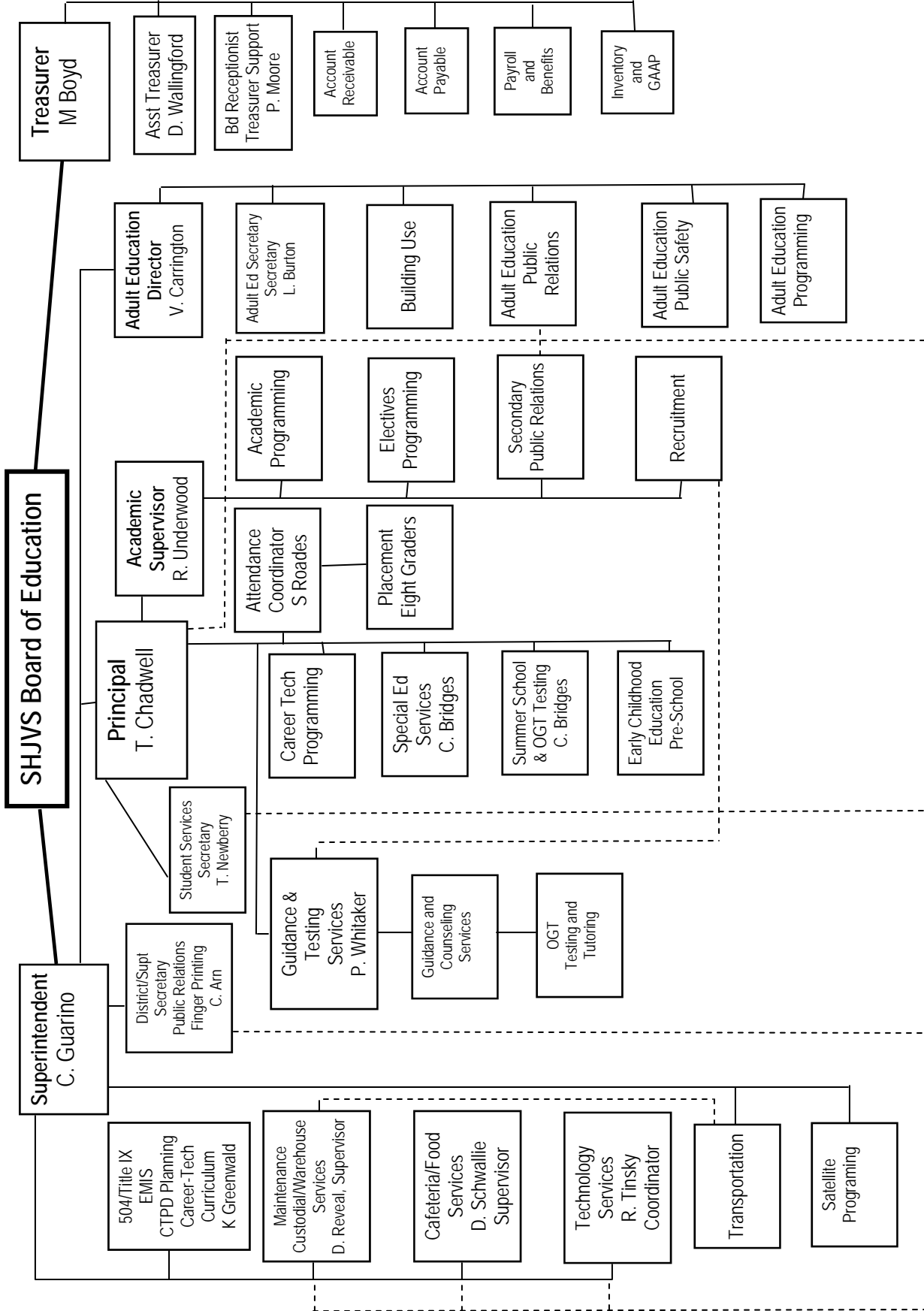
ELECTED OFFICIALS

President, Board of Education	William Neal
Vice President, Board of Education.....	Roger West
Board Member	Garry Luke
Board Member	Steven Dunkin
Board Member	Kenneth Kelch
Board Member	James Castle
Board Member	Teresa Pfeffer

ADMINISTRATIVE OFFICIALS

Superintendent	Charles Guarino
Treasurer	Michael Boyd
Principal	Tim Chadwell
Special Education Coordinator	Chandra Bridges
Building and Grounds Supervisor.....	David Reveal
Adult Education Director.....	Vicki Carrington
Academic Supervisor	Rachael Underwood
Intervention/Career Development Coordinator	Kate Greenwald

Southern Hills Joint Vocational School District (SHJVSD) Organizational Chart



***Southern Hills Joint Vocational School District
Consultants and Advisors
June 30, 2009***

Architects

Steed Hammond Paul
4805 Montgomery Road
Suite 400
Cincinnati, Ohio 45212

Bond Counsel

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

Independent Auditor

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

CAFR Preparation Consultants

Mary Taylor, CPA, Auditor of State
Local Government Services Section
88 East Broad Street
Columbus, OH 43215

**Workers' Compensation/
Unemployment**

Sheakley Uniservice, Inc.
P.O. Box 42212
Cincinnati, OH 45242

Investment Advisor

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

Legal Counsel

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

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

Official Depositories

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

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

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Southern Hills Joint Vocational School District Ohio

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2008

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.



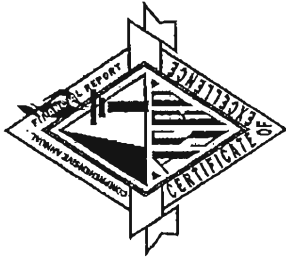
A handwritten signature in black ink, appearing to read "M. L. R.", is written above the title "President".

President

A handwritten signature in black ink, appearing to read "Jeffrey R. Emery", is written above the title "Executive Director".

Executive Director

ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL



This Certificate of Excellence in Financial Reporting

is presented to

Southern Hills Joint Vocational School District

For its Comprehensive Annual Financial Report (CAFR)

For the Fiscal Year Ended June 30, 2008

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

Ange Pitman

President

John D. Mueser

Executive Director

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FINANCIAL SECTION

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Independent Auditor's Report

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

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Southern Hills Joint Vocational School District, Brown County, Ohio (the School District), as of and for the year ended June 30, 2009, which collectively comprise the School District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the School District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in the Comptroller General of the United States' *Government Auditing Standards*. Those standards require that we plan and perform the audit to reasonably assure whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the 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.

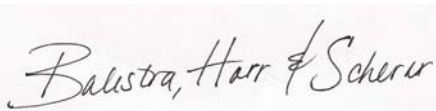
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the School District, as of June 30, 2009, and the respective changes in financial position thereof, and the respective budgetary comparison for the General fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2009, on our consideration of the School 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. While we did not opine on the internal control over financial reporting or on compliance, that report describes the scope of our testing of internal control over financial reporting and compliance and the results of that testing. That report is an integral part of an audit performed in accordance with *Government Auditing Standards*. You should read it in conjunction with this report in assessing the results of our audit.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the School District's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements and schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual nonmajor fund financial statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and accordingly, we express no opinion on them.

As described in Note 3, the School District has implemented Governmental Accounting Standards Board (GASB) Statement No. 49, *Accounting and Financial Reporting for Pollution Remediation Obligations*, GASB Statement No. 52, *Land and Other Real Estate Held as Investments by Endowments*, GASB Statement No. 55, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 56, *Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards*.

A handwritten signature in cursive script that reads "Balestra, Harr & Scherer". The signature is written in black ink on a light-colored background.

Balestra, Harr & Scherer, CPAs, Inc.
December 11, 2009

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

As management of the Southern Hills Joint Vocational School District, we offer readers of the School District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2009. We encourage readers to consider the information presented here, in conjunction with additional information we have provided in the financial statements and the notes to the financial statements to enhance their understanding of the School District's financial performance.

This discussion and analysis of Southern Hills Joint Vocational School District's financial performance is intended to serve as an introduction to the School District's basic financial statements, and provides an overall review of the School District's financial activities for the fiscal year ended June 30, 2009. The Southern Hills Joint Vocational School District's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

Financial Highlights

- In total, net assets increased \$159,117.
- General revenues accounted for \$5,232,057, or 75 percent of all total revenues. Program specific revenues in the form of charges for services and sales, and operating grants, contributions and interest accounted for \$1,785,988, or 25 percent of total revenues of \$7,018,045.
- The School District had \$6,858,928 in expenses related to governmental activities; only \$1,785,988 of these expenses were offset by program specific charges for services and sales, operating grants, contributions and interest. General revenues (primarily grants, entitlements and property taxes) of \$5,232,057 were used to provide for these programs.

Using the Basic Financial Statements

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

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

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

Reporting the School District as a Whole

One of the most important questions asked about the School District is "How did we do financially during fiscal year 2009?" The *Statement of Net Assets* and the *Statement of Activities*, which appear first in the School District's financial statements, report information on the School District as a whole and its activities in a way that helps answer this question. These statements include all *assets* and *liabilities* using the *accrual basis of accounting*, which is similar to the accounting used by most private-sector companies. This basis of accounting takes into account all of the current fiscal year's revenues and expenses regardless of when cash is received or paid.

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

Reporting the School District's Most Significant Funds

Fund Financial Statements

The analysis of the School District's major funds begins on page 8. Fund financial reports provide detailed information about the School District's major funds. The School District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the School District's major funds.

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

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

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

The School District as a Whole

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

Table 1 provides a summary of the School District’s net assets for fiscal years 2009 and 2008:

(Table 1)
Net Assets

	Governmental Activities		
	2009	2008	Change
Assets			
Current and Other Assets	\$11,190,984	\$11,549,938	(\$358,954)
Capital Assets, Net	13,104,838	12,838,064	266,774
Total Assets	<u>24,295,822</u>	<u>24,388,002</u>	<u>(92,180)</u>
Liabilities			
Current and Other Liabilities	2,627,944	2,717,118	89,174
Long-Term Liabilities	4,072,187	4,234,310	162,123
Total Liabilities	<u>6,700,131</u>	<u>6,951,428</u>	<u>251,297</u>
Net Assets			
Invested in Capital Assets, Net of Related Debt	10,713,407	10,258,114	455,293
Restricted	4,053,890	4,002,920	50,970
Unrestricted	2,828,394	3,175,540	(347,146)
Total Net Assets	<u>\$17,595,691</u>	<u>\$17,436,574</u>	<u>\$159,117</u>

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Total assets decreased \$92,180 due to a decrease in equity in pooled cash and cash equivalents and property taxes receivable of \$232,431 and \$69,567, respectively. These were offset by an increase in capital assets of \$266,774 during the fiscal year.

Total liabilities decreased \$251,297 due to a decrease in deferred revenue of \$157,462 and long-term liabilities of \$162,123 due to annual principal payments. Unrestricted net assets decreased \$347,146 due to a large increase in vocational instruction program expenses.

Table 2 shows the changes in net assets for fiscal years 2009 and 2008.

(Table 2)
Changes in Net Assets

	Governmental Activities 2009	Governmental Activities 2008	Change
Revenues			
Program Revenues:			
Charges for Services and Sales	\$329,652	\$291,180	\$38,472
Operating Grants, Contributions and Interest	1,456,336	1,423,710	32,626
Total Program Revenues	1,785,988	1,714,890	71,098
General Revenues:			
Property Taxes	2,309,962	2,103,472	206,490
Grants and Entitlements not Restricted to Specific Programs	2,602,104	2,572,144	29,960
Unrestricted Gifts and Donations	23	0	23
Interest	317,305	416,710	(99,405)
Miscellaneous	2,663	3,960	(1,297)
Total General Revenues	5,232,057	5,096,286	135,771
Total Revenues	7,018,045	6,811,176	206,869
Program Expenses			
Instruction:			
Regular	237,367	258,274	(20,907)
Special	32,077	99,804	(67,727)
Vocational	3,816,451	3,401,204	415,247
Adult/Continuing	185,832	129,394	56,438
Support Services:			
Pupils	368,491	239,903	128,588
Instructional Staff	209,203	226,676	(17,473)
Board of Education	45,910	49,124	(3,214)
Administration	616,272	589,615	26,657
Fiscal	382,329	381,826	503
Business	17,642	62,111	(44,469)
Operation and Maintenance of Plant	566,361	500,889	65,472
Pupil Transportation	29,351	43,388	(14,037)
Central	41,162	42,150	(988)
Operation of Non-Instructional Services:			
Food Service Operations	277,097	265,141	11,956
Extracurricular Activities	5,149	9,949	(4,800)
Interest and Fiscal Charges	28,234	89,214	(60,980)
Total Expenses	6,858,928	6,388,662	470,266
Change in Net Assets	159,117	422,514	(263,397)
Net Assets at Beginning of Year	17,436,574	17,014,060	422,514
Net Assets at End of Year	\$17,595,691	\$17,436,574	\$159,117

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Program revenues increased by \$71,098. Charges for Services and Sales increased \$38,472 due primarily to an increase in charges for services provided to outside customers in the community. Operating Grants, Contributions and Interest increased \$32,626 due primarily to an increase in State Foundation funding for vocational programs and a small increase in food service monies. Property Taxes increased \$206,490 due to an increase in the assessed tax valuation for 2009 first-half taxes. Interest decreased \$99,405 primarily due to a decline in interest rates and a reduction of cash available for investments.

Program expenses for Vocational Instruction increased \$415,247. This was primarily due to an increase in salaries for a new sports medicine position, an increase in insurance premiums and fringe benefits related to the new position, salary and step increases, and overall increases in health insurance. Interest and Fiscal Charges decreased \$60,980 primarily due to the replacement of the lease purchase agreement with the Qualified Zone Academy Financing Program.

Governmental Activities

Grants and Entitlements made up 50 percent of general revenues for governmental activities of the Southern Hills Joint Vocational School District for fiscal year 2009. It is very common for these monies to make up the majority of revenues in low property wealth districts that rely on State revenue to support its daily operations. Southern Hills Joint Vocational School District is ranked 47th out of the 49 Ohio Joint Vocational School Districts in property valuation per pupil.

Instruction comprises 62 percent of governmental program expenses. Support Services expenses make up 33 percent of governmental expenses. Support Services provide a key role in meeting the needs of our students, tutoring to transportation, on-line testing to guidance and maintenance, and assisting our staff in providing an educational process that ranks us near the top of joint vocational school districts' Ohio Department of Education Secondary Workforce Development Report Card in providing education to career technology students.

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

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

(Table 3)
Governmental Activities

	Total Cost of Services 2009	Total Cost of Services 2008	Net Cost of Services 2009	Net Cost of Services 2008
Instruction	\$4,271,727	\$3,888,676	\$2,941,831	\$2,644,651
Support Services	2,276,721	2,135,682	2,015,470	1,849,358
Operation of Non-Instructional Services:				
Food Service Operations	277,097	265,141	82,256	81,586
Extracurricular Activities	5,149	9,949	5,149	8,963
Interest and Fiscal Charges	28,234	89,214	28,234	89,214
Total	\$6,858,928	\$6,388,662	\$5,072,940	\$4,673,772

The School District's Funds

Information about the School District's major funds starts on page 16. These funds are accounted for using the modified accrual basis of accounting. All governmental funds had total revenues of \$7,071,821 and expenditures of \$7,297,941. The net change in fund balance for the fiscal year was most significant in the General Fund, a decrease of \$321,395, primarily due to an increase in vocational instruction related to an increase in capital outlay cost associated with the replacement of welding lab equipment, and an increase in salaries and benefits due to the hiring of an additional instructor. The Permanent Improvement Capital Projects Fund had an increase of \$251,136, due to an increase in property tax revenue. The net change in fund balance in the Ohio School Facilities Commission (OSFC) Vocational Renovation Project was a decrease of \$125,272. Due to a decrease in capital outlay, the 2009 decrease in fund balance was less than the 2008 decrease.

General Fund - Budget Highlights

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

During the course of fiscal year 2009, the School District revised its budget as it attempted to deal with unexpected changes in revenues and expenditures. A summary of the General Fund original and final budgeted amounts is listed on page 20, as well as the actual amounts. A variance comparison is presented between the final budgeted amount and the actual amounts.

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

For the General Fund, the original budget basis revenues were \$5,343,312, with a final budget estimate of \$5,179,088. There was a \$164,224 variance between these two amounts. This was mainly due to decreases in intergovernmental revenue received during the fiscal year. There was a \$6,955 variance between the final budget and actual budget basis revenues.

Original budget basis expenditures and carryover encumbrances for the General Fund were \$5,709,230, and final budget basis expenditures and carryover encumbrances were \$5,844,763, a difference of \$135,533. The increase in estimated expenditures was primarily related to an increase in anticipated expenditures for Vocational Instruction for equipment, repairs and postage. Final actual expenditures fell below the final budgeted expenditures by \$425,983. This was mainly due to the School District's delay in ordering supplies and equipment, in addition to reduced spending for field trips.

The School District's ending unobligated cash balance in the General Fund was \$441,790 above the final budgeted amount.

Debt

At June 30, 2009, the School District had \$366,668 in loans outstanding, with \$33,333 due within one year. In addition, the School District had \$3,301,583 in capital leases payable at fiscal year-end. Table 4 summarizes debt outstanding at fiscal year-end for 2009 and 2008:

(Table 4)
 Outstanding Debt, at Fiscal Year-End

	2009	2008
2005 Facility Improvement and Equipment Replacement Loan	\$366,668	\$400,001
Capital Lease	3,301,583	3,465,997
Total	\$3,668,251	\$3,865,998

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

On July 1, 2007, the School District entered into a lease agreement with J.P.Morgan Chase Bank, N.A. for building renovations. The School District makes annual interest payments to the lessor in the amount of \$25,995 and annual sinking fund payments to an irrevocable trust with an escrow agent in the amount of \$157,049. On July 31, 2022, J.P.Morgan Chase Bank, N.A. will be repaid, when the entire principal amount of \$3,465,997 is due.

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

The School District's overall legal debt margin was \$67,457,103, with an unvoted debt margin of \$749,523.

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

Capital Assets

At the end of fiscal year 2009, the School District had \$13,104,838 invested in land, land improvements, buildings and improvements, furniture and equipment, and vehicles. Table 5 shows fiscal year 2009 balances compared to fiscal year 2008:

(Table 5)
 Capital Assets at June 30
 (Net of Depreciation)

	Governmental Activities	
	2009	2008
Land	\$339,053	\$337,853
Land Improvements	724,068	715,949
Buildings and Improvements	10,387,643	10,449,990
Furniture and Equipment	1,562,633	1,258,521
Vehicles	91,441	75,751
Totals	\$13,104,838	\$12,838,064

Capital Assets increased \$266,774 from the prior fiscal year. This was primarily due to the purchase of capital assets during fiscal year 2009, offset by increases in accumulated depreciation. For more information on Capital Assets, refer to the notes to the basic financial statements (Note 8).

Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited

Current Issues

The Southern Hills Joint Vocational School District continues to be very proud of the fact that only one additional operating levy has been needed since the School District began operations in 1975. The School District is currently ranked as the fourth poorest among joint vocational school districts based on average unadjusted property valuation per average daily membership in the State. Although the School District is considered low wealth, it provides a quality education for its students, ranking in the top 15 of all 49 joint vocational school districts in the State of Ohio the last six years. The School District currently has 13 career-tech programs housed at the Career Technical Center and six satellite programs at the local schools, with a total of approximately 645 students served by the School District. Southern Hills is offering a new Sports Medicine program, at the Career Technical Center in fiscal year 2009, due to an anticipated increase in high school junior and senior enrollments at our local school districts. The School District will also offer a half day engineering program, based on the growth anticipated in that field in 2010. In the next two years, Southern Hills will be adding a biomedical half day program.

The Southern Hills Joint Vocational School District depends dramatically on the State of Ohio School funding system with over 60 percent of the School District's operating budget supplied by the State. With the new funding system that was enacted to solve the lawsuit over funding, joint vocational schools have only had a .75 increase for fiscal year 2010 from last year's funding in fiscal year 2009 and another increase of .75 for fiscal year 2011. The State has acted to appoint a 28 member board that will determine how joint vocational schools will be funded in the future, but there is no representation by anyone from a joint vocational school district that is either a superintendent or a treasurer.

The School District recently completed a major renovation project in 2007 that completely updated the original building that was constructed in 1975. The building project included improvements to the electrical, plumbing, security and safety, roof and state of the art technology. In addition to the remodel, a 10,500 foot addition was included in the total project funded with local money. The School District is still trying to close out the project. There are significant issues remaining, such as, roofing, paint, asphalt, HVAC, and seeding and grading that should be completed by August 2010.

Southern Hills has also replaced fans, exhaust systems, a chiller, and kitchen equipment. The School District has also purchased over 17 acres of land adjacent to the current building and acreage. That acquisition of land brings the total acreage at over 45 acres of land. The School District has also doubled the amount of storage space by renovating a barn and constructing another storage building.

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

*Southern Hills Joint Vocational School District
Management's Discussion and Analysis
For the Fiscal Year Ended June 30, 2009
Unaudited*

Contacting the School District's Financial Management

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

BASIC FINANCIAL STATEMENTS

Southern Hills Joint Vocational School District

Statement of Net Assets

June 30, 2009

	<u>Governmental Activities</u>
Assets	
Equity in Pooled Cash and Cash Equivalents	\$8,676,797
Accrued Interest Receivable	93,859
Prepaid Items	14,461
Materials and Supplies Inventory	887
Inventory Held for Resale	12,139
Intergovernmental Receivable	31,127
Property Taxes Receivable	2,355,112
Cash and Cash Equivalents with Escrow Agents	6,602
Capital Assets:	
Land	339,053
Depreciable Capital Assets, Net	<u>12,765,785</u>
Total Assets	<u><u>24,295,822</u></u>
Liabilities	
Accounts Payable	1,050
Accrued Wages and Benefits Payable	467,252
Contracts Payable	273,541
Accrued Interest Payable	2,238
Intergovernmental Payable	91,134
Deferred Revenue	1,786,127
Retainage Payable	6,602
Long-Term Liabilities:	
Due Within One Year	228,261
Due in More Than One Year	<u>3,843,926</u>
Total Liabilities	<u><u>6,700,131</u></u>
Net Assets	
Invested in Capital Assets, Net of Related Debt	10,713,407
Restricted for Capital Outlay	2,086,397
Restricted for Food Service	326,565
Restricted for Adult Education	590,832
Restricted for Classroom Facilities	776,650
Restricted for Other Purposes	253,149
Restricted for Set-Asides	20,297
Unrestricted	<u>2,828,394</u>
Total Net Assets	<u><u>\$17,595,691</u></u>

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Activities
For the Fiscal Year Ended June 30, 2009

	Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
Expenses	Charges for Services and Sales	Operating Grants, Contributions and Interest	Governmental Activities	
Governmental Activities				
Instruction:				
Regular	\$237,367	\$3,519	\$0	(\$233,848)
Special	32,077	0	175,078	143,001
Vocational	3,816,451	83,129	957,005	(2,776,317)
Adult/Continuing	185,832	74,053	37,112	(74,667)
Support Services:				
Pupils	368,491	0	148,932	(219,559)
Instructional Staff	209,203	0	9,563	(199,640)
Board of Education	45,910	0	0	(45,910)
Administration	616,272	51,469	25,794	(539,009)
Fiscal	382,329	0	0	(382,329)
Business	17,642	18,360	111	829
Operation and Maintenance of Plant	566,361	550	0	(565,811)
Pupil Transportation	29,351	0	1,472	(27,879)
Central	41,162	0	5,000	(36,162)
Operation of Non-Instructional Services:				
Food Service Operations	277,097	98,572	96,269	(82,256)
Extracurricular Activities	5,149	0	0	(5,149)
Interest and Fiscal Charges	28,234	0	0	(28,234)
Total Governmental Activities	\$6,858,928	\$329,652	\$1,456,336	(5,072,940)
General Revenues				
Property Taxes Levied for:				
General Purposes				1,685,650
Capital Outlay				624,312
Grants and Entitlements not Restricted to				
Specific Programs				2,602,104
Unrestricted Gifts and Donations				23
Interest				317,305
Miscellaneous				2,663
Total General Revenues				5,232,057
Change in Net Assets				159,117
<i>Net Assets at Beginning of Year</i>				17,436,574
<i>Net Assets at End of Year</i>				\$17,595,691

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Balance Sheet
Governmental Funds
June 30, 2009

	General	Permanent Improvement	OSFC Vocational Renovation Project	Nonmajor Governmental Funds	Total Governmental Funds
Assets					
Equity in Pooled Cash and Cash Equivalents	\$3,039,525	\$2,796,946	\$613,657	\$2,206,372	\$8,656,500
Materials and Supplies Inventory	0	0	0	887	887
Inventory Held for Resale	0	0	0	12,139	12,139
Accrued Interest Receivable	0	90,292	0	3,567	93,859
Interfund Receivable	35,818	0	0	0	35,818
Intergovernmental Receivable	0	0	0	31,127	31,127
Prepaid Items	12,895	0	0	1,566	14,461
Property Taxes Receivable	1,725,276	629,836	0	0	2,355,112
Restricted Assets:					
Equity in Pooled Cash and Cash Equivalents	20,297	0	0	0	20,297
Cash and Cash Equivalents with Escrow Agents	0	0	6,602	0	6,602
Advances to Other Funds	260,000	0	0	0	260,000
Total Assets	\$5,093,811	\$3,517,074	\$620,259	\$2,255,658	\$11,486,802
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	\$1,050	\$0	\$0	\$0	\$1,050
Accrued Wages and Benefits Payable	438,168	0	0	29,084	467,252
Contracts Payable	0	0	166,991	106,550	273,541
Interfund Payable	0	0	0	35,818	35,818
Intergovernmental Payable	80,704	0	0	10,430	91,134
Deferred Revenue	1,417,734	553,713	0	10,189	1,981,636
Retainage Payable	0	0	6,602	0	6,602
Advances from Other Funds	0	0	200,000	60,000	260,000
Total Liabilities	1,937,656	553,713	373,593	252,071	3,117,033
Fund Balances					
Reserved for Encumbrances	19,681	26,675	25,659	15,504	87,519
Reserved for Advances	260,000	0	0	0	260,000
Reserved for Property Taxes	307,542	128,595	0	0	436,137
Reserved for Budget Stabilization	20,297	0	0	0	20,297
Unreserved:					
Undesignated, Reported in:					
General Fund	2,548,635	0	0	0	2,548,635
Special Revenue Funds	0	0	0	1,928,176	1,928,176
Capital Projects Funds	0	2,808,091	221,007	59,907	3,089,005
Total Fund Balances	3,156,155	2,963,361	246,666	2,003,587	8,369,769
Total Liabilities and Fund Balances	\$5,093,811	\$3,517,074	\$620,259	\$2,255,658	\$11,486,802

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
*Reconciliation of Total Governmental Fund Balances to
 Net Assets of Governmental Activities
 June 30, 2009*

Total Governmental Fund Balances \$8,369,769

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

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

Land	339,053	
Other Capital Assets	18,308,154	
Accumulated Depreciation	<u>(5,542,369)</u>	
Total capital assets		13,104,838

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

Taxes	132,848	
Intergovernmental	8,116	
Interest	<u>54,545</u>	
		195,509

In the Statement of Activities, interest is accrued on outstanding debt, whereas in governmental funds, an interest expenditure is reported when due. (2,238)

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

Loans	(366,668)	
Capital Lease	(3,301,583)	
Compensated Absences	<u>(403,936)</u>	
		<u>(4,072,187)</u>

Net Assets of Governmental Activities \$17,595,691

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2009

	General	Permanent Improvement	OSFC Vocational Renovation Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues					
Property Taxes	\$1,672,632	\$619,554	\$0	\$0	\$2,292,186
Intergovernmental	3,554,029	114,786	0	425,886	4,094,701
Interest	0	325,612	6,433	20,551	352,596
Tuition and Fees	788	0	0	143,882	144,670
Rent	550	0	0	0	550
Gifts and Donations	23	0	0	0	23
Customer Sales and Services	2,731	0	0	181,701	184,432
Miscellaneous	1,375	0	0	1,288	2,663
Total Revenues	5,232,128	1,059,952	6,433	773,308	7,071,821
Expenditures					
Current:					
Instruction:					
Regular	203,706	0	32,066	0	235,772
Special	119	0	0	29,131	29,250
Vocational	3,352,798	143,800	17,979	100,136	3,614,713
Adult/Continuing	0	0	0	188,290	188,290
Support Services:					
Pupils	218,353	0	0	137,683	356,036
Instructional Staff	191,247	0	0	12,730	203,977
Board of Education	45,750	0	0	0	45,750
Administration	474,511	0	0	130,557	605,068
Fiscal	340,566	20,659	0	0	361,225
Business	2,269	0	0	15,373	17,642
Operation and Maintenance of Plant	524,585	26,552	0	1,695	552,832
Pupil Transportation	25,804	24,419	0	1,350	51,573
Central	40,730	0	0	286	41,016
Operation of Non-Instructional Services:					
Food Service Operations	0	91,824	0	249,845	341,669
Extracurricular Activities	5,149	0	0	0	5,149
Capital Outlay	1,290	310,729	81,660	30,557	424,236
Debt Service:					
Principal	0	33,333	0	164,414	197,747
Interest and Fiscal Charges	0	0	0	25,996	25,996
Total Expenditures	5,426,877	651,316	131,705	1,088,043	7,297,941
Excess of Revenues Over (Under) Expenditures	(194,749)	408,636	(125,272)	(314,735)	(226,120)
Other Financing Sources (Uses)					
Transfers In	0	0	0	296,500	296,500
Proceeds from Sale of Capital Assets	12,354	0	0	0	12,354
Transfers Out	(139,000)	(157,500)	0	0	(296,500)
Total Other Financing Sources (Uses)	(126,646)	(157,500)	0	296,500	12,354
Net Change in Fund Balances	(321,395)	251,136	(125,272)	(18,235)	(213,766)
Fund Balances at Beginning of Year	3,477,550	2,712,225	371,938	2,021,822	8,583,535
Fund Balances at End of Year	\$3,156,155	\$2,963,361	\$246,666	\$2,003,587	\$8,369,769

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
*Reconciliation of the Statement of Revenues, Expenditures
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities*
For the Fiscal Year Ended June 30, 2009

Net Change in Fund Balances - Total Governmental Funds (\$213,766)

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

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

Capital asset additions	1,101,968	
Depreciation expense	(743,617)	
Excess of capital outlay over depreciation expense		358,351

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

Proceeds from Sale of Capital Assets	(12,354)	
Loss on Sale and Disposal of Capital Assets	(79,223)	
		(91,577)

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

Delinquent Property Taxes	17,776	
Intergovernmental	(48,574)	
Interest	(22,978)	
		(53,776)

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

Loan principal payment	33,333	
Lease principal payment	164,414	
		197,747

In the Statement of Activities, interest is accrued on outstanding bonds, whereas in governmental funds, an interest expenditure is reported when due. (2,238)

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

Increase in compensated absences		(35,624)

Change in Net Assets of Governmental Activities \$159,117

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School
Statement of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General Fund
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Property Taxes	\$1,658,779	\$1,626,575	\$1,626,409	(\$166)
Intergovernmental	3,681,761	3,549,838	3,554,029	4,191
Tuition and Fees	363	350	788	438
Rent	518	500	550	50
Gifts and Donations	25	25	23	(2)
Customer Sales and Services	518	500	2,731	2,231
Miscellaneous	1,348	1,300	1,513	213
Total Revenues	5,343,312	5,179,088	5,186,043	6,955
Expenditures				
Current:				
Instruction:				
Regular	272,558	207,350	204,472	2,878
Special	99,575	500	427	73
Vocational	3,387,903	3,610,355	3,349,097	261,258
Support Services:				
Pupils	118,668	232,229	217,386	14,843
Instructional Staff	196,040	198,548	190,401	8,147
Board of Education	66,825	60,950	40,859	20,091
Administration	471,691	480,307	473,187	7,120
Fiscal	385,407	377,229	340,327	36,902
Business	4,433	2,313	2,212	101
Operation and Maintenance of Plant	607,825	581,059	527,882	53,177
Pupil Transportation	46,266	38,991	24,824	14,167
Central	42,000	42,765	40,730	2,035
Extracurricular Activities	10,039	10,792	5,686	5,106
Capital Outlay	0	1,375	1,290	85
Total Expenditures	5,709,230	5,844,763	5,418,780	425,983
Excess of Revenues Over (Under) Expenditures	(365,918)	(665,675)	(232,737)	432,938
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	12,354	12,354	12,354	0
Refund of Prior Year Expenditures	750	750	0	(750)
Advances In	0	282,600	282,600	0
Advances Out	(80,000)	(80,820)	(80,818)	2
Transfers Out	(175,000)	(148,600)	(139,000)	9,600
Total Other Financing Sources (Uses)	(241,896)	66,284	75,136	8,852
Net Change in Fund Balance	(607,814)	(599,391)	(157,601)	441,790
Fund Balance at Beginning of Year	3,127,562	3,127,562	3,127,562	0
Unexpended Prior Year Encumbrances	69,981	69,981	69,981	0
Fund Balance at End of Year	\$2,589,729	\$2,598,152	\$3,039,942	\$441,790

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Fiduciary Net Assets
Fiduciary Funds
June 30, 2009

	Private Purpose Trust	
	Scholarship	Agency
<i>Assets</i>		
Equity in Pooled Cash and Cash Equivalents	\$64,072	\$24,772
<i>Liabilities</i>		
Undistributed Monies	0	\$24,772
<i>Net Assets</i>		
Held in Trust for Scholarships	\$64,072	

See accompanying notes to the basic financial statements

Southern Hills Joint Vocational School District
Statement of Changes in Fiduciary Net Assets
Fiduciary Fund
For the Fiscal Year Ended June 30, 2009

	<u>Private Purpose Trust</u>	<u>Scholarship</u>
<i>Additions</i>		
Contributions	\$1,715	
<i>Deductions</i>		
Payments in Accordance with Trust Agreements	<u>2,000</u>	
Change in Net Assets	(285)	
<i>Net Assets at Beginning of Year</i>	<u>64,357</u>	
<i>Net Assets at End of Year</i>	<u><u>\$64,072</u></u>	

See accompanying notes to the basic financial statements

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

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

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

The School District, located in Brown County, was established in 1970 and includes all of Brown County and the Bright Local School District in Highland County. The School District serves an area of approximately 634 square miles. It is staffed by 20 non-certificated and 41 certificated teaching personnel and administrative employees providing education to 645 secondary students and 1,274 adult students. Secondary students include the full time equivalents of home schooled students and students attending programs offered outside the central building. These students are not included as full time students in the School District’s average daily membership.

Reporting Entity

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 1 – DESCRIPTION OF THE SCHOOL DISTRICT AND REPORTING ENTITY

(continued)

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

The School District participates in four organizations, two of which are defined as jointly governed organizations, one as an insurance purchasing pool, and one as a public entity shared risk and insurance purchasing pool. These organizations are the South Central Ohio Computer Association, the Coalition of Rural and Appalachian Schools, the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan and the Brown County Schools Benefits Consortium. These organizations are presented in Notes 16, 17 and 18 to the basic financial statements.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

A. Basis of Presentation

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Government-wide Financial Statements

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

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

Fund Financial Statements

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

B. Fund Accounting

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Governmental Funds

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

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

Permanent Improvement – This fund accounts for all transactions, including property taxes, intergovernmental monies and interest, related to acquiring, constructing, or improving permanent improvements.

Ohio School Facilities Commission (OSFC) Vocational Renovation Project – This fund is used to account for all intergovernmental monies, debt proceeds and interest received and expended in connection with the contracts entered into by the School District and the Ohio School Facilities Commission for the building and equipping of new classroom facilities.

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

Fiduciary Funds

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. Measurement Focus

Government-wide Financial Statements

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

Fund Financial Statements

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

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

D. Basis of Accounting

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

Revenues - Exchange and Non-exchange Transactions

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Deferred Revenue

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

Property taxes for which there is an enforceable legal claim as of June 30, 2009, but which were levied to finance fiscal year 2010 operations, have been recorded as deferred revenue. Grants and entitlements received before the eligibility requirements are met are also recorded as deferred revenue.

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

Expenses/Expenditures

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

E. Cash and Cash Equivalents

To improve cash management, all cash received by the School District is pooled. Monies for all funds are maintained in this pool. Individual fund integrity is maintained through School District records. Interest in the pool is presented as “Equity in Pooled Cash and Cash Equivalents” on the financial statements. The School District utilizes a fiscal agent to hold retainage on construction contracts. The balance in this account is presented on the financial statements as “Restricted Assets: Cash and Cash Equivalents with Escrow Agents” and represents deposits.

During fiscal year 2009, the School District’s investments were limited to the State Treasury Asset Reserve of Ohio (STAROhio), negotiable and non-negotiable certificates of deposit, the Fifth Third Institutional Money Market Mutual Fund, a repurchase agreement, and the Federal Home Loan Mortgage Corporation Medium Term Notes. Except for nonparticipating investment contracts, investments are reported at fair value which is based on quoted market prices. Nonparticipating investment contracts such as non-negotiable certificates of deposit and repurchase agreements are reported at cost. For investments in open-ended mutual funds, the fair value is determined by the fund’s current share price.

STAROhio is an investment pool managed by the State Treasurer’s Office which allows governments within the State to pool their funds for investment purposes. STAROhio is not registered with the SEC as an investment company, but does operate in a manner consistent with Rule 2a7 of the Investment Company Act of 1940. Investments in STAROhio are valued at STAROhio’s share price which is the price the investment could be sold for on June 30, 2009.

Following Ohio statutes, the Board of Education has, by resolution, specified the funds to receive an allocation of interest earnings. Interest revenue credited to the Permanent Improvement Capital Projects Fund during fiscal year 2009 amounted to \$325,612, which includes \$112,180 assigned from other School District funds. Interest revenue credited to the OSFC Vocational Renovation Project Capital Projects Fund during fiscal year 2009 amounted to \$6,433, which includes \$861 assigned from other School District funds.

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

F. Interfund Balances

On fund financial statements, receivables and payables resulting from short-term interfund loans are reported as “Interfund Receivable” and “Interfund Payable.” Long-term interfund loan receivables are reported as “Advances to Other Funds” or “Advances from Other Funds” and are equally offset by a fund balance reserve in the funds making the advances, which indicates that they do not constitute available expendable resources. These amounts are eliminated in the governmental activities column of the Statement of Net Assets.

G. Restricted Assets

Assets are reported as restricted when limitations on their use change the nature or normal understanding of the availability of the asset. Such constraints are either externally imposed by creditors, contributors, grantors or laws of other governments or imposed by law through constitutional provisions or enabling legislation. Restricted assets in the General Fund include amounts required by statute to be set-aside by the School District to create a reserve for budget stabilization (see Note 19).

H. Inventory

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

I. Prepaid Items

Payments made to vendors for services that will benefit periods beyond June 30, 2009, are recorded as prepaid items using the consumption method. A current asset for the prepaid amount is recorded at the time of the purchase and an expenditure/expense is reported in the fiscal year in which services are consumed.

J. Capital Assets

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

K. Compensated Absences

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

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

L. Accrued Liabilities and Long-term Obligations

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

M. Fund Balance Reserves

The School District reserves those portions of fund balance which are legally segregated for a specific future use or which do not represent available expendable resources and therefore are not available for appropriation or expenditure. Unreserved fund balance indicates that portion of fund equity which is available for appropriation in future periods. Fund balance reserves have been established for encumbrances, advances, property taxes, and budget stabilization.

The reserve for property taxes represents taxes recognized as revenue under generally accepted accounting principles but not available for appropriation under State statute for fiscal year 2009. The reserve for budget stabilization represents money required to be set aside by statute to protect against cyclical changes in revenues and expenditures.

N. Net Assets

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

O. Internal Activity

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

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

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

P. Estimates

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

Q. Budgetary Process

All funds, other than the agency fund, are legally required to be budgeted and appropriated. The School District did not anticipate any activity in the Technical Preparation Grant Special Revenue Fund, and none occurred. Therefore, no budgetary statement is presented. The major documents prepared are the tax budget, the appropriation resolution and the certificate of estimated resources, which are prepared on the budgetary basis of accounting. The tax budget demonstrates a need for existing or increased tax rates. The certificate of estimated resources establishes a limit on the amounts that the Board of Education may appropriate. The appropriation resolution is the Board's authorization to spend resources and sets annual limits on expenditures plus encumbrances at a level of control selected by the Board. The legal level of control has been established by the Board of Education at the fund level. The Treasurer has been authorized to allocate Board appropriations to the function and object level within each fund.

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

NOTE 3 – CHANGES IN ACCOUNTING PRINCIPLES

For fiscal year 2009, the School District has implemented Governmental Accounting Standard Board (GASB) Statement No. 49, “Accounting and Financial Reporting for Pollution Remediation Obligations,” Statement No. 52, “Land and Other Real Estate Held as Investments by Endowments”, Statement No. 55, “The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,” and Statement No. 56, “Codification of Accounting and Financial Reporting Guidance Contained in the AICPA Statements on Auditing Standards.”

GASB Statement No. 49 addresses accounting and financial reporting standards for pollution (including contamination) remediation obligations, which are obligations to address the current or potential detrimental effect of existing pollution by participating in pollution remediation activities such as site assessments and cleanup. The implementation of this statement did not result in any change to the School District’s financial statements.

GASB Statement No. 52 establishes consistent standards for the reporting of land and other real estate held as investments by essentially similar entities. It requires endowments to report their land and other real estate investments at fair value. Governments are also required to report the changes in fair value as investment income and to disclose the methods and significant assumptions employed to determine fair value. The implementation of this statement did not result in any change in the School District’s financial statements.

GASB Statement No. 55 incorporates the hierarchy of generally accepted accounting principles (GAAP) for state and local governments into the GASB authoritative literature. The GAAP hierarchy consists of the sources of accounting principles used in the preparation of financial statements of state and local governmental entities that are presented in conformity with GAAP, and the framework for selecting those principles. The implementation of this statement did not result in any change in the School District’s financial statements.

GASB Statement No. 56 incorporates accounting and financial reporting guidance previously only contained in the American Institute of Certified Public Accountants’ and auditing literature into the GASB’s accounting and financial reporting literature for state and local governments. The statement’s guidance addresses related party transactions, going concern considerations, and subsequent events from the AICPA literature. The implementation of this statement did not result in any change in the School District’s financial statements.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 4 – BUDGETARY BASIS OF ACCOUNTING

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

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

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

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

<u>Net Change in Fund Balance</u>	
GAAP Basis	(\$321,395)
Adjustments:	
Revenue Accruals	(46,085)
Expenditure Accruals	27,977
Advances	201,782
Encumbrances	(19,880)
Budget Basis	<u><u>(\$157,601)</u></u>

NOTE 5 – DEPOSITS AND INVESTMENTS

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

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

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

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

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

Investments

As of June 30, 2009, the School District had the following investments:

Investment Type	Fair Value	Investment Maturities (in Years)				Moody's Rating	Percent of Total Investments
		Less Than 1	1-2	2-3	3-5		
STAROhio	\$1,209,179	\$1,209,179	\$0	\$0	\$0	N/A	N/A
Negotiable Certificates of Deposit	2,356,614	1,201,138	952,411	203,065	0	N/A	41.67%
Fifth Third Institutional Money Market Mutual Fund	84,457	84,457	0	0	0	Aaa	1.49%
Goldman Sachs Financial Square Government Money Market Mutual Fund	1,593,168	1,593,168	0	0	0	Aaa	N/A
Federal Home Loan Mortgage Corporation Step Up Medium Term Notes	100,420	0	0	0	100,420	Aaa	1.78%
Federal Home Loan Mortgage Corporation Medium Term Notes	312,115	0	0	0	312,115	Aaa	5.52%
Total Investments	\$5,655,953	\$4,087,942	\$952,411	\$203,065	\$412,535		

Interest Rate Risk

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

Credit Risk

STAROhio carries a rating of AAAM by Standard and Poor's. Ohio law requires that STAROhio maintain the highest rating provided by at least one nationally recognized standard rating service and that the money market mutual fund be rated in the highest category at the time of purchase by at least one nationally recognized standard rating service. The Goldman Sachs Financial Square Government Money Market Mutual Fund is rated Aaa by Moody's. The negotiable certificates of deposit are in denominations of under \$100,000 each, in separate banks, and are insured by the Federal Deposit Insurance Corporation (FDIC). The negotiable certificates of deposit are, therefore, not subject to credit risk. The School District has no investment policy that addresses credit risk.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 5 – DEPOSITS AND INVESTMENTS (continued)

Concentration of Credit Risk

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

NOTE 6 – PROPERTY TAXES

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

Property taxes include amounts levied against all real property, public utility property, and tangible personal (used in business) property located in the School District. Real property tax revenues received in calendar year 2009 represent the collection of calendar year 2008 taxes. Real property taxes received in calendar year 2009 were levied after April 1, 2008, on the assessed values as of January 1, 2008, the lien date. Assessed values for real property taxes are established by State statute at 35 percent of appraised market value. Real property taxes are payable annually or semiannually. If paid annually, payment is due December 31; if paid semiannually, the first payment is due December 31, with the remainder payable by June 20. Under certain circumstances, State statute permits alternate payment dates to be established.

Public utility property tax revenues received in calendar year 2009 represent the collection of calendar year 2008 taxes. Public utility real and tangible personal property taxes received in calendar year 2009 became a lien on December 31, 2007, were levied after April 1, 2008, and are collected in calendar year 2009 with real property taxes. Public utility real property is assessed at 35 percent of true value; public utility tangible personal property is currently assessed at varying percentages of true value.

Tangible personal property tax revenues received in calendar year 2009 (other than public utility property) represent the collection of calendar year 2009 taxes levied against local and inter-exchange 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 2009 were levied after October 1, 2008, on the value as of December 31, 2008. Amounts paid by multi-county taxpayers are due September 20. Single county taxpayers may pay annually or semiannually. If paid annually, payment is due April 30; if paid semiannually, 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.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 6 – PROPERTY TAXES (continued)

The School District receives property taxes from Brown County. The County Auditor periodically advances to the School District its portion of the taxes collected. Second-half real property tax payments collected by the County by June 30, 2009, are available to finance fiscal year 2009 operations. The amount available to be advanced can vary based on the date the tax bills are sent.

Accrued property taxes receivable includes real property, public utility property and tangible personal property taxes which are measurable as of June 30, 2009 and for which there is an enforceable legal claim. Although total property tax collections for the next fiscal year are measurable, only the amount of real property taxes available as an advance at June 30 was levied to finance current fiscal year operations and is reported as revenue at fiscal year-end. The portion of the receivable not levied to finance current fiscal year operations is offset by a credit to deferred revenue.

The amounts available as an advance at June 30, 2009, were \$307,542 in the General Fund and \$128,595 in the Permanent Improvement Capital Projects Fund. The amounts available as an advance at June 30, 2008, were \$261,315 in the General Fund and \$104,699 in the Permanent Improvement Capital Projects Fund.

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 fiscal year 2009 taxes were collected are:

	2008 Second- Half Collections		2009 First- Half Collections	
	Amount	Percent	Amount	Percent
Real Estate	\$706,000,900	94.65%	\$718,455,270	95.50%
Public Utility Personal	31,647,450	4.24%	32,343,540	4.30%
General Business Personal	8,293,196	1.11%	1,540,410	0.20%
Total Assessed Value	<u>\$745,941,546</u>	<u>100.00%</u>	<u>\$752,339,220</u>	<u>100.00%</u>
Tax rate per \$1,000 of assessed valuation	\$6.40		\$6.40	

NOTE 7 – RECEIVABLES

Receivables at June 30, 2009, consisted of interest, interfund, intergovernmental grants, and property taxes. All receivables are considered collectible in full due to the ability to foreclose for the nonpayment of taxes, the stable condition of State programs, and the current fiscal year guarantee of federal funds. All receivable amounts, except delinquent property taxes, are expected to be received within one year. Property taxes, although ultimately collectible, include some portion of delinquents that will not be collected within one year. A list of the School District's intergovernmental receivables follows:

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 7 – RECEIVABLES (continued)

	<u>Amount</u>
Governmental Activities:	
Lunchroom Reimbursement	\$82
Adult Education	7,716
Miscellaneous State Grants	400
Vocational Education Equipment	22,332
Title V Innovative Programs Grant	406
Safe and Drug Free Schools	86
Title II-A Improving Teacher Quality Grant	105
Total Intergovernmental Receivables	<u><u>\$31,127</u></u>

NOTE 8 – CAPITAL ASSETS

Capital assets activity for the fiscal year ended June 30, 2009, was as follows:

	<u>Ending Balance 6/30/2008</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance 6/30/2009</u>
Governmental Activities				
Capital Assets, Not Being Depreciated				
Land	<u>\$337,853</u>	<u>\$1,200</u>	<u>\$0</u>	<u>\$339,053</u>
Capital Assets Being Depreciated				
Land Improvements	1,032,741	38,371	0	1,071,112
Buildings and Improvements	12,741,362	371,412	(929)	13,111,845
Furniture and Equipment	4,067,192	665,566	(904,901)	3,827,857
Vehicles	271,921	25,419	0	297,340
Total Capital Assets Being Depreciated	<u>18,113,216</u>	<u>1,100,768</u>	<u>(905,830)</u>	<u>18,308,154</u>
Less Accumulated Depreciation:				
Land Improvements	(316,792)	(30,252)	0	(347,044)
Buildings and Improvements	(2,291,372)	(432,830)	0	(2,724,202)
Furniture and Equipment	(2,808,671)	(270,806)	814,253	(2,265,224)
Vehicles	(196,170)	(9,729)	0	(205,899)
Total Accumulated Depreciation	<u>(5,613,005)</u>	<u>(743,617) *</u>	<u>814,253</u>	<u>(5,542,369)</u>
Total Capital Assets Being Depreciated, Net	<u>12,500,211</u>	<u>357,151</u>	<u>(91,577)</u>	<u>12,765,785</u>
Governmental Activities Capital Assets, Net	<u><u>\$12,838,064</u></u>	<u><u>\$358,351</u></u>	<u><u>(\$91,577)</u></u>	<u><u>\$13,104,838</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 8 – CAPITAL ASSETS (continued)

* Depreciation expense was charged to governmental functions as follows:

Instruction:	
Regular	\$9,214
Special	4,112
Vocational	636,937
Adult/Continuing	1,062
Support Services:	
Pupils	12,365
Instructional Staff	6,833
Board of Education	160
Administration	8,489
Fiscal	6,902
Operation and Maintenance of Plant	30,688
Pupil Transportation	2,197
Central	146
Operation of Non-Instructional Services:	
Food Service Operations	24,512
Total Depreciation Expense	<u>\$743,617</u>

NOTE 9 – RISK MANAGEMENT

A. Property and Liability

The School District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. During fiscal year 2009, the School District contracted with Governmental Underwriters of America, Inc. (GUA) for general liability insurance with a \$6,000,000 single occurrence limit and an \$8,000,000 aggregate. Property is protected by GUA and holds a \$1,000 deductible with a \$18,675,000 limit. The School District's vehicles are covered by GUA under a business policy and hold a \$500 deductible for comprehensive and a \$500 deductible for collision with a \$1,000,000 limit on any accident. School Board errors and omissions coverage is provided by GUA and has a \$6,000,000 general liability and an \$8,000,000 aggregate limit. Settled claims have not exceeded this commercial coverage in any of the past four fiscal years. There has been a significant increase in coverage from the prior fiscal year.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 9 – RISK MANAGEMENT (continued)

B. Workers' Compensation Group Rating Plan

For fiscal year 2009, the School District participated in the Ohio Association of School Business Officials Workers' Compensation Group Rating Plan (GRP), an insurance purchasing pool (Note 17). The intent of the GRP is to achieve the benefit of a reduced premium for the School District by virtue of its grouping and representation with other participants in the GRP. The workers' compensation experience of the participating school districts is calculated as one experience and a common premium rate is applied to all school districts in the GRP. Each participant pays its workers' compensation premium to the State based on the rate for the GRP rather than its individual rate. Participation in the GRP is limited to school districts that can meet the GRP's selection criteria. The firm of Sheakley Uniservice, Inc. provides administrative, cost control, and actuarial services to the GRP.

C. Employee Medical and Dental Benefits

The School District participates in the Brown County Schools Benefits Consortium (the Consortium), a public entity shared risk and insurance purchasing pool (Note 18) consisting of nine districts. The Consortium has elected to have Humana provide medical coverage purchased as a group through the Consortium. Dental coverage is being provided through a shared risk pool based on member districts' number of employees. The School District is responsible for providing a current listing of enrolled employees and for providing timely pro-rata payments of premiums to the Consortium for employee health coverage. The Consortium is responsible for the management and operations of the program. Upon termination from the Consortium, for any reason, the terminated member assumes and is responsible for the payment of any delinquent contributions relating to the medical insurance and all claims related to dental of its employees from the date of termination, regardless of the date such claims were incurred.

NOTE 10 – DEFINED BENEFIT PENSION PLANS

A. School Employees Retirement System

Plan Description – The School District contributes to the School Employees Retirement System (SERS), a cost-sharing multiple employer pension plan. SERS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Authority to establish and amend benefits is provided by 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 may be obtained by writing to the School Employees Retirement System, 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy – Plan members are required to contribute 10 percent of their annual covered salary and the School District is required to contribute at an actuarially determined rate. The current School District rate is 14 percent of annual covered payroll. A portion of the School District's contribution is used to fund pension obligations with the remainder being used to fund health care benefits; for fiscal year 2009, 9.09 percent of annual covered salary was the portion used to fund pension obligations. The contribution requirements of plan members and employers are established and may be amended by the SERS' Retirement Board up to a statutory maximum amount of 10 percent for plan members and 14 percent for employers. Chapter 3309 of the Ohio Revised Code provides statutory authority for member and employer contributions. The School District's required contributions for pension obligations to SERS for the fiscal years ended June 30, 2009, 2008 and 2007 were \$67,113, \$63,533 and \$66,629 respectively; 93.73 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System of Ohio

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

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 10 – DEFINED BENEFIT PENSION PLANS (continued)

Funding Policy – For the fiscal year ended June 30, 2009, plan members were required to contribute 10 percent of their annual covered salaries. The School District was required to contribute 14 percent; 13 percent was the portion used to fund pension obligations. For fiscal year 2008, the portion used to fund pension obligations was also 13 percent. Contribution rates are established by the State Teachers Retirement Board, upon recommendations of its consulting actuary, not to exceed statutory maximum rates of 10 percent for members and 14 percent for employers. Chapter 3307 of the Ohio Revised Code provides statutory authority for member and employer contributions.

The School District's required contributions for pension obligations to STRS Ohio for the fiscal years ended June 30, 2009, 2008, and 2007 were \$321,611, \$300,085, and \$288,039 respectively; 84.75 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007. Contributions to the DC and Combined Plans for fiscal year 2009 were \$4,902 made by the School District and \$4,686 made by the plan members.

C. Social Security System

Effective July 1, 1991, all employees not otherwise covered by the School Employees Retirement System or the State Teachers Retirement System of Ohio have an option to choose Social Security or the School Employees Retirement System. As of June 30, 2009, two members of the Board of Education have elected Social Security. The contribution rate is 6.2 percent of wages.

NOTE 11 – POSTEMPLOYMENT BENEFITS

A. School Employees Retirement System

Plan Description – The School District participates in two cost-sharing multiple employer defined benefit OPEB plans administered by the School Employees Retirement System (SERS) for non-certificated retirees and their beneficiaries, a Health Care Plan and a Medicare Part B Plan. The Health Care Plan includes hospitalization and physicians' fees through several types of plans including HMO's, PPO's and traditional indemnity plans as well as a prescription drug program. The Medicare Part B Plan reimburses Medicare Part B premiums paid by eligible retirees and beneficiaries up to a statutory limit. Benefit provisions and the obligations to contribute are established by SERS based on authority granted by State statute. The financial reports of both Plans are included in the SERS Comprehensive Annual Financial Report which is available by contacting SERS at 300 East Broad Street, Suite 100, Columbus, Ohio 43215-3746.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 11 – POSTEMPLOYMENT BENEFITS (continued)

Funding Policy – State statute permits SERS to fund the health care benefits through employer contributions. Each year, after the allocation for statutorily required benefits, the Retirement Board allocates the remainder of the employer contribution of 14 percent of covered payroll to the Health Care Fund. The Health Care Fund was established and is administered in accordance with Internal Revenue Code Section 401h. For 2009, 4.16 percent of covered payroll was allocated to health care. In addition, employers pay a surcharge for employees earning less than an actuarially determined amount; for 2009, this amount was \$35,800.

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

The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$45,648, \$43,123, and \$36,985 respectively; 93.73 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

The Retirement Board, acting with advice of the actuary, allocates a portion of the employer contribution to the Medicare Part B Fund. For 2009, this actuarially required allocation was 0.75 percent of covered payroll. The School District's contributions for Medicare Part B for the fiscal years ended June 30, 2009, 2008, and 2007 were \$5,537, \$4,578, and \$4,531 respectively; 93.73 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

B. State Teachers Retirement System of Ohio

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

Funding Policy – Ohio law authorizes STRS Ohio to offer the Plan and gives the Retirement Board authority over how much, if any, of the health care costs will be absorbed by STRS Ohio. Active employee members do not contribute to the Plan. All benefit recipients pay a monthly premium. Under Ohio law, funding for post-employment health care may be deducted from employer contributions. For 2009, STRS Ohio allocated employer contributions equal to one percent of covered payroll to the Health Care Stabilization Fund. The School District's contributions for health care for the fiscal years ended June 30, 2009, 2008, and 2007 were \$24,739, \$23,083, and \$22,157 respectively; 84.75 percent has been contributed for fiscal year 2009 and 100 percent for fiscal years 2008 and 2007.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 12 – EMPLOYEE BENEFITS

A. Compensated Absences

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

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

B. Other Employee Benefits

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

NOTE 13 – CAPITALIZED LEASE – LESSEE DISCLOSURE

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

The following is a schedule of the future long-term minimum lease payments required under the capital lease and the present value of the minimum lease payments as of June 30, 2009.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements

For the Fiscal Year Ended June 30, 2009

NOTE 13 – CAPITALIZED LEASE – LESSEE DISCLOSURE (continued)

<u>Fiscal Year Ending June 30,</u>	<u>Total Payments</u>
2010	\$198,119
2011	206,190
2012	214,640
2013	223,487
2014	232,748
2015-2019	1,318,592
2020-2023	<u>1,271,737</u>
Total	3,665,513
Less: Amount Representing Interest	<u>(363,930)</u>
Present Value of Net Minimum Lease Payments	<u><u>\$3,301,583</u></u>

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

<u>Fiscal Year Ending June 30,</u>	<u>Interest</u>	<u>Principal Retirement Through Investment Earnings</u>	<u>Sinking Fund Payments</u>	<u>Total Lease Payments</u>
2010	\$25,995	\$15,075	\$157,049	\$198,119
2011	25,995	23,146	157,049	206,190
2012	25,995	31,596	157,049	214,640
2013	25,995	40,443	157,049	223,487
2014	25,995	49,704	157,049	232,748
2015-2019	129,975	403,372	785,245	1,318,592
2020-2023	<u>103,980</u>	<u>539,561</u>	<u>628,196</u>	<u>1,271,737</u>
Total Lease Payments	<u><u>\$363,930</u></u>	<u><u>\$1,102,897</u></u>	<u><u>\$2,198,686</u></u>	<u><u>\$3,665,513</u></u>

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

As of June 30, 2009, \$2,194,003 of the proceeds of the lease had been spent toward the project.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 14 – LONG-TERM OBLIGATIONS

The changes in the School District’s long-term obligations during fiscal year 2009 were as follows:

	Amount Outstanding 6/30/08	Additions	Deductions	Amount Outstanding 6/30/09	Amounts Due in One Year
<u>Governmental Activities:</u>					
2005 Facility Improvement and Equipment Replacement					
Loan - 0%	\$400,001	\$0	\$33,333	\$366,668	\$33,333
Compensated Absences	368,312	51,614	15,990	403,936	37,879
Capital Lease	3,465,997	0	164,414	3,301,583	157,049
Total Governmental Activities Long-Term Obligations	<u>\$4,234,310</u>	<u>\$51,614</u>	<u>\$213,737</u>	<u>\$4,072,187</u>	<u>\$228,261</u>

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

As of June 30, 2009, \$495,174 of the proceeds of this loan had been spent toward the project.

Principal requirements to retire the loan outstanding at June 30, 2009 are as follows:

Fiscal Year Ending June 30,	Loan Principal
2010	\$33,333
2011	33,333
2012	33,333
2013	33,333
2014	33,333
2015-2019	166,665
2020	33,338
Total	<u>\$366,668</u>

Compensated absences will be paid from the General Fund and the Adult Education Special Revenue Fund.

The School District’s overall legal debt margin was \$67,457,103, with an unvoted debt margin of \$749,523 at June 30, 2009.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 15 – INTERFUND ACTIVITY

A. Interfund Receivables/Payables

As of June 30, 2009, interfund receivables and payables that resulted from various interfund transactions were as follows:

		Receivable
		<u>General Fund</u>
Payable	Nonmajor Governmental Funds	<u>\$35,818</u>

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

B. Interfund Transfers

Transfers made during the fiscal year ended June 30, 2009 were as follows:

		Transfers From		
		General Fund	Permanent Improvement Fund	Totals
Transfers To		<u>General Fund</u>	<u>Permanent Improvement Fund</u>	<u>Totals</u>
	Nonmajor Governmental Funds	<u>\$139,000</u>	<u>\$157,500</u>	<u>\$296,500</u>

Transfers were made from the General Fund to move unrestricted balances to support programs and projects accounted for in other funds. In addition, transfers totaling \$157,500 were made to the Classroom Facilities Maintenance Special Revenue Fund to provide monies for future maintenance of the School District's building, as required by the Ohio School Facilities Commission.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 15 – INTERFUND ACTIVITY (continued)

C. Advances To/From Other Funds

As of June 30, 2009, receivables and payables that resulted from various long-term advances were as follows:

	<u>Advances From General Fund</u>
Advances To	
OSFC Vocational Renovation Project Fund	\$200,000
Nonmajor Governmental Funds	<u>60,000</u>
	<u><u>\$260,000</u></u>

The advance from the General Fund to the OSFC Vocational Renovation Project Fund was made to cover expenditures for which the School District is awaiting reimbursement from the Ohio School Facilities Commission. The General Fund will be reimbursed when the monies are received. The advance from the General Fund to the VEPD Grant Special Revenue Fund was made to move monies needed to pay for supplies. The money will be advanced back to the General Fund when balances become available.

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS

A. South Central Ohio Computer Association

The School District is a participant in the South Central Ohio Computer Association (SCOCA) which is a computer consortium. SCOCA is an association of public school districts within the boundaries of Pickaway, Gallia, Highland, Adams, Pike, Scioto, Brown, Ross, Vinton, Jackson, and Lawrence Counties. The organization was formed for the purpose of applying modern technology with the aid of computers and other electronic equipment to administrative and instructional functions among member school districts. The governing board of SCOCA consists of two representatives from each county in the SCOCA service region designated by the Ohio Department of Education, two representatives of the school treasurers, plus a representative of the fiscal agent. The School District paid SCOCA \$29,204 for services provided during the fiscal year. Financial information can be obtained from their fiscal agent, the Pike County Joint Vocational School District, Tonya Cooper, who serves as Treasurer, at P. O. Box 577, 175 Beaver Creek Road, Piketon, Ohio 45661.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 16 – JOINTLY GOVERNED ORGANIZATIONS (continued)

B. Coalition of Rural and Appalachian Schools

The Coalition of Rural and Appalachian Schools (the “Coalition”) is a jointly governed organization of over 100 school districts in southeastern Ohio. The Coalition is operated by a board which is composed of 14 members. The board is composed of one superintendent from each county elected by the school districts within that county. The Coalition provides various services for School District administrative personnel; gathers data regarding conditions of education in the region; cooperates with other professional groups to assess and develop programs designed to meet the needs of member districts; and provides staff development programs for School District personnel. The Coalition is not dependent upon the continued participation of the School District and the School District does not maintain an equity interest in or a financial responsibility for the Coalition. The School District paid \$300 to the Coalition for services provided during the fiscal year.

NOTE 17 – INSURANCE PURCHASING POOL

Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan

The School District participates in a group rating plan for workers’ compensation as established under Section 4123.29 of the Ohio Revised Code. The Ohio Association of School Business Officials Workers’ Compensation Group Rating Plan (GRP) was established through the Ohio Association of School Business Officials (OASBO) as a group insurance purchasing pool.

The GRP’s business and affairs are conducted by a five member Board of Directors. Each fiscal year, the participants pay an enrollment fee to the GRP to cover the costs of administering the program.

NOTE 18 – PUBLIC ENTITY SHARED RISK AND INSURANCE PURCHASING POOL

Brown County Schools Benefits Consortium

The Brown County Schools Benefits Consortium, a public entity shared risk and insurance purchasing pool, currently operates to provide medical insurance (insurance purchasing pool) and dental coverage (public entity shared risk pool) to enrolled employees of the consortium members and to eligible dependents of those enrolled employees. Six Brown County school districts (Eastern, Fayetteville-Perry, Georgetown, Ripley Union Lewis Huntington, Southern Hills Joint Vocational, and Western Brown Schools) and two Highland County school districts (Bright Local and Lynchburg-Clay Local School Districts) along with the Brown County Educational Service Center have entered into an agreement to form the Brown County Schools Benefits Consortium. The Consortium is governed by a nine member board consisting of the superintendents of each participating school district along with the superintendent of the Brown County Educational Service Center.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 18 – PUBLIC ENTITY SHARED RISK AND INSURANCE PURCHASING POOL

(continued)

The overall objectives of the consortium are to formulate and administer a program of medical and dental insurance for the benefit of the consortium members' employees and their dependents. The consortium contracts with Humana to provide medical insurance directly to consortium member employees. The School District pays premiums to the consortium based on employee membership. For dental coverage the consortium acts as a public entity shared risk pool. Each member district pays dental premiums based on the consortium estimates of future claims. If the member districts' dental claims exceed its premiums, there is no individual supplemental assessment; on the other hand, if the school districts' claims are low, it will not receive a refund. Dental coverage is administered through a third party administrator, Dental Care Plus. Participating member districts pay an administrative fee to the fiscal agent to cover the costs associated with the administering of the Consortium. To obtain financial information write to the Brown County Educational Service Center at 325 West State St., Georgetown, Ohio 45121.

NOTE 19 – SET-ASIDE CALCULATIONS AND FUND RESERVES

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

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

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

	Textbooks	Capital Acquisition	Budget Stabilization
Set-aside Reserve Balance as of June 30, 2008	(\$1,042,511)	\$0	\$20,297
Current Fiscal Year Set-aside Requirement	58,422	58,422	0
Qualifying Disbursements	(289,241)	(457,053)	0
Totals	<u>(\$1,273,330)</u>	<u>(\$398,631)</u>	<u>\$20,297</u>
Set-aside Reserve Balance as of June 30, 2009	<u>\$0</u>	<u>\$0</u>	<u>\$20,297</u>
Required Set-aside Balances Carried Forward to FY 2010	<u>(\$1,273,330)</u>	<u>\$0</u>	<u>\$20,297</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Notes to the Basic Financial Statements
For the Fiscal Year Ended June 30, 2009

NOTE 19 – SET-ASIDE CALCULATIONS AND FUND RESERVES (continued)

Although the School District had offsets and qualifying disbursements during the fiscal year that reduced the set-aside amounts to below zero for textbooks and capital acquisition, only the amount for the textbooks set-aside may be used to reduce the set-aside requirement of future fiscal years. The capital acquisition negative amount is therefore not presented as being carried forward to the next fiscal year.

NOTE 20 – CONTINGENCIES

A. Grants

The School District received financial assistance from Federal and State agencies in the form of grants. The expenditure of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, any such disallowed claims will not have a material adverse effect on the overall financial position of the School District at June 30, 2009.

B. Litigation

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

NOTE 21 – ACCOUNTABILITY

At June 30, 2009, the Miscellaneous State Grants Special Revenue Fund had a deficit fund balance of \$6,249. The General Fund provides transfers to cover deficit balances; however, this is done when cash is needed rather than when accruals occur.

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Southern Hills Joint Vocational School

Combining and Individual Fund Statements and Schedules

*Southern Hills Joint Vocational School District
Fund Descriptions*

Special Revenue Funds

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditure for specified purposes. The following are descriptions of the School District's nonmajor Special Revenue Funds:

Nonmajor Special Revenue Funds

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

UNIFORM SCHOOL SUPPLIES – This fund accounts for the purchase and sale of school supplies as adopted by the Board of Education for use in the School District. Revenues derived from such sale is to be used for school purposes or activities in connection with the School District.

ROTARY – This fund accounts for fees charged to cover materials and equipment used in internal School District departments and in providing services to outside customers in the community.

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

PUBLIC SCHOOL SUPPORT – This fund accounts for specific local revenue sources (other than taxes) generated by individual school buildings (i.e., sales of pictures, profits from vending machines, etc.). Expenditures include field trips, materials, equipment and other items to supplement co-curricular and extracurricular programs.

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

CLASSROOM FACILITIES MAINTENANCE – This fund accounts for transfers in from the General Fund for use in maintaining classroom facilities, based on Ohio School Facilities Commission requirements.

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

ONENET – This fund accounts for monies appropriated for Ohio Educational Network connections.

SCHOOLNET PROFESSIONAL DEVELOPMENT – This fund accounts for State monies used to provide professional development for teachers.

(continued)

*Southern Hills Joint Vocational School District
Fund Descriptions*

Nonmajor Special Revenue Funds (continued)

TECHNICAL PREPARATION GRANT – This fund accounts for State monies used to provide career development and supplemental equipment to enhance training and inform students about job opportunities. The School District did not anticipate any activity in this fund, and none occurred. Therefore, no budgetary statement is presented.

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

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

TITLE V – This fund accounts for federal funding used for improving State assessment test scores of economically disadvantaged students, students with disabilities and students with limited English proficiency.

SAFE AND DRUG FREE SCHOOLS – This fund accounts for federal funds used to establish, operate and improve local programs of drug abuse prevention, early intervention, rehabilitation referral and education in elementary and secondary schools, and to engage in development, training, technical assistance and coordination activities.

IMPROVING TEACHER QUALITY – This fund accounts for federal funds used for teacher in-service days.

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

Debt Service Fund

The Debt Service Fund is used to account for the accumulation of resources for, and the payment of, general obligation bond principal and interest and certain long-term obligations when the School District is obligated for the payment.

Capital Projects Funds

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, and for major renovation projects including equipment purchases. The following is a description of the School District's nonmajor Capital Projects Fund:

(continued)

*Southern Hills Joint Vocational School District
Fund Descriptions*

Nonmajor Capital Projects Fund (continued)

OHIO SCHOOL FACILITIES COMMISSION (OSFC) LOCALLY FUNDED INITIATIVE –

This fund is used to account for local monies that were transferred in from the Permanent Improvement and Nonmajor Governmental Funds for expenditures on the building renovation that are not funded by the Ohio School Facilities Commission.

Agency Fund

The Agency Fund is used to account for assets held by the School District as an agent for individuals, private organizations, other governmental units, and/or other funds.

STUDENT MANAGED ACTIVITY – This fund accounts for student activity programs which have student participation in the activity and have students involved in the management of the program.

Southern Hills Joint Vocational School District
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Fund	Total Nonmajor Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
Assets			
Equity in Pooled Cash and Cash Equivalents	\$2,033,251	\$173,121	\$2,206,372
Materials and Supplies Inventory	887	0	887
Inventory Held for Resale	12,139	0	12,139
Accrued Interest Receivable	3,567	0	3,567
Intergovernmental Receivable	31,127	0	31,127
Prepaid Items	1,566	0	1,566
	<u> </u>	<u> </u>	<u> </u>
<i>Total Assets</i>	<u>\$2,082,537</u>	<u>\$173,121</u>	<u>\$2,255,658</u>
Liabilities and Fund Balances			
Liabilities			
Accrued Wages and Benefits Payable	\$29,084	\$0	\$29,084
Contracts Payable	0	106,550	106,550
Interfund Payable	35,818	0	35,818
Intergovernmental Payable	10,430	0	10,430
Deferred Revenue	10,189	0	10,189
Advances from Other Funds	60,000	0	60,000
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities</i>	<u>145,521</u>	<u>106,550</u>	<u>252,071</u>
Fund Balances			
Reserved for Encumbrances	8,840	6,664	15,504
Unreserved:			
Undesignated, Reported in:			
Special Revenue Funds	1,928,176	0	1,928,176
Capital Projects Fund	0	59,907	59,907
	<u> </u>	<u> </u>	<u> </u>
<i>Total Fund Balances</i>	<u>1,937,016</u>	<u>66,571</u>	<u>2,003,587</u>
	<u> </u>	<u> </u>	<u> </u>
<i>Total Liabilities and Fund Balances</i>	<u>\$2,082,537</u>	<u>\$173,121</u>	<u>\$2,255,658</u>

Southern Hills Joint Vocational School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009

	<u>Lunchroom</u>	<u>Uniform School Supplies</u>	<u>Rotary</u>	<u>Adult Education</u>
Assets				
Equity in Pooled Cash and Cash Equivalents	\$337,552	\$102,669	\$69,552	\$597,125
Materials and Supplies Inventory	887	0	0	0
Inventory Held for Resale	12,139	0	0	0
Accrued Interest Receivable	3,567	0	0	0
Intergovernmental Receivable	82	0	0	7,716
Prepaid Items	0	0	0	1,566
Total Assets	<u><u>\$354,227</u></u>	<u><u>\$102,669</u></u>	<u><u>\$69,552</u></u>	<u><u>\$606,407</u></u>
Liabilities and Fund Balances				
Liabilities				
Accrued Wages and Benefits Payable	\$17,342	\$0	\$0	\$10,236
Interfund Payable	0	0	15,557	0
Intergovernmental Payable	6,144	0	0	3,996
Deferred Revenue	2,073	0	0	7,716
Advances from Other Funds	0	0	0	0
Total Liabilities	<u><u>25,559</u></u>	<u><u>0</u></u>	<u><u>15,557</u></u>	<u><u>21,948</u></u>
Fund Balances				
Reserved for Encumbrances	0	0	369	739
Unreserved, Undesignated (Deficit)	328,668	102,669	53,626	583,720
Total Fund Balances (Deficit)	<u><u>328,668</u></u>	<u><u>102,669</u></u>	<u><u>53,995</u></u>	<u><u>584,459</u></u>
Total Liabilities and Fund Balances	<u><u>\$354,227</u></u>	<u><u>\$102,669</u></u>	<u><u>\$69,552</u></u>	<u><u>\$606,407</u></u>

Public School Support	Renewed Opportunity	Classroom Facilities Maintenance	Educational Management Information Systems	OneNet
\$339	\$48,129	\$776,650	\$15,943	\$3,000
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
<u>\$339</u>	<u>\$48,129</u>	<u>\$776,650</u>	<u>\$15,943</u>	<u>\$3,000</u>
\$0	\$1,071	\$0	\$0	\$0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
0	1,071	0	0	0
0	310	0	0	0
339	46,748	776,650	15,943	3,000
339	47,058	776,650	15,943	3,000
<u>\$339</u>	<u>\$48,129</u>	<u>\$776,650</u>	<u>\$15,943</u>	<u>\$3,000</u>

(continued)

Southern Hills Joint Vocational School District
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2009
(continued)

	Technical Preparation Grant	Miscellaneous State Grants	VEPD Grant	Title V
Assets				
Equity in Pooled Cash and Cash Equivalents	\$22,316	\$7,351	\$46,311	\$394
Materials and Supplies Inventory	0	0	0	0
Inventory Held for Resale	0	0	0	0
Accrued Interest Receivable	0	0	0	0
Intergovernmental Receivable	0	400	22,332	406
Prepaid Items	0	0	0	0
Total Assets	\$22,316	\$7,751	\$68,643	\$800
Liabilities and Fund Balances				
Liabilities				
Accrued Wages and Benefits Payable	\$0	\$0	\$435	\$0
Interfund Payable	0	13,600	0	800
Intergovernmental Payable	0	0	290	0
Deferred Revenue	0	400	0	0
Advances from Other Funds	0	0	60,000	0
Total Liabilities	0	14,000	60,725	800
Fund Balances				
Reserved for Encumbrances	0	503	6,669	0
Unreserved, Undesignated (Deficit)	22,316	(6,752)	1,249	0
Total Fund Balances (Deficit)	22,316	(6,249)	7,918	0
Total Liabilities and Fund Balances	\$22,316	\$7,751	\$68,643	\$800

Safe and Drug Free Schools	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$2,670	\$3,250	\$2,033,251
0	0	0	887
0	0	0	12,139
0	0	0	3,567
86	105	0	31,127
0	0	0	1,566
<u>\$86</u>	<u>\$2,775</u>	<u>\$3,250</u>	<u>\$2,082,537</u>

\$0	\$0	\$0	\$29,084
86	2,775	3,000	35,818
0	0	0	10,430
0	0	0	10,189
0	0	0	60,000
<u>86</u>	<u>2,775</u>	<u>3,000</u>	<u>145,521</u>

0	0	250	8,840
0	0	0	1,928,176
<u>0</u>	<u>0</u>	<u>250</u>	<u>1,937,016</u>
<u>\$86</u>	<u>\$2,775</u>	<u>\$3,250</u>	<u>\$2,082,537</u>

Southern Hills Joint Vocational School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2009

	Nonmajor Special Revenue Funds	Nonmajor Debt Service Fund	Nonmajor Capital Project Fund	Total Nonmajor Governmental Funds
Revenues				
Intergovernmental	\$425,886	\$0	\$0	\$425,886
Interest	13,186	7,365	0	20,551
Tuition and Fees	143,882	0	0	143,882
Customer Sales and Services	181,701	0	0	181,701
Miscellaneous	1,288	0	0	1,288
<i>Total Revenues</i>	<u>765,943</u>	<u>7,365</u>	<u>0</u>	<u>773,308</u>
Expenditures				
Current:				
Instruction:				
Special	29,131	0	0	29,131
Vocational	100,136	0	0	100,136
Adult/Continuing	188,290	0	0	188,290
Support Services:				
Pupils	137,683	0	0	137,683
Instructional Staff	12,730	0	0	12,730
Administration	130,557	0	0	130,557
Business	15,373	0	0	15,373
Operation and Maintenance of Plant	1,695	0	0	1,695
Pupil Transportation	1,350	0	0	1,350
Central	286	0	0	286
Operation of Non-Instructional Services:				
Food Service Operations	249,845	0	0	249,845
Capital Outlay	0	0	30,557	30,557
Debt Service:				
Principal	0	164,414	0	164,414
Interest and Fiscal Charges	0	25,996	0	25,996
<i>Total Expenditures</i>	<u>867,076</u>	<u>190,410</u>	<u>30,557</u>	<u>1,088,043</u>
Excess of Revenues Under Expenditures	(101,133)	(183,045)	(30,557)	(314,735)
Other Financing Sources				
Transfers In	296,500	0	0	296,500
Net Change in Fund Balances	195,367	(183,045)	(30,557)	(18,235)
<i>Fund Balances at Beginning of Year</i>	<u>1,741,649</u>	<u>183,045</u>	<u>97,128</u>	<u>2,021,822</u>
<i>Fund Balances at End of Year</i>	<u>\$1,937,016</u>	<u>\$0</u>	<u>\$66,571</u>	<u>\$2,003,587</u>

Southern Hills Joint Vocational School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009

	Lunchroom	Uniform School Supplies	Rotary	Adult Education	Public School Support
Revenues					
Intergovernmental	\$83,956	\$0	\$0	\$66,002	\$0
Interest	13,186	0	0	0	0
Tuition and Fees	0	18,139	0	125,743	0
Customer Sales and Services	98,572	0	83,129	0	0
Miscellaneous	0	0	833	0	455
<i>Total Revenues</i>	<u>195,714</u>	<u>18,139</u>	<u>83,962</u>	<u>191,745</u>	<u>455</u>
Expenditures					
Current:					
Instruction:					
Special	0	0	0	0	0
Vocational	0	0	58,927	0	0
Adult/Continuing	0	0	0	188,290	0
Support Services:					
Pupils	0	0	0	0	0
Instructional Staff	0	0	0	0	0
Administration	0	0	0	130,437	120
Business	0	14,810	0	563	0
Operation and Maintenance of Plant	0	0	0	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	0	0	0
Operation of Non-Instructional Services:					
Food Service Operations	249,845	0	0	0	0
<i>Total Expenditures</i>	<u>249,845</u>	<u>14,810</u>	<u>58,927</u>	<u>319,290</u>	<u>120</u>
Excess of Revenues Over (Under) Expenditures	(54,131)	3,329	25,035	(127,545)	335
Other Financing Sources					
Transfers In	61,000	0	0	78,000	0
Net Change in Fund Balances	6,869	3,329	25,035	(49,545)	335
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>321,799</u>	<u>99,340</u>	<u>28,960</u>	<u>634,004</u>	<u>4</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u>\$328,668</u>	<u>\$102,669</u>	<u>\$53,995</u>	<u>\$584,459</u>	<u>\$339</u>

(continued)

Southern Hills Joint Vocational School District
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2009
(continued)

	Renewed Opportunity	Classroom Facilities Maintenance	Educational Management Information Systems	OneNet	SchoolNet Professional Development
Revenues					
Intergovernmental	\$52,952	\$0	\$5,000	\$3,000	\$2,070
Interest	0	0	0	0	0
Tuition and Fees	0	0	0	0	0
Customer Sales and Services	0	0	0	0	0
Miscellaneous	0	0	0	0	0
<i>Total Revenues</i>	<u>52,952</u>	<u>0</u>	<u>5,000</u>	<u>3,000</u>	<u>2,070</u>
Expenditures					
Current:					
Instruction:					
Special	0	0	0	0	0
Vocational	0	0	0	0	0
Adult/Continuing	0	0	0	0	0
Support Services:					
Pupils	41,419	0	0	0	0
Instructional Staff	0	0	0	3,000	4,140
Administration	0	0	0	0	0
Business	0	0	0	0	0
Operation and Maintenance of Plant	0	1,695	0	0	0
Pupil Transportation	0	0	0	0	0
Central	0	0	286	0	0
Operation of Non-Instructional Services:					
Food Service Operations	0	0	0	0	0
<i>Total Expenditures</i>	<u>41,419</u>	<u>1,695</u>	<u>286</u>	<u>3,000</u>	<u>4,140</u>
Excess of Revenues Over (Under) Expenditures	11,533	(1,695)	4,714	0	(2,070)
Other Financing Sources					
Transfers In	0	157,500	0	0	0
Net Change in Fund Balances	11,533	155,805	4,714	0	(2,070)
<i>Fund Balances (Deficit) at Beginning of Year</i>	<u>35,525</u>	<u>620,845</u>	<u>11,229</u>	<u>3,000</u>	<u>2,070</u>
<i>Fund Balances (Deficit) at End of Year</i>	<u><u>\$47,058</u></u>	<u><u>\$776,650</u></u>	<u><u>\$15,943</u></u>	<u><u>\$3,000</u></u>	<u><u>\$0</u></u>

Technical Preparation Grant	Miscellaneous State Grants	VEPD Grant	Title V	Safe and Drug Free Schools	Improving Teacher Quality	Miscellaneous Federal Grants	Total Nonmajor Special Revenue Funds
\$0	\$3,600	\$203,945	\$451	\$860	\$1,050	\$3,000	\$425,886
0	0	0	0	0	0	0	13,186
0	0	0	0	0	0	0	143,882
0	0	0	0	0	0	0	181,701
0	0	0	0	0	0	0	1,288
0	3,600	203,945	451	860	1,050	3,000	765,943
0	0	29,131	0	0	0	0	29,131
0	9,849	30,309	451	0	0	600	100,136
0	0	0	0	0	0	0	188,290
0	0	94,604	0	860	0	800	137,683
0	0	4,540	0	0	1,050	0	12,730
0	0	0	0	0	0	0	130,557
0	0	0	0	0	0	0	15,373
0	0	0	0	0	0	0	1,695
0	0	0	0	0	0	1,350	1,350
0	0	0	0	0	0	0	286
0	0	0	0	0	0	0	249,845
0	9,849	158,584	451	860	1,050	2,750	867,076
0	(6,249)	45,361	0	0	0	250	(101,133)
0	0	0	0	0	0	0	296,500
0	(6,249)	45,361	0	0	0	250	195,367
22,316	0	(37,443)	0	0	0	0	1,741,649
\$22,316	(\$6,249)	\$7,918	\$0	\$0	\$0	\$250	\$1,937,016

Southern Hills Joint Vocational School
Statement of Changes in Fiduciary Assets and Liabilities
Agency Fund
For the Fiscal Year Ended June 30, 2009

	Balance at 6/30/08	Additions	Reductions	Balance at 6/30/09
<u>STUDENT MANAGED ACTIVITY</u>				
<i>Assets</i>				
Equity in Pooled Cash and Cash Equivalents	\$23,589	\$35,368	\$34,185	\$24,772
<i>Liabilities</i>				
Undistributed Monies	\$23,589	\$35,368	\$34,185	\$24,772

Southern Hills Joint Vocational School District

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Property Taxes	\$1,658,779	\$1,626,575	\$1,626,409	(\$166)
Intergovernmental	3,681,761	3,549,838	3,554,029	4,191
Tuition and Fees	363	350	788	438
Rent	518	500	550	50
Gifts and Donations	25	25	23	(2)
Customer Sales and Services	518	500	2,731	2,231
Miscellaneous	1,348	1,300	1,513	213
Total Revenues	5,343,312	5,179,088	5,186,043	6,955
Expenditures				
Current:				
Instruction:				
Regular:				
Salaries and Wages	200,888	152,332	151,828	504
Fringe Benefits	62,470	45,938	45,336	602
Purchased Services	500	500	0	500
Materials and Supplies	3,550	2,305	1,311	994
Capital Outlay - New	5,150	6,275	5,997	278
Total Regular	272,558	207,350	204,472	2,878
Special:				
Salaries and Wages	71,348	0	0	0
Fringe Benefits	26,127	0	0	0
Purchased Services	600	500	427	73
Materials and Supplies	1,000	0	0	0
Capital Outlay - New	500	0	0	0
Total Special	99,575	500	427	73
Vocational:				
Salaries and Wages	1,675,811	1,743,884	1,735,081	8,803
Fringe Benefits	573,927	593,453	588,983	4,470
Purchased Services	309,535	348,696	254,671	94,025
Materials and Supplies	345,176	416,376	293,673	122,703
Capital Outlay - New	474,454	491,446	460,211	31,235
Other	9,000	16,500	16,478	22
Total Vocational	3,387,903	3,610,355	3,349,097	261,258
Total Instruction	3,760,036	3,818,205	3,553,996	264,209
Support Services:				
Pupils:				
Salaries and Wages	81,878	161,213	153,176	8,037
Fringe Benefits	29,540	59,882	56,732	3,150
Purchased Services	3,500	3,618	1,497	2,121
Materials and Supplies	1,050	2,061	943	1,118
Capital Outlay - New	2,700	5,455	5,038	417
Total Pupils	118,668	232,229	217,386	14,843
Instructional Staff:				
Salaries and Wages	125,992	125,992	124,122	1,870
Fringe Benefits	52,148	53,017	52,233	784
Purchased Services	8,300	3,939	2,005	1,934
Materials and Supplies	7,600	13,600	11,077	2,523
Capital Outlay - New	2,000	2,000	964	1,036
Total Instructional Staff	\$196,040	\$198,548	\$190,401	\$8,147

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2009
(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Board of Education:				
Salaries and Wages	\$10,500	\$10,625	\$9,750	\$875
Fringe Benefits	2,825	2,825	2,052	773
Purchased Services	28,500	28,500	14,031	14,469
Other	25,000	19,000	15,026	3,974
Total Board of Education	66,825	60,950	40,859	20,091
Administration:				
Salaries and Wages	307,305	312,865	312,824	41
Fringe Benefits	135,386	138,317	137,821	496
Purchased Services	10,000	12,125	10,833	1,292
Materials and Supplies	15,000	13,000	8,928	4,072
Capital Outlay - New	4,000	4,000	2,781	1,219
Total Administration	471,691	480,307	473,187	7,120
Fiscal:				
Salaries and Wages	131,500	135,103	133,176	1,927
Fringe Benefits	120,726	120,605	114,296	6,309
Purchased Services	9,000	9,200	5,107	4,093
Materials and Supplies	5,000	5,000	1,987	3,013
Capital Outlay - New	5,000	2,500	448	2,052
Other	114,181	104,821	85,313	19,508
Total Fiscal	385,407	377,229	340,327	36,902
Business:				
Salaries and Wages	3,675	1,840	1,836	4
Fringe Benefits	658	373	352	21
Other	100	100	24	76
Total Business	4,433	2,313	2,212	101
Operation and Maintenance of Plant:				
Salaries and Wages	160,900	173,442	170,737	2,705
Fringe Benefits	85,395	89,512	88,557	955
Purchased Services	305,023	249,598	209,225	40,373
Materials and Supplies	56,007	68,007	59,243	8,764
Capital Outlay - New	500	500	120	380
Total Operation and Maintenance of Plant	607,825	581,059	527,882	53,177
Pupil Transportation:				
Salaries and Wages	8,000	10,575	10,562	13
Fringe Benefits	1,550	1,700	1,690	10
Purchased Services	21,700	11,700	5,050	6,650
Materials and Supplies	15,016	15,016	7,522	7,494
Total Pupil Transportation	\$46,266	\$38,991	\$24,824	\$14,167

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
General
For the Fiscal Year Ended June 30, 2009
(continued)

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Central:				
Purchased Services	\$41,000	\$41,765	\$40,730	\$1,035
Materials and Supplies	1,000	1,000	0	1,000
Total Central	42,000	42,765	40,730	2,035
Total Support Services	1,939,155	2,014,391	1,857,808	156,583
Extracurricular Activities:				
Occupational Oriented Activities:				
Salaries and Wages	8,650	9,300	4,900	4,400
Fringe Benefits	1,389	1,492	786	706
Total Extracurricular Activities	10,039	10,792	5,686	5,106
Capital Outlay:				
Site Improvement Services:				
Capital Outlay - New	0	1,375	1,290	85
Total Expenditures	5,709,230	5,844,763	5,418,780	425,983
Excess of Revenues Over (Under) Expenditures	(365,918)	(665,675)	(232,737)	432,938
Other Financing Sources (Uses)				
Proceeds from Sale of Capital Assets	12,354	12,354	12,354	0
Refund of Prior Year Expenditures	750	750	0	(750)
Advances In	0	282,600	282,600	0
Advances Out	(80,000)	(80,820)	(80,818)	2
Transfers Out	(175,000)	(148,600)	(139,000)	9,600
Total Other Financing Sources (Uses)	(241,896)	66,284	75,136	8,852
Net Change in Fund Balance	(607,814)	(599,391)	(157,601)	441,790
Fund Balance at Beginning of Year	3,127,562	3,127,562	3,127,562	0
Prior Year Encumbrances Appropriated	69,981	69,981	69,981	0
Fund Balance at End of Year	\$2,589,729	\$2,598,152	\$3,039,942	\$441,790

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Property Taxes	\$600,000	\$595,689	\$595,658	(\$31)
Intergovernmental	91,867	114,408	114,786	378
Interest	184,283	229,500	271,284	41,784
Total Revenues	876,150	939,597	981,728	42,131
Expenditures				
Current:				
Instruction:				
Vocational:				
Capital Outlay - New	35,000	144,000	143,800	200
Support Services:				
Fiscal:				
Other	24,000	24,000	20,659	3,341
Operation and Maintenance of Plant:				
Purchased Services	27,054	12,054	2,795	9,259
Capital Outlay - New	5,000	16,699	16,699	0
Total Operation and Maintenance of Plant	32,054	28,753	19,494	9,259
Pupil Transportation:				
Capital Outlay - New	0	24,419	24,419	0
Total Support Services	56,054	77,172	64,572	12,600
Operation of Non-Instructional Services:				
Food Service Operations:				
Capital Outlay - New	95,000	95,000	91,824	3,176
Capital Outlay:				
Site Improvement Services:				
Purchased Services	0	2,100	2,100	0
Capital Outlay - Replacement	291,534	346,396	254,608	91,788
Total Site Improvement Services	291,534	348,496	256,708	91,788
Building Improvement Services:				
Capital Outlay - New	\$59,000	\$0	\$0	\$0

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Permanent Improvement
For the Fiscal Year Ended June 30, 2009
(continued)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Other Facilities Acquisition and Construction Services:				
Capital Outlay - New	\$52,179	\$46,179	\$46,179	\$0
Capital Outlay - Replacement	45,903	45,447	43,825	1,622
Total Other Facilities Acquisition and Construction Services	<u>98,082</u>	<u>91,626</u>	<u>90,004</u>	<u>1,622</u>
Total Capital Outlay	<u>448,616</u>	<u>440,122</u>	<u>346,712</u>	<u>93,410</u>
Debt Service:				
Principal Retirement	<u>70,000</u>	<u>70,000</u>	<u>33,333</u>	<u>36,667</u>
<i>Total Expenditures</i>	<u>704,670</u>	<u>826,294</u>	<u>680,241</u>	<u>146,053</u>
Excess of Revenues Over Expenditures	171,480	113,303	301,487	188,184
<i>Other Financing Uses</i>				
Transfers Out	<u>(157,500)</u>	<u>(157,500)</u>	<u>(157,500)</u>	<u>0</u>
Net Change in Fund Balance	13,980	(44,197)	143,987	188,184
Fund Balance at Beginning of Year	2,411,954	2,411,954	2,411,954	0
Prior Year Encumbrances Appropriated	<u>181,480</u>	<u>181,480</u>	<u>181,480</u>	<u>0</u>
Fund Balance at End of Year	<u>\$2,607,414</u>	<u>\$2,549,237</u>	<u>\$2,737,421</u>	<u>\$188,184</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OSFC Vocational Renovation Project
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				(Negative)
Revenues				
Interest	\$520,000	\$6,500	\$6,433	(\$67)
Expenditures				
Capital Outlay:				
Site Improvement Services:				
Purchased Services	1,000	1,000	169	831
Capital Outlay - New	204,228	200,747	79,645	121,102
Total Site Improvement Services	205,228	201,747	79,814	121,933
Architecture and Engineering Services:				
Purchased Services	76,110	76,110	48,360	27,750
Total Expenditures	281,338	277,857	128,174	149,683
Excess of Revenues Over (Under) Expenditures	238,662	(271,357)	(121,741)	149,616
Other Financing Uses				
Advances Out	0	(150,000)	(150,000)	0
Net Change in Fund Balance	238,662	(421,357)	(271,741)	149,616
Fund Balance at Beginning of Year	783,525	783,525	783,525	0
Prior Year Encumbrances Appropriated	73,338	73,338	73,338	0
Fund Balance at End of Year	<u>\$1,095,525</u>	<u>\$435,506</u>	<u>\$585,122</u>	<u>\$149,616</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Lunchroom
For the Fiscal Year Ended June 30, 2009*

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$49,356	\$61,050	\$68,408	\$7,358
Interest	7,680	9,500	11,040	1,540
Customer Sales and Services	79,664	98,537	98,572	35
<i>Total Revenues</i>	<u>136,700</u>	<u>169,087</u>	<u>178,020</u>	<u>8,933</u>
Expenditures				
Current:				
Operation of Non-Instructional Services:				
Food Service Operations:				
Salaries and Wages	82,400	82,400	81,098	1,302
Fringe Benefits	69,121	69,246	67,490	1,756
Purchased Services	4,000	4,000	709	3,291
Materials and Supplies	155,000	155,000	89,122	65,878
Capital Outlay - New	5,000	5,000	499	4,501
Other	100	100	49	51
<i>Total Expenditures</i>	<u>315,621</u>	<u>315,746</u>	<u>238,967</u>	<u>76,779</u>
Excess of Revenues Over (Under) Expenditures	(178,921)	(146,659)	(60,947)	85,712
Other Financing Sources				
Transfers In	61,000	61,000	61,000	0
Net Change in Fund Balance	(117,921)	(85,659)	53	85,712
Fund Balance at Beginning of Year	336,201	336,201	336,201	0
Fund Balance at End of Year	<u>\$218,280</u>	<u>\$250,542</u>	<u>\$336,254</u>	<u>\$85,712</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Uniform School Supplies
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Tuition and Fees	\$19,500	\$18,125	\$18,139	\$14
Expenditures				
Current:				
Support Services:				
Business:				
Materials and Supplies	40,350	40,350	14,803	25,547
Other	100	100	6	94
Total Expenditures	40,450	40,450	14,809	25,641
Net Change in Fund Balance	(20,950)	(22,325)	3,330	25,655
Fund Balance at Beginning of Year	99,339	99,339	99,339	0
Fund Balance at End of Year	<u>\$78,389</u>	<u>\$77,014</u>	<u>\$102,669</u>	<u>\$25,655</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Rotary
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		Actual	Variance with
	Original	Final		Final Budget Positive (Negative)
Revenues				
Customer Sales and Services	\$62,874	\$82,959	\$83,129	\$170
Miscellaneous	519	685	758	73
<i>Total Revenues</i>	<u>63,393</u>	<u>83,644</u>	<u>83,887</u>	<u>243</u>
Expenditures				
Current:				
Instruction:				
Vocational:				
Fringe Benefits	1,500	1,500	0	1,500
Purchased Services	2,500	1,194	693	501
Materials and Supplies	58,643	63,241	58,605	4,636
<i>Total Expenditures</i>	<u>62,643</u>	<u>65,935</u>	<u>59,298</u>	<u>6,637</u>
Excess of Revenues Over Expenditures	<u>750</u>	<u>17,709</u>	<u>24,589</u>	<u>6,880</u>
Other Financing Sources				
Refund of Prior Year Expenditures	0	75	75	0
Advances In	557	557	557	0
<i>Total Other Financing Sources</i>	<u>557</u>	<u>632</u>	<u>632</u>	<u>0</u>
Net Change in Fund Balance	1,307	18,341	25,221	6,880
Fund Balance at Beginning of Year	<u>43,962</u>	<u>43,962</u>	<u>43,962</u>	<u>0</u>
Fund Balance at End of Year	<u>\$45,269</u>	<u>\$62,303</u>	<u>\$69,183</u>	<u>\$6,880</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Adult Education
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$59,957	\$68,000	\$66,002	(\$1,998)
Tuition and Fees	105,543	119,700	125,743	6,043
<i>Total Revenues</i>	<u>165,500</u>	<u>187,700</u>	<u>191,745</u>	<u>4,045</u>
Expenditures				
Current:				
Instruction:				
Adult/Continuing:				
Salaries and Wages	108,000	128,000	94,722	33,278
Fringe Benefits	18,505	20,505	15,481	5,024
Purchased Services	22,325	21,145	8,185	12,960
Materials and Supplies	44,888	60,593	55,649	4,944
Capital Outlay - New	6,500	7,650	7,394	256
Total Instruction	<u>200,218</u>	<u>237,893</u>	<u>181,431</u>	<u>56,462</u>
Support Services:				
Administration:				
Salaries and Wages	83,000	83,000	78,703	4,297
Fringe Benefits	51,357	51,553	51,299	254
Materials and Supplies	800	800	322	478
Total Administration	<u>135,157</u>	<u>135,353</u>	<u>130,324</u>	<u>5,029</u>
Business:				
Other	<u>600</u>	<u>775</u>	<u>563</u>	<u>212</u>
Total Support Services	<u>135,757</u>	<u>136,128</u>	<u>130,887</u>	<u>5,241</u>
<i>Total Expenditures</i>	<u>335,975</u>	<u>374,021</u>	<u>312,318</u>	<u>61,703</u>
Excess of Revenues Over (Under) Expenditures	(170,475)	(186,321)	(120,573)	65,748
Other Financing Sources				
Transfers In	<u>78,000</u>	<u>78,000</u>	<u>78,000</u>	<u>0</u>
Net Change in Fund Balance	(92,475)	(108,321)	(42,573)	65,748
Fund Balance at Beginning of Year	637,684	637,684	637,684	0
Prior Year Encumbrances Appropriated	<u>1,275</u>	<u>1,275</u>	<u>1,275</u>	<u>0</u>
Fund Balance at End of Year	<u>\$546,484</u>	<u>\$530,638</u>	<u>\$596,386</u>	<u>\$65,748</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Public School Support
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$300	\$412	\$455	\$43
Expenditures				
Current:				
Support Services:				
Administration:				
Materials and Supplies	300	300	120	180
Net Change in Fund Balance	0	112	335	223
Fund Balance at Beginning of Year	4	4	4	0
Fund Balance at End of Year	<u>\$4</u>	<u>\$116</u>	<u>\$339</u>	<u>\$223</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

Schedule of Revenues, Expenditures and Changes

In Fund Balance - Budget (Non-GAAP Basis) and Actual

Renewed Opportunity

For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Intergovernmental	<u>\$49,500</u>	<u>\$52,947</u>	<u>\$52,952</u>	<u>\$5</u>
Expenditures				
Current:				
Support Services:				
Pupils:				
Salaries and Wages	20,935	20,935	20,310	625
Fringe Benefits	6,769	6,868	4,906	1,962
Purchased Services	32,794	32,737	15,325	17,412
Materials and Supplies	<u>2,261</u>	<u>832</u>	<u>121</u>	<u>711</u>
Total Expenditures	<u>62,759</u>	<u>61,372</u>	<u>40,662</u>	<u>20,710</u>
Net Change in Fund Balance	(13,259)	(8,425)	12,290	20,715
Fund Balance at Beginning of Year	<u>35,529</u>	<u>35,529</u>	<u>35,529</u>	<u>0</u>
Fund Balance at End of Year	<u>\$22,270</u>	<u>\$27,104</u>	<u>\$47,819</u>	<u>\$20,715</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Classroom Facilities Maintenance
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Current:				
Support Services:				
Operation and Maintenance of Plant:				
Purchased Services	<u>26,695</u>	<u>26,695</u>	<u>1,695</u>	<u>25,000</u>
Excess of Revenues Under Expenditures	(26,695)	(26,695)	(1,695)	25,000
Other Financing Sources				
Transfers In	<u>157,500</u>	<u>157,500</u>	<u>157,500</u>	<u>0</u>
Net Change in Fund Balance	130,805	130,805	155,805	25,000
Fund Balance at Beginning of Year	619,150	619,150	619,150	0
Prior Year Encumbrances Appropriated	<u>1,695</u>	<u>1,695</u>	<u>1,695</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$751,650</u></u>	<u><u>\$751,650</u></u>	<u><u>\$776,650</u></u>	<u><u>\$25,000</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Educational Management Information Systems
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$5,000	\$5,000	\$5,000	\$0
Expenditures				
Current:				
Support Services:				
Central:				
Purchased Services	13,000	13,000	287	12,713
Materials and Supplies	250	250	0	250
<i>Total Expenditures</i>	<u>13,250</u>	<u>13,250</u>	<u>287</u>	<u>12,963</u>
Net Change in Fund Balance	(8,250)	(8,250)	4,713	12,963
Fund Balance at Beginning of Year	<u>11,230</u>	<u>11,230</u>	<u>11,230</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,980</u></u>	<u><u>\$2,980</u></u>	<u><u>\$15,943</u></u>	<u><u>\$12,963</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OneNet
For the Fiscal Year Ended June 30, 2009

	Budgeted Amounts		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$3,000	\$3,000	\$3,000	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	3,000	3,000	3,000	0
Net Change in Fund Balance	0	0	0	0
Fund Balance at Beginning of Year	3,000	3,000	3,000	0
Fund Balance at End of Year	\$3,000	\$3,000	\$3,000	\$0

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
SchoolNet Professional Development
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$2,000	\$2,070	\$2,070	\$0
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	<u>2,070</u>	<u>4,140</u>	<u>4,140</u>	<u>0</u>
Net Change in Fund Balance	(70)	(2,070)	(2,070)	0
Fund Balance at Beginning of Year	<u>2,070</u>	<u>2,070</u>	<u>2,070</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$2,000</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous State Grants
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget
				Positive (Negative)
Revenues				
Intergovernmental	\$5,000	\$7,600	\$7,200	(\$400)
Expenditures				
Current:				
Instruction:				
Vocational:				
Salaries and Wages	3,457	3,457	3,457	0
Fringe Benefits	543	543	543	0
Purchased Services	0	3,550	3,006	544
Capital Outlay - New	0	3,350	3,346	4
<i>Total Expenditures</i>	<u>4,000</u>	<u>10,900</u>	<u>10,352</u>	<u>548</u>
Excess of Revenues Over (Under) Expenditures	<u>1,000</u>	<u>(3,300)</u>	<u>(3,152)</u>	<u>148</u>
Other Financing Sources (Uses)				
Advances In	0	13,150	13,600	450
Advances Out	0	(3,600)	(3,600)	0
<i>Total Other Financing Sources (Uses)</i>	<u>0</u>	<u>9,550</u>	<u>10,000</u>	<u>450</u>
Net Change in Fund Balance	1,000	6,250	6,848	598
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,000</u></u>	<u><u>\$6,250</u></u>	<u><u>\$6,848</u></u>	<u><u>\$598</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
VEPD Grant
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$200,000	\$197,297	\$181,613	(\$15,684)
Expenditures				
Current:				
Instruction:				
Special:				
Salaries and Wages	24,315	24,860	24,860	0
Fringe Benefits	3,757	3,836	3,836	0
Total Special	28,072	28,696	28,696	0
Vocational:				
Salaries and Wages	12,500	7,020	7,020	0
Fringe Benefits	2,117	4,564	4,564	0
Purchased Services	12,465	16,307	16,307	0
Materials and Supplies	6,500	9,271	9,271	0
Total Vocational	33,582	37,162	37,162	0
Total Instruction	61,654	65,858	65,858	0
Support Services:				
Pupils:				
Salaries and Wages	68,500	68,500	68,500	0
Fringe Benefits	21,239	22,906	22,906	0
Purchased Services	2,000	2,805	2,779	26
Materials and Supplies	325	325	325	0
Total Pupils	92,064	94,536	94,510	26
Instructional Staff:				
Purchased Services	4,540	4,540	4,540	0
Total Support Services	96,604	99,076	99,050	26
Total Expenditures	158,258	164,934	164,908	26
Excess of Revenues Over (Under) Expenditures	41,742	32,363	16,705	(15,658)
Other Financing Sources (Uses)				
Advances In	10,000	10,000	60,000	50,000
Advances Out	0	(120,000)	(120,000)	0
Total Other Financing Sources (Uses)	10,000	(110,000)	(60,000)	50,000
Net Change in Fund Balance	51,742	(77,637)	(43,295)	34,342
Fund Balance at Beginning of Year	76,003	76,003	76,003	0
Prior Year Encumbrances Appropriated	6,934	6,934	6,934	0
Fund Balance at End of Year	<u>\$134,679</u>	<u>\$5,300</u>	<u>\$39,642</u>	<u>\$34,342</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Title V
For the Fiscal Year Ended June 30, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$2,060	\$451	\$45	(\$406)
Expenditures				
Current:				
Instruction:				
Vocational:				
Purchased Services	<u>451</u>	<u>451</u>	<u>451</u>	<u>0</u>
Excess of Revenues Over (Under) Expenditures	1,609	0	(406)	(406)
Other Financing Sources				
Advances In	<u>390</u>	<u>390</u>	<u>800</u>	<u>410</u>
Net Change in Fund Balance	1,999	390	394	4
Fund Balance at Beginning of Year	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$1,999</u></u>	<u><u>\$390</u></u>	<u><u>\$394</u></u>	<u><u>\$4</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Safe and Drug Free Schools
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>			Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
Revenues				
Intergovernmental	\$1,690	\$860	\$774	(\$86)
Expenditures				
Current:				
Support Services:				
Pupils:				
Purchased Services	860	860	860	0
Excess of Revenues Over (Under) Expenditures	830	0	(86)	(86)
Other Financing Sources				
Advances In	10	10	86	76
Net Change in Fund Balance	840	10	0	(10)
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$840</u>	<u>\$10</u>	<u>\$0</u>	<u>(\$10)</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Improving Teacher Quality
For the Fiscal Year Ended June 30, 2009*

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$2,800	\$1,050	\$945	(\$105)
Expenditures				
Current:				
Support Services:				
Instructional Staff:				
Purchased Services	1,050	1,050	1,050	0
Excess of Revenues Over (Under) Expenditures	1,750	0	(105)	(105)
Other Financing Sources				
Advances In	1,000	1,000	2,775	1,775
Net Change in Fund Balance	2,750	1,000	2,670	1,670
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$2,750</u>	<u>\$1,000</u>	<u>\$2,670</u>	<u>\$1,670</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL

*Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Miscellaneous Federal Grants
For the Fiscal Year Ended June 30, 2009*

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$3,000	\$12,000	\$12,000	\$0
Expenditures				
Current:				
Instruction:				
Vocational:				
Materials and Supplies	600	600	600	0
Support Services:				
Pupils:				
Salaries and Wages	600	600	600	0
Fringe Benefits	200	200	200	0
Total Pupils	800	800	800	0
Pupil Transportation:				
Purchased Services	1,600	1,600	1,600	0
Total Support Services	2,400	2,400	2,400	0
Total Expenditures	3,000	3,000	3,000	0
Excess of Revenues Over Expenditures	0	9,000	9,000	0
Other Financing Sources (Uses)				
Advances In	0	0	3,000	3,000
Advances Out	0	(9,000)	(9,000)	0
Total Other Financing Sources (Uses)	0	(9,000)	(6,000)	3,000
Net Change in Fund Balance	0	0	3,000	3,000
Fund Balance at Beginning of Year	0	0	0	0
Fund Balance at End of Year	<u>\$0</u>	<u>\$0</u>	<u>\$3,000</u>	<u>\$3,000</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
Debt Service
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Debt Service:				
Principal Retirement	157,079	157,049	157,049	0
Interest and Fiscal Charges	25,966	25,996	25,996	0
Total Expenditures	<u>183,045</u>	<u>183,045</u>	<u>183,045</u>	<u>0</u>
Net Change in Fund Balance	(183,045)	(183,045)	(183,045)	0
Fund Balance at Beginning of Year	<u>183,045</u>	<u>183,045</u>	<u>183,045</u>	<u>0</u>
Fund Balance at End of Year	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL
Schedule of Revenues, Expenditures and Changes
In Fund Balance - Budget (Non-GAAP Basis) and Actual
OSFC Locally Funded Initiative
For the Fiscal Year Ended June 30, 2009

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with
	<u>Original</u>	<u>Final</u>		Final Budget Positive (Negative)
Revenues	\$0	\$0	\$0	\$0
Expenditures				
Capital Outlay:				
Site Improvement Services:				
Purchased Services	9,000	9,000	0	9,000
Capital Outlay - New	110,645	110,645	6,392	104,253
Total Site Improvement Services	119,645	119,645	6,392	113,253
Architecture and Engineering Services:				
Purchased Services	52,203	52,203	17,202	35,001
Total Expenditures	171,848	171,848	23,594	148,254
Net Change in Fund Balance	(171,848)	(171,848)	(23,594)	148,254
Fund Balance at Beginning of Year	172,203	172,203	172,203	0
Prior Year Encumbrances Appropriated	17,848	17,848	17,848	0
Fund Balance at End of Year	<u>\$18,203</u>	<u>\$18,203</u>	<u>\$166,457</u>	<u>\$148,254</u>

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STATISTICAL SECTION

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Statistical Section

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

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Financial Trends These schedules contain trend information to help the reader understand how the School District's financial performance and well-being have changed over time.	S2-S13
Revenue Capacity These schedules contain information to help the reader assess the School District's most significant local revenue source, the property tax.	S14-S19
Debt Capacity These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the School District's ability to issue additional debt in the future.	S20-S24
Economic and Demographic Information These schedules offer economic and demographic indicators to help the reader understand the environment within which the School District's financial activities take place.	S25-S26
Operating Information These schedules contain service data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	S27-S36

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant fiscal year. The School District implemented GASB Statement No. 34 in 2002; schedules presenting government-wide information include information beginning in that fiscal year.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>
<i>Governmental Activities</i>				
Invested in Capital Assets, Net of Related Debt	\$3,818,678	\$3,842,441	\$3,729,348	\$3,683,672
Restricted - Uncategorized (2)	1,363,287	0	0	0
Restricted for:				
Debt Service	0	0	0	0
Capital Outlay	0	1,411,034	1,652,749	1,737,212
Food Service	0	0	0	0
Adult Education	0	0	0	0
Classroom Facilities	0	0	0	0
Other Purposes	0	396,916	1,100,302	1,158,339
Set-Asides	0	0	0	48,505
Unrestricted	<u>1,889,989</u>	<u>2,383,566</u>	<u>2,679,571</u>	<u>2,809,199</u>
<i>Total Governmental Activities Net Assets</i>	<u><u>7,071,954</u></u>	<u><u>8,033,957</u></u>	<u><u>9,161,970</u></u>	<u><u>9,436,927</u></u>
<i>Business-type Activities (3)</i>				
Invested in Capital Assets, Net of Related Debt	3,189	5,734	0	0
Unrestricted	<u>444,889</u>	<u>514,669</u>	<u>0</u>	<u>0</u>
<i>Total Business-type Activities Net Assets</i>	<u><u>448,078</u></u>	<u><u>520,403</u></u>	<u><u>0</u></u>	<u><u>0</u></u>
<i>Primary Government</i>				
Invested in Capital Assets, Net of Related Debt	3,821,867	3,848,175	3,729,348	3,683,672
Restricted	1,363,287	1,807,950	2,753,051	2,944,056
Unrestricted	<u>2,334,878</u>	<u>2,898,235</u>	<u>2,679,571</u>	<u>2,809,199</u>
<i>Total Primary Government Net Assets</i>	<u><u>\$7,520,032</u></u>	<u><u>\$8,554,360</u></u>	<u><u>\$9,161,970</u></u>	<u><u>\$9,436,927</u></u>

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

(2) Classifications for Restricted Net Assets at June 30, 2001 are not available.

(3) In fiscal year 2003, the School District reclassified its Food Service Fund from Enterprise to Special Revenue fund type.

<u>2005</u>	<u>2006</u>	<u>2007 (1)</u>	<u>2008</u>	<u>2009</u>
\$3,726,544	\$4,053,447	\$10,389,846	\$10,258,114	\$10,713,407
0	0	0	0	0
0	0	0	183,045	0
1,712,865	9,353,818	1,933,301	1,999,209	2,086,397
0	0	307,719	324,745	326,565
0	0	626,287	643,793	590,832
0	0	0	0	776,650
1,237,748	1,174,010	566,063	831,831	253,149
20,297	20,297	20,297	20,297	20,297
<u>3,120,393</u>	<u>3,365,422</u>	<u>3,170,547</u>	<u>3,175,540</u>	<u>2,828,394</u>
<u>9,817,847</u>	<u>17,966,994</u>	<u>17,014,060</u>	<u>17,436,574</u>	<u>17,595,691</u>
0	0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
3,726,544	3,907,516	10,389,846	10,258,114	10,713,407
2,970,910	10,694,056	3,453,667	4,002,920	4,053,890
<u>3,120,393</u>	<u>3,365,422</u>	<u>3,170,547</u>	<u>3,175,540</u>	<u>2,828,394</u>
<u>\$9,817,847</u>	<u>\$17,966,994</u>	<u>\$17,014,060</u>	<u>\$17,436,574</u>	<u>\$17,595,691</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

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

	2002	2003	2004	2005
Expenses				
Governmental Activities:				
Instruction:				
Regular	\$136,871	\$143,681	\$140,266	\$171,717
Special	0	0	0	0
Vocational	2,774,383	2,967,743	3,090,159	3,132,897
Adult/Continuing	3,972	0	202,395	170,921
Support Services:				
Pupils	295,848	310,476	330,181	335,928
Instructional Staff	99,619	122,202	114,036	114,298
Board of Education	29,791	30,652	36,002	39,710
Administration	346,171	374,406	505,658	532,155
Fiscal	271,754	295,554	311,520	317,705
Business	17,169	16,112	38,876	46,887
Operation and Maintenance of Plant	454,708	492,466	598,992	499,742
Pupil Transportation	39,140	41,998	31,712	31,143
Central	61,885	49,797	51,418	50,989
Operation of Non-Instructional Services:				
Food Service Operations	175,017	190,762	176,821	211,106
Extracurricular Activities	4,770	17,761	7,373	10,195
Interest and Fiscal Charges	0	0	0	0
<i>Total Governmental Activities Expenses</i>	<u>4,711,098</u>	<u>5,053,610</u>	<u>5,635,409</u>	<u>5,665,393</u>
Business-type Activities:				
Adult Education	242,070	280,506	0	0
Customer Services	66,096	55,538	0	0
Uniform Supply	21,494	28,110	0	0
<i>Total Business-type Activities Expenses</i>	<u>329,660</u>	<u>364,154</u>	<u>0</u>	<u>0</u>
<i>Total Expenses</i>	<u>5,040,758</u>	<u>5,417,764</u>	<u>5,635,409</u>	<u>5,665,393</u>
Program Revenues				
Governmental Activities:				
Charges for Services and Sales:				
Instruction:				
Regular	12,673	12,035	25,784	15,740
Vocational	27,062	0	82,316	108,911
Adult/Continuing	0	0	135,948	84,203
Support Services:				
Pupils	17,778	15,500	15,500	0
Administration	0	0	72,936	51,608
Business	0	0	23,502	26,026
Operation and Maintenance of Plant	7,549	0	0	1,999
Operation of Non-Instructional Services:				
Food Service Operations	81,787	74,044	79,969	92,256
Extracurricular Activities	0	0	655	0
Operating Grants, Contributions and Interest	1,324,381	1,367,599	1,520,877	1,548,663
Capital Grants, Contributions and Interest	25,683	3,443	0	0
<i>Total Governmental Activities Program Revenues</i>	<u>\$1,496,913</u>	<u>\$1,472,621</u>	<u>\$1,957,487</u>	<u>\$1,929,406</u>

2006	2007	2008	2009
\$263,850	\$229,212	\$258,274	\$237,367
0	92,471	99,804	32,077
3,249,122	3,679,851	3,401,204	3,816,451
134,454	121,791	129,394	185,832
352,923	276,924	239,903	368,491
128,853	185,025	226,676	209,203
37,046	38,179	49,124	45,910
534,841	609,569	589,615	616,272
330,085	376,687	381,826	382,329
53,684	56,884	62,111	17,642
468,309	498,088	500,889	566,361
43,826	41,761	43,388	29,351
46,406	40,825	42,150	41,162
199,037	233,613	265,141	277,097
7,146	7,496	9,949	5,149
0	139,206	89,214	28,234
<u>5,849,582</u>	<u>6,627,582</u>	<u>6,388,662</u>	<u>6,858,928</u>
0	0	0	0
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>5,849,582</u>	<u>6,627,582</u>	<u>6,388,662</u>	<u>6,858,928</u>
16,772	10,280	2,936	3,519
62,365	79,631	35,628	83,129
54,481	50,236	63,410	74,053
0	0	0	0
48,313	50,236	63,410	51,469
25,085	29,678	31,088	18,360
2,849	0	591	550
79,378	86,193	93,131	98,572
0	230	986	0
1,557,618	1,530,015	1,423,710	1,456,336
0	0	0	0
<u>\$1,846,861</u>	<u>\$1,836,499</u>	<u>\$1,714,890</u>	<u>\$1,785,988</u>

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

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

	2002	2003	2004	2005
Business-type Activities:				
Adult Education				
Charges for Services and Sales	\$113,135	\$136,797	\$0	\$0
Operating Grants and Contributions	87,302	77,737	0	0
Rotary				
Charges for Services and Sales	47,247	103,886	0	0
Uniform Supply				
Charges for Services and Sales	19,301	25,186	0	0
Total Business-type Activity Program Revenues	<u>266,985</u>	<u>343,606</u>	<u>0</u>	<u>0</u>
Total Program Revenues	<u>1,763,898</u>	<u>1,816,227</u>	<u>1,957,487</u>	<u>1,929,406</u>
Net (Expense)/Revenue				
Governmental Activities	(3,214,185)	(3,580,989)	(3,677,922)	(3,735,987)
Business-type Activities	<u>(62,675)</u>	<u>(20,548)</u>	<u>0</u>	<u>0</u>
Total Net (Expense)/Revenue	<u>(3,276,860)</u>	<u>(3,601,537)</u>	<u>(3,677,922)</u>	<u>(3,735,987)</u>
General Revenues and Other Changes in Net Assets				
Governmental Activities:				
Property Taxes Levied for:				
General Purposes	1,622,644	1,599,305	1,579,672	1,674,339
Debt Service	0	0	0	0
Capital Outlay	137,199	135,191	134,394	36,357
Grants and Entitlements not				
Restricted to Specific Programs	2,238,274	2,293,052	2,155,907	2,225,064
Unrestricted Gifts and Donations	0	0	0	0
Interest	278,652	166,663	65,418	172,349
Gain on Sale of Capital Assets	0	0	0	0
Rent	0	0	5,649	0
Miscellaneous	34,419	14,936	11,839	8,798
Transfers	<u>(135,000)</u>	<u>(160,000)</u>	<u>0</u>	<u>0</u>
Total Governmental Activities	<u>4,176,188</u>	<u>4,049,147</u>	<u>3,952,879</u>	<u>4,116,907</u>
Business-type Activities:				
Transfers	<u>135,000</u>	<u>160,000</u>	<u>0</u>	<u>0</u>
Total Primary Government	<u>4,311,188</u>	<u>4,209,147</u>	<u>3,952,879</u>	<u>4,116,907</u>
Special Item - Loss on Disposal of Capital Assets	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Change in Net Assets				
Governmental Activities	962,003	468,158	274,957	380,920
Business-type Activities	<u>72,325</u>	<u>139,452</u>	<u>0</u>	<u>0</u>
Total Change in Net Assets	<u>\$1,034,328</u>	<u>\$607,610</u>	<u>\$274,957</u>	<u>\$380,920</u>

2006	2007	2008	2009
\$0	\$0	\$0	\$0
0	0	0	0
0	0	0	0
0	0	0	0
<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<u>1,846,861</u>	<u>1,836,499</u>	<u>1,714,890</u>	<u>1,785,988</u>
(4,002,721)	(4,791,083)	(4,673,772)	(5,072,940)
0	0	0	0
<u>(4,002,721)</u>	<u>(4,791,083)</u>	<u>(4,673,772)</u>	<u>(5,072,940)</u>
1,727,845	1,729,569	1,547,502	1,685,650
0	560,504	183,045	0
495,074	71,826	372,925	624,312
9,644,073	2,424,552	2,572,144	2,602,104
0	0	0	23
234,969	490,975	416,710	317,305
36,202	0	0	0
0	0	0	0
13,705	53,827	3,960	2,663
0	0	0	0
<u>12,151,868</u>	<u>5,331,253</u>	<u>5,096,286</u>	<u>5,232,057</u>
0	0	0	0
<u>12,151,868</u>	<u>5,331,253</u>	<u>5,096,286</u>	<u>5,232,057</u>
0	(1,493,104)	0	0
8,149,147	(952,934)	422,514	159,117
0	0	0	0
<u>\$8,149,147</u>	<u>(\$952,934)</u>	<u>\$422,514</u>	<u>\$159,117</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Program Revenues by Function, Governmental Activities

Last Eight Fiscal Years

(accrual basis of accounting)

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>
<i>Governmental Activities</i>				
Function				
Instruction:				
Regular	\$12,673	\$14,444	\$30,981	\$19,719
Special	0	0	0	0
Vocational	1,127,475	1,112,329	1,285,421	1,311,098
Adult/Continuing	0	0	195,726	131,835
Support Services:				
Pupils	170,631	172,751	158,955	177,318
Instructional Staff	22,754	22,172	21,927	21,481
Administration	8,156	0	108,855	87,660
Business	0	0	23,502	26,026
Operation and Maintenance of Plant	8,448	2,066	630	3,716
Pupil Transportation	0	0	0	900
Central	35,994	36,015	22,083	20,430
Operation of Non-Instructional Services:				
Food Service Operations	110,782	112,844	108,752	129,223
Extracurricular Activities	0	0	655	0
<i>Total Program Revenues</i>	<u>\$1,496,913</u>	<u>\$1,472,621</u>	<u>\$1,957,487</u>	<u>\$1,929,406</u>

<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$20,456	\$10,280	\$4,616	\$3,519
0	0	0	175,078
1,271,488	1,261,868	1,140,327	1,040,134
95,934	89,512	99,082	111,165
164,824	156,012	133,467	148,932
14,407	20,022	11,617	9,563
96,323	89,512	99,081	77,263
25,085	29,678	31,088	18,471
2,849	1,200	2,783	550
6,450	4,530	3,288	1,472
11,881	5,000	5,000	5,000
137,164	168,655	183,555	194,841
0	230	986	0
<u>\$1,846,861</u>	<u>\$1,836,499</u>	<u>\$1,714,890</u>	<u>\$1,785,988</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Fund Balances, Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)

	<u>2000</u>	<u>2001</u>	<u>2002 (1)</u>	<u>2003 (1)</u>
General Fund				
Reserved	\$346,546	\$289,653	\$413,720	\$273,310
Unreserved	<u>1,394,880</u>	<u>1,683,484</u>	<u>2,091,991</u>	<u>2,436,497</u>
<i>Total General Fund</i>	<u>1,741,426</u>	<u>1,973,137</u>	<u>2,505,711</u>	<u>2,709,807</u>
All Other Governmental Funds				
Reserved	86,061	123,748	25,664	85,946
Unreserved, Undesignated, Reported in:				
Special Revenue Funds	3,486	30,468	368,480	996,829
Debt Service Fund	0	0	0	0
Capital Projects Funds	<u>1,202,812</u>	<u>957,808</u>	<u>1,321,753</u>	<u>1,578,257</u>
<i>Total All Other Governmental Funds</i>	<u>1,292,359</u>	<u>1,112,024</u>	<u>1,715,897</u>	<u>2,661,032</u>
<i>Total Governmental Funds</i>	<u><u>\$3,033,785</u></u>	<u><u>\$3,085,161</u></u>	<u><u>\$4,221,608</u></u>	<u><u>\$5,370,839</u></u>

(1) In 2002 and 2003, fund balances totaling \$222,249 and \$630,655, respectively, were reclassified to properly reflect their purpose as special revenue funds.

<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
\$367,086	\$339,030	\$714,693	\$764,760	\$759,786	\$607,520
<u>2,636,093</u>	<u>2,945,269</u>	<u>2,840,755</u>	<u>2,564,833</u>	<u>2,717,764</u>	<u>2,548,635</u>
<u>3,003,179</u>	<u>3,284,299</u>	<u>3,555,448</u>	<u>3,329,593</u>	<u>3,477,550</u>	<u>3,156,155</u>
72,696	221,542	520,771	1,353,518	384,829	196,433
1,111,833	1,182,196	1,117,914	1,485,255	1,731,936	1,928,176
0	0	0	0	183,045	0
<u>1,653,830</u>	<u>2,020,419</u>	<u>5,168,536</u>	<u>821,094</u>	<u>2,806,175</u>	<u>3,089,005</u>
<u>2,838,359</u>	<u>3,424,157</u>	<u>6,807,221</u>	<u>3,659,867</u>	<u>5,105,985</u>	<u>5,213,614</u>
<u>\$5,841,538</u>	<u>\$6,708,456</u>	<u>\$10,362,669</u>	<u>\$6,989,460</u>	<u>\$8,583,535</u>	<u>\$8,369,769</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Changes in Fund Balances

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2000	2001	2002	2003
Revenues				
Property Taxes	\$1,729,118	\$1,722,748	\$1,779,860	\$1,669,712
Intergovernmental	2,701,997	2,912,948	3,585,173	3,616,761
Interest	200,808	169,909	229,537	175,847
Tuition and Fees	4,140	5,825	12,673	11,990
Rent	7,246	2,772	7,549	4,972
Extracurricular Activities	30,000	0	0	0
Gifts and Donations	0	37,000	0	5,095
Customer Sales and Services	26,542	8,491	126,627	89,589
Miscellaneous	3,420	62,108	34,419	48,551
Total Revenues	4,703,271	4,921,801	5,775,838	5,622,517
Expenditures				
Current:				
Instruction:				
Regular	95,941	130,186	129,328	137,486
Special	0	0	0	0
Vocational	2,488,490	2,589,944	2,850,609	2,942,906
Adult/Continuing	10,096	0	3,972	0
Support Services:				
Pupils	296,510	275,352	287,579	304,975
Instructional Staff	106,866	230,010	70,712	95,701
Board of Education	34,902	17,084	34,181	30,306
Administration	293,646	298,913	337,477	363,712
Fiscal	235,771	259,869	263,243	290,034
Business	5,345	14,567	17,115	16,059
Operation and Maintenance of Plant	418,922	451,355	438,390	470,382
Pupil Transportation	13,419	14,063	42,587	24,804
Central	46,680	67,860	57,725	45,637
Operation of Non-Instructional Services:				
Food Service Operations	3,641	4,158	166,536	181,557
Extracurricular Activities	5,541	5,095	4,770	17,761
Capital Outlay	400,714	378,933	25,034	28,295
Debt Service:				
Principal	0	0	0	0
Interest and Fiscal Charges	0	0	0	0
Total Expenditures	4,456,484	4,737,389	4,729,258	4,949,615
Excess of Revenues Over (Under) Expenditures	246,787	184,412	1,046,580	672,902
Other Financing Sources (Uses)				
Transfers In	2,595	2,263	120,110	85,000
Proceeds from Lease	0	0	0	0
Proceeds from Sale of Capital Assets	4,838	764	2,618	5,674
Transfers Out	(86,170)	(136,063)	(255,110)	(245,000)
Inception of Capital Lease	0	0	0	0
Proceeds from Loan	0	0	0	0
Total Other Financing Sources (Uses)	(78,737)	(133,036)	(132,382)	(154,326)
Net Change in Fund Balances	\$168,050	\$51,376	\$914,198	\$518,576
Debt Service as a Percentage of Noncapital Expenditures	0.0%	0.0%	0.0%	0.0%

2004	2005	2006	2007	2008	2009
\$1,760,329	\$1,708,920	\$2,193,737	\$2,277,227	\$2,184,977	\$2,292,186
3,721,937	3,762,188	7,046,707	8,063,662	3,947,517	4,094,701
50,080	208,017	210,706	535,112	384,132	352,596
241,994	177,577	142,634	139,930	160,508	144,670
5,649	1,999	2,849	0	591	550
655	0	0	230	986	0
32	15	1,325	0	1,000	23
185,269	201,167	143,760	166,324	129,095	184,432
20,531	8,798	13,705	53,827	3,960	2,663
<u>5,986,476</u>	<u>6,068,681</u>	<u>9,755,423</u>	<u>11,236,312</u>	<u>6,812,766</u>	<u>7,071,821</u>
149,831	166,774	229,285	247,770	256,277	235,772
0	0	0	89,120	96,749	29,250
3,021,586	3,086,492	3,150,317	3,239,157	2,964,215	3,614,713
201,619	173,658	132,561	120,405	129,421	188,290
334,182	319,058	344,802	256,849	227,206	356,036
88,894	90,457	105,657	163,412	210,574	203,977
35,096	40,507	36,805	37,938	48,883	45,750
492,296	528,753	572,906	539,251	589,050	605,068
303,079	311,241	312,680	413,443	372,948	361,225
37,603	48,267	53,684	56,884	62,111	17,642
555,178	507,195	466,129	470,457	480,456	552,832
29,049	23,859	37,910	39,842	41,598	51,573
47,305	48,794	43,630	39,822	41,283	41,016
173,732	202,055	206,109	216,972	247,569	341,669
7,373	10,195	7,146	7,496	9,949	5,149
40,693	166,273	3,026,921	8,043,543	681,722	424,236
0	0	33,333	497,543	2,138,123	197,747
0	0	0	139,206	89,214	25,996
<u>5,517,516</u>	<u>5,723,578</u>	<u>8,759,875</u>	<u>14,619,110</u>	<u>8,687,348</u>	<u>7,297,941</u>
468,960	345,103	995,548	(3,382,798)	(1,874,582)	(226,120)
161,250	190,500	1,786,228	456,131	477,390	296,500
0	0	0	0	3,465,997	0
1,739	21,815	89,665	9,589	2,660	12,354
(161,250)	(190,500)	(1,786,228)	(456,131)	(477,390)	(296,500)
0	0	2,569,000	0	0	0
0	500,000	0	0	0	0
<u>1,739</u>	<u>521,815</u>	<u>2,658,665</u>	<u>9,589</u>	<u>3,468,657</u>	<u>12,354</u>
<u>\$470,699</u>	<u>\$866,918</u>	<u>\$3,654,213</u>	<u>(\$3,373,209)</u>	<u>\$1,594,075</u>	<u>(\$213,766)</u>
0.0%	0.0%	0.6%	9.7%	29.1%	3.6%

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Assessed and Estimated Actual Value of Taxable Property
Last Ten Collection (Calendar) Years

Collection Year	Real Property			Tangible Personal Property	
	Assessed Value		Estimated Actual Value	Public Utility	
	Residential/ Agricultural	Commercial/ Industrial/PU		Assessed Value	Estimated Actual Value
2000	\$318,285,610	\$37,030,920	\$1,015,190,086	\$48,068,010	\$60,085,013
2001	382,351,870	44,045,600	1,218,278,486	48,331,590	60,414,488
2002	392,740,930	45,510,580	1,252,147,171	26,828,190	33,535,238
2003	407,749,970	46,290,510	1,297,258,514	26,721,530	33,401,913
2004	465,496,910	50,345,480	1,473,835,400	26,705,570	33,381,963
2005	480,268,210	49,524,170	1,513,692,514	27,491,040	34,363,800
2006	495,641,230	53,515,160	1,569,018,257	27,693,710	34,617,138
2007	631,795,500	64,478,580	1,989,354,514	32,590,390	40,737,988
2008	641,867,610	64,133,290	2,017,145,429	31,647,450	39,559,313
2009	652,578,070	65,877,200	2,052,729,343	32,343,540	40,429,425

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

The assessed value of real property (including public utility real property) is 35 percent of estimated true value. Personal property tax is assessed on all tangible personal property used in business in Ohio. The assessed value of public utility personal property ranges from 25 percent of true value for railroad property to 88 percent for electric transmission and distribution property. General business tangible personal property was assessed in previous years at 25 percent for machinery and 23 percent for inventories. General business tangible personal property tax is being phased out beginning in 2006. The listing percentage is 18.75 percent for 2006, 12.5 percent for 2007, and 6.25 percent for 2008, and zero percent for 2009.

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

Source: State of Ohio Department of Taxation

Tangible Personal Property		Total			Weighted Average Tax Rate
General Business		Assessed	Estimated	Ratio	
Assessed Value	Estimated Actual Value	Value	Actual Value		
\$23,631,699	\$94,526,796	\$427,016,239	\$1,169,801,894	36.50%	\$3.86
27,213,273	108,853,092	501,942,333	1,387,546,065	36.17	3.40
25,424,760	101,699,040	490,504,460	1,387,381,449	35.35	3.28
22,421,692	89,686,768	503,183,702	1,420,347,195	35.43	3.25
21,801,871	87,207,484	564,349,831	1,594,424,847	35.40	2.98
22,619,850	90,479,400	579,903,270	1,638,535,714	35.39	2.75
21,466,778	114,489,483	598,316,878	1,718,124,877	34.82	3.74
17,096,520	136,772,160	745,960,990	2,166,864,662	34.43	3.33
8,293,196	132,691,136	745,941,546	2,189,395,878	34.14	3.28
1,540,410	24,646,560	752,339,220	2,117,805,328	34.14	3.28

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

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

Collection Year	Current Tax Levy (3)	Current Tax Collections	Percent of Current Tax Collections to Current Tax Levy	Delinquent Tax Collections (4)	Total Tax Collections	Percent of Total Tax Collections to Current Tax Levy
2000	\$1,807,356	\$1,870,191	103.48%	\$127,677	\$1,997,868	110.54%
2001	1,854,373	1,961,551	105.78	208,909	2,170,460	117.05
2002	1,781,039	1,867,601	104.86	142,151	2,009,752	112.84
2003	1,830,350	1,898,205	103.71	259,864	2,158,069	117.90
2004	1,860,866	1,993,373	107.12	147,150	2,140,523	115.03
2005	2,381,724	1,821,752	76.49	95,804	1,917,556	80.51
2006	2,467,733	2,538,936	102.89	6,373	2,545,309	103.14
2007	2,482,873	1,967,970	79.26	1,475,514	3,443,484	138.69
2008	2,207,931	1,775,805	80.43	134,063	1,909,868	86.50
2009	2,216,020	N/A	N/A	N/A	N/A	N/A

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

- (1) Includes Homestead/Rollback taxes assessed locally, but distributed through the State and reported as Intergovernmental Revenue.
- (2) The 2009 collections cannot be presented because all collections have not been made by June 30, 2009.
- (3) Current tax levy information is based on estimates at June 30 of each year, while tax collections are based on actual receipts.
- (4) The County does not identify delinquent tax collections by tax year.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

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

Direct and Overlapping Governments

Last Ten Collection (Calendar) Years

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Voted Millage										
Operating										
Residential/Agricultural Real	3.13	2.67	2.68	2.68	2.43	2.43	2.43	2.17	2.17	2.17
Commerical/Industrial and Public Utility Real	3.72	3.24	3.24	3.27	3.10	3.16	3.16	2.73	2.74	2.75
General Business and Public Utility Personal	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40	5.40
1989 10 Year Permanent Improvement										
Residential/Agricultural Real	0.27	0.23	0.23	0.23	0.21	0.00	0.00	0.00	0.00	0.00
Commerical/Industrial and Public Utility Real	0.37	0.33	0.33	0.33	0.31	0.00	0.00	0.00	0.00	0.00
General Business and Public Utility Personal	0.40	0.40	0.40	0.40	0.40	0.00	0.00	0.00	0.00	0.00
2005 Continuous Permanent Improvement										
Residential/Agricultural Real	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.89	0.89	0.89
Commerical/Industrial and Public Utility Real	0.00	0.00	0.00	0.00	0.00	0.00	1.00	0.86	0.87	0.87
General Business and Public Utility Personal	0.00	0.00	0.00	0.00	0.00	0.00	1.00	1.00	1.00	1.00
Total voted millage by type of property										
Residential/Agricultural Real	3.40	2.91	2.91	2.91	2.64	2.43	3.43	3.06	3.06	3.06
Commerical/Industrial and Public Utility Real	4.10	3.56	3.57	3.60	3.41	3.16	4.16	3.59	3.61	3.62
General Business and Public Utility Personal	5.80	5.80	5.80	5.80	5.80	5.40	6.40	6.40	6.40	6.40
Total School District Millage										
	5.80	5.80	5.80	5.80	5.80	5.40	6.40	6.40	6.40	6.40
Overlapping Rates by Taxing District										
County Units										
General	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80
General (Highland)	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90	2.90
Board of MR/DD	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00	2.00
Board of MR/DD (Highland)	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35	4.35
Health District	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Total	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05	14.05
School Districts										
Bright Local	32.69	32.69	32.69	32.69	30.69	30.76	30.76	30.76	27.40	27.20
Eastern Local	38.70	36.75	37.80	37.80	37.80	37.80	40.20	40.20	40.20	40.20
Fayetteville Local	36.50	36.50	34.10	34.10	34.10	34.10	39.55	39.55	39.55	39.80
Georgetown Exempted Village	29.00	28.50	27.00	27.00	30.40	30.40	30.40	28.90	30.40	30.40
Ripley Union Lewis Huntington Local	36.40	36.40	36.35	36.35	36.35	36.35	36.35	36.35	36.35	34.65
Western Brown Local	25.20	25.20	23.70	23.70	23.70	23.70	23.00	23.00	23.00	22.75
Corporations										
Aberdeen Village	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00	6.00
Fayetteville Village	13.30	13.30	13.30	13.30	13.30	13.30	13.30	14.10	14.10	14.10
Georgetown Village	2.30	2.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30	3.30
Hammersville Village	3.60	3.60	4.60	4.60	4.60	2.90	2.90	2.90	2.90	2.90
Higginsport Village	15.20	15.20	15.20	15.20	15.20	15.20	15.20	15.20	15.20	15.20
Mt. Orab Village	9.10	9.10	9.10	9.10	9.10	7.60	7.60	7.60	7.60	7.60
Ripley Village	5.00	9.00	9.00	9.00	9.00	9.00	9.00	9.00	7.00	8.00
Russellville Village	18.60	18.60	18.60	13.60	17.60	17.60	17.60	17.60	17.60	18.10
Sardinia Village	10.50	14.00	14.00	14.00	14.00	14.00	10.50	10.50	10.50	7.60
St. Martin Village	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Mowrystown	16.90	16.90	16.90	16.90	16.90	16.90	16.90	21.90	21.90	21.90

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

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

Direct and Overlapping Governments

Last Ten Collection (Calendar) Years

(continued)

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009
Townships										
Byrd	8.00	8.00	8.00	8.00	8.00	8.00	8.50	8.50	8.50	8.50
Clark	4.60	4.60	4.60	4.60	4.60	4.60	4.15	4.60	4.60	4.00
Eagle	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Franklin	2.20	2.20	2.20	2.60	2.60	2.60	3.10	3.10	3.10	2.20
Green	3.50	3.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Huntington	6.30	5.10	6.30	6.30	6.30	6.30	6.30	6.30	6.30	6.30
Jackson	1.70	1.70	1.70	1.70	1.70	2.20	2.20	2.20	2.20	2.20
Jefferson	1.60	1.60	1.60	1.60	1.60	1.60	1.60	3.60	3.60	3.60
Lewis	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25	3.25
Perry	6.40	6.40	6.90	6.90	6.90	6.90	6.90	6.90	6.90	6.40
Pike	3.50	3.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50	4.50
Pleasant	1.80	1.80	1.80	1.80	1.80	1.80	1.80	2.10	2.10	2.10
Scott	3.30	3.30	3.30	4.00	4.00	4.00	4.00	4.00	4.00	4.00
Sterling	5.50	5.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
Union	1.40	1.40	1.40	1.40	1.40	1.40	1.40	2.10	2.10	2.10
Washington	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70	3.70
Brushcreek	5.20	5.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20	6.20
Concord	3.10	3.10	3.10	2.70	3.10	2.60	3.10	3.10	3.10	3.10
Hamer	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80	3.80
Jackson	3.60	3.60	3.60	3.60	3.60	3.60	2.20	3.60	3.60	3.60
Marshall	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65	4.65
New Market	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40	4.40
Paint	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40	3.40
Salem	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Washington	3.10	3.10	3.10	3.10	3.10	2.60	3.10	3.10	2.60	3.70
Whiteoak	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80	1.80
Other Units										
Library	1.00	1.00	1.00	0.75	0.75	0.75	0.75	0.50	0.50	0.35
Mental Health (Highland County)	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

Source: Brown County Auditor and Ohio Department of Taxation

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Principal Real and Personal Property Tax Payers

2009 and 2004 (Calendar Years) (1)

Name of Taxpayer	2009	
	Assessed Value	Percent of Real and Personal Property Assessed Value
Kroger Limited Partnership	\$5,769,657	0.76%
Mac Tool, Inc.	5,158,914	0.68%
Ohio Valley Manor	5,132,371	0.68%
Cincinnati Milacron	4,805,114	0.63%
Sterling Group	4,000,000	0.53%
Reyton Georgetown	3,265,942	0.43%
Ripley Federal Savings	2,590,914	0.34%
Ripley Foundation	2,564,542	0.34%
Crout Properties	2,229,571	0.29%
Barry Burkenmeier	1,990,400	0.26%
Totals	<u>\$37,507,425</u>	<u>4.94%</u>
Total Assessed Valuation	<u>\$752,339,220</u>	<u>100.00%</u>
Name of Taxpayer	2004	
	Assessed Value	Percent of Real and Personal Property Assessed Value
Kroger Limited Partnership	\$5,137,000	0.91%
Ohio Valley Manor	5,037,885	0.89%
Mac Tool, Inc.	4,948,400	0.88%
Cincinnati Milacron	4,495,457	0.80%
Crout Properties	2,030,028	0.36%
Georgetown Land Company	2,875,114	0.51%
AHE of Ohio, Inc.	1,770,771	0.31%
HPWFP Limited Partnership	1,581,971	0.28%
Timothy R. Hale	1,572,457	0.28%
Davon, Inc.	1,541,485	0.27%
Totals	<u>\$30,990,568</u>	<u>5.49%</u>
Total Assessed Valuation	<u>\$564,349,831</u>	<u>100.00%</u>

Source: Brown County Auditor.

(1) Information prior to 2004 was not available.

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

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

<u>Fiscal Year</u>	<u>Population (1)</u>	<u>Personal Income (2)</u>	<u>Facility Improvement and Equipment Replacement Loan</u>	<u>Capital Leases</u>
2000	42,104	\$735,009,528	\$0	\$0
2001	42,104	735,009,528	0	0
2002	42,104	735,009,528	0	0
2003	42,104	735,009,528	0	0
2004	42,104	735,009,528	0	0
2005	42,104	735,009,528	500,000	0
2006	42,104	735,009,528	466,667	2,569,000
2007	42,104	735,009,528	433,334	2,104,790
2008	42,104	735,009,528	400,001	3,465,997
2009	42,104	735,009,528	366,668	3,301,583

Sources: (1) National Center for Education Statistics
2000-2009 from 2000 U.S. Census Data

(2) National Center for Education Statistics
2000-2009 from 2000 U.S. Census Data
(Per Capita Personal Income multiplied by population)

The School District has no bonded debt.

General Debt

Total Debt	Ratio of General Debt to Estimated Actual Value	General Debt Per Capita	Percentage of Personal Income
\$0	0.00%	\$0.00	0.00%
0	0.00%	0.00	0.00
0	0.00%	0.00	0.00
0	0.00%	0.00	0.00
0	0.00%	0.00	0.00
500,000	0.03%	11.88	0.07
3,035,667	0.18%	72.10	0.41
2,538,124	0.12%	60.28	0.35
3,865,998	0.18%	91.82	0.53
3,668,251	0.17%	87.12	0.50

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Legal Debt Margin
Last Ten Fiscal Years

	2000	2001	2002	2003
Assessed Valuation (2)	\$427,016,239	\$501,942,333	\$490,504,460	\$503,183,702
Less:				
General Business Personal Property	0	0	0	0
Railroad and Telephone Tangible Property	0	0	0	0
Total Assessed Valuation used to calculate Legal Debt Margin	<u>\$427,016,239</u>	<u>\$501,942,333</u>	<u>\$490,504,460</u>	<u>\$503,183,702</u>
Debt Limit - 9% of Assessed Value (1)	<u>\$38,431,462</u>	<u>\$45,174,810</u>	<u>\$44,145,401</u>	<u>\$45,286,533</u>
Amount of Debt Subject to Debt Limit				
Gross Indebtedness	0	0	0	0
Less Exempt Debt	0	0	0	0
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Legal Debt Margin	<u><u>\$38,431,462</u></u>	<u><u>\$45,174,810</u></u>	<u><u>\$44,145,401</u></u>	<u><u>\$45,286,533</u></u>
Legal Debt Margin as a Percentage of the Debt Limit	100.00%	100.00%	100.00%	100.00%
Unvoted Debt Limit - .10% of Assessed Value (1)	\$427,016	\$501,942	\$490,504	\$503,184
Amount of Debt Subject to Limit	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Unvoted Legal Debt Margin	<u><u>\$427,016</u></u>	<u><u>\$501,942</u></u>	<u><u>\$490,504</u></u>	<u><u>\$503,184</u></u>
Unvoted Legal Debt Margin as a Percentage of the Unvoted Debt Limit	100.00%	100.00%	100.00%	100.00%

Source: Ohio Department of Taxation and School District Financial Records

- (1) Ohio Bond Law sets a limit of 9 percent for overall debt and 1/10 of 1 percent for unvoted debt.
- (2) The definition of tax valuation for the purpose of calculating the legal debt margin was modified by H.B. 360, effective March 30, 2006, to exclude tangible personal property used in business, telephone and telegraph property, interexchange telecommunications company property, and personal property owned or leased by a railroad company and used in railroad operations.

2004	2005	2006	2007	2008	2009
\$564,349,831	\$579,903,270	\$598,316,878	\$745,960,990	\$745,941,546	\$752,339,220
0	0	0	(17,096,520)	(8,293,196)	(1,540,410)
0	0	(5,854,500)	(4,963,690)	(3,409,670)	(1,275,440)
<u>\$564,349,831</u>	<u>\$579,903,270</u>	<u>\$592,462,378</u>	<u>\$723,900,780</u>	<u>\$734,238,680</u>	<u>\$749,523,370</u>
<u>\$50,791,485</u>	<u>\$52,191,294</u>	<u>\$53,321,614</u>	<u>\$65,151,070</u>	<u>\$66,081,481</u>	<u>\$67,457,103</u>
0	0	0	0	0	0
0	0	0	0	0	0
0	0	0	0	0	0
<u>\$50,791,485</u>	<u>\$52,191,294</u>	<u>\$53,321,614</u>	<u>\$65,151,070</u>	<u>\$66,081,481</u>	<u>\$67,457,103</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
\$564,350	\$579,903	\$592,462	\$723,901	\$734,239	\$749,523
0	0	0	0	0	0
<u>\$564,350</u>	<u>\$579,903</u>	<u>\$592,462</u>	<u>\$723,901</u>	<u>\$734,239</u>	<u>\$749,523</u>
100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Computation of Direct and Overlapping Debt

Governmental Activities

June 30, 2009

	Debt Attributable to Governmental Activities	Percentage Applicable to School District (1)	Amount of Direct and Overlapping Debt
Direct:			
Southern Hills Joint Vocational School District			
Facility Improvement and Equipment Replacement Loan	\$366,668	100.00%	\$366,668
Capital Lease Obligation	3,301,583	100.00	3,301,583
Total Direct	3,668,251	100.00	3,668,251
Overlapping:			
Eastern Local School District			
General Obligation Bonds	8,990,000	100.00	8,990,000
Bright Local School District			
General Obligation Bonds	565,000	100.00	565,000
Fayetteville Perry Local School District			
General Obligation Bonds	8,417,687	100.00	8,417,687
Ripley Union Lewis Huntington Local School District			
General Obligation Bonds	2,439,092	100.00	2,439,092
Capital Lease Obligation	502,000	100.00	502,000
Western Brown Local School District			
General Obligation Bonds	5,065,000	100.00	5,065,000
Capital Lease Obligation	415,000	100.00	415,000
Georgetown Exempted Village School District			
General Obligation Bonds	4,262,998	100.00	4,262,998
Capital Lease Obligation	519,000	100.00	519,000
Total Overlapping	31,175,777		31,175,777
Total	\$34,844,028		\$34,844,028

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

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

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Demographic and Economic Statistics

Last Ten Years

<u>Year</u>	<u>Population (1)</u>	<u>Personal Income (2) (in thousands)</u>	<u>Per Capita Personal Income (3)</u>	<u>Median Household Income (4)</u>	<u>Brown County Unemployment Rate (5)</u>
2000	42,104	\$735,009,528	\$17,457	\$38,189	5.90%
2001	42,104	735,009,528	17,457	38,189	5.50
2002	42,104	735,009,528	17,457	38,189	7.20
2003	42,104	735,009,528	17,457	38,189	6.20
2004	42,104	735,009,528	17,457	38,189	6.20
2005	42,104	735,009,528	17,457	38,189	6.50
2006	42,104	735,009,528	17,457	38,189	6.20
2007	42,104	735,009,528	17,457	38,189	6.60
2008	42,104	735,009,528	17,457	38,189	7.30
2009	42,104	735,009,528	17,457	38,189	13.70

- Sources:
- (1) National Center for Education Statistics
2000-2009 from 2000 U.S. Census Data
Sum of Populations for all school districts within Southern Hills Joint Vocational School District
 - (2) Computation of Per Capita Personal Income
multiplied by population
 - (3) National Center for Education Statistics
2000-2009 from 2000 U.S. Census Data
Average Per Capita Personal Income for all school districts within Southern Hills Joint Vocational School District
 - (4) National Center for Education Statistics
2000-2009 from 2000 U.S. Census Data
Average Median Household Income for all school districts within Southern Hills Joint Vocational School District
 - (5) Ohio Department of Job and Family Services

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Principal Employers
2009 and 2006 (1)

2009

Employer	Nature of Business	Number of Employees	Rank
Western Brown Local School District	School	517	1
Brown County General Hospital	Health Care	300	2
Brown County Government	Government	290	3
Kroger	Retail Grocer	287	4
Ohio Valley Manor	Health Care	240	5
Southern Ohio Veterans' Home	Health Care	205	6
Cincinnati Milacron	Plastic Injection	175	7
McDonalds	Fast Food	127	8
PCP Champion	Surgical Appliance	120	9
Rumpke	Waste Removal	107	10
Total		<u>2,368</u>	

2006

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

Source: Brown County Department of Economic Development

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

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Teacher to Student Ratio
Last Ten Fiscal Years

<u>Year</u>	<u>Average Number of Students per Teacher</u>
2000	10.1
2001	8.7
2002	11.5
2003	10.9
2004	10.5
2005	10.7
2006	10.3
2007	10.7
2008	9.9
2009	10.4

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

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

Southern Hills Joint Vocational School District

Employees by Function

Last Ten Fiscal Years

	2000	2001	2002	2003	2004
<i>Governmental Activities</i>					
Instruction (1):					
Regular	2	2	2	2	2
Vocational	37	39	36	37	37
Adult/Continuing	2	3	3	3	3
Support Services:					
Pupils	5	5	4	4	4
Instructional Staff	1	1	1	1	1
Administration	4	4	4	5	5
Fiscal	3	3	3	3	3
Operation and Maintenance of Plant	5	5	5	5	5
Operation of Non-Instructional Services:					
Food Service Operations	4	4	4	4	4
<i>Total Number of Employees</i>	63	66	62	64	64

Source: Southern Hills Joint Vocational School District records

(1) Includes instructional aides

<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
2	2	2	2	2
37	36	33	33	34
3	3	3	3	3
4	4	4	4	4
1	1	1	1	1
5	5	5	5	5
3	3	3	3	3
5	5	5	5	5
4	4	4	4	4
<u>64</u>	<u>63</u>	<u>60</u>	<u>60</u>	<u>61</u>

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT
 Staff Education, Experience and Teacher Salary Data
 June 30, 2009

Degree	Number of Staff	Percent of Total	Number of Teachers	Average Teacher's Salary	Salary Range
Non-Degree	27	44.26%	9	\$55,774	\$44,382-\$61,775
Bachelor's Degree	8	13.11%	4	42,998	36,595-50,327
Bachelor with 150 Hours	2	3.28%	2	50,352	42,144-58,560
Master's Degree	12	19.67%	12	52,159	38,491-66,094
Master's Degree + 18 Hours	12	19.67%	8	65,325	58,399-75,253
Total	<u>61</u>	<u>100.00%</u>	<u>35</u>		

Years of Experience	Number of Staff	Percent of Total
0-5	12	19.67%
6-10	15	24.59%
11 and over	<u>34</u>	<u>55.74%</u>
Total	<u>61</u>	<u>100.00%</u>

Source: Southern Hills Joint Vocational School District records

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Per Pupil Cost
Last Ten Fiscal Years

Fiscal Year	Average Daily Membership (1)	General Government		Governmental Activities	
		Total Expenditures (2)	Per Pupil Cost	Total Expenses (3)	Per Pupil Cost
2000	384	\$4,456,484	\$11,605	N/A	N/A
2001	357	4,737,389	13,270	N/A	N/A
2002	436	4,729,258	10,847	\$4,711,098	\$10,805
2003	427	4,949,615	11,592	5,033,201	11,787
2004	411	5,517,516	13,425	5,635,409	13,711
2005	416	5,723,580	13,759	5,665,393	13,619
2006	392	8,726,542	22,262	5,849,582	14,922
2007	376	13,982,361	37,187	6,488,376	17,256
2008	346	6,460,011	18,671	6,299,448	18,206
2009	365	7,074,198	19,381	6,830,694	18,714

Source: Southern Hills Joint Vocational School District Records

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

(2) Excludes debt service expenditures

(3) Excludes interest and fiscal charges

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

	2000	2001	2002	2003	2004
Southern Hills Joint Vocational School					
Constructed Completed in 1975					
Total Building Square Footage	103,000	103,000	103,000	103,000	103,000
Total Enrollment (1)	252	255	333	292	295
Student Capacity	400	400	400	400	400
Power Equipment Mechanics/Agricultural Industrial					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	22	22	23	21	20
Students Who Graduated from Program	10	7	9	11	6
Cost of Program	\$154,120	\$105,592	\$65,901	\$97,270	\$65,065
Percentage of Students to Maximum Capacity of Program	44%	44%	46%	42%	40%
Cost of Program Per Student	7,005	4,800	2,865	4,632	3,253
Square ft. of Program Space	5,953	5,953	5,953	5,953	5,953
Diversified Health Occupations					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	22	19	25	32	26
Students Who Graduated from Program	12	8	3	10	9
Cost of Program	\$120,591	\$121,639	\$96,315	\$98,484	\$86,036
Percentage of Students to Maximum Capacity of Program	44%	38%	50%	64%	52%
Cost of Program Per Student	5,481	6,402	3,853	3,078	3,309
Square ft. of Program Space	2,141	2,141	2,141	2,141	2,141
Information Technology/Computer Systems					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	11	17	24	19	18
Students Who Graduated from Program	4	5	9	11	6
Cost of Program	\$81,758	\$119,793	\$117,850	\$94,478	\$88,388
Percentage of Students to Maximum Capacity of Program	22%	34%	48%	38%	36%
Cost of Program Per Student	7,433	7,047	4,910	4,973	4,910
Square ft. of Program Space	2,254	2,254	2,254	2,254	2,254
Early Childhood Education					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	14	17	26	20	34
Students Who Graduated from Program	9	4	14	5	10
Cost of Program	\$50,944	\$66,997	\$70,143	\$76,440	\$89,757
Percentage of Students to Maximum Capacity of Program	28%	34%	52%	40%	68%
Cost of Program Per Student	3,639	3,941	2,698	3,822	2,640
Square ft. of Program Space	2,853	2,853	2,853	2,853	2,853
Automobile Technology					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	27	21	31	39	35
Students Who Graduated from Program	13	9	8	11	15
Cost of Program	\$141,071	\$154,245	\$170,148	\$192,696	\$184,921
Percentage of Students to Maximum Capacity of Program	54%	42%	62%	78%	70%
Cost of Program Per Student	5,225	7,345	5,489	4,941	5,283
Square ft. of Program Space	6,677	6,677	6,677	6,677	6,677
Carpentry					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	18	23	23	27	29
Students Who Graduated from Program	10	6	7	6	14
Cost of Program	\$129,671	\$88,327	\$126,737	\$99,873	\$158,772
Percentage of Students to Maximum Capacity of Program	36%	46%	46%	54%	58%
Cost of Program Per Student	7,204	3,840	5,510	3,699	5,475
Square ft. of Program Space	5,569	5,569	5,569	5,569	5,569
Machining Technology					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	18	19	31	26	17
Students Who Graduated from Program	11	8	11	12	8
Cost of Program	\$143,512	\$133,400	\$170,000	\$154,720	\$193,483
Percentage of Students to Maximum Capacity of Program	36%	38%	62%	52%	34%
Cost of Program Per Student	7,973	7,021	5,484	5,951	11,381
Square ft. of Program Space	4,086	4,086	4,086	4,086	4,086

Source: Southern Hills Joint Vocational School District records

Cost of Program based on cash expenditures

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

2005	2006	2007	2008	2009
103,000	103,000	113,500	113,500	113,500
308	300	286	286	312
400	400	400	400	400
50	50	50	50	50
33	29	22	31	30
13	15	9	11	12
\$105,987	\$85,329	\$91,449	\$91,235	\$139,974
66%	58%	44%	62%	60%
3,212	2,942	4,157	2,943	4,666
5,953	5,953	5,953	5,953	5,953
50	50	50	50	50
23	19	33	38	34
12	5	9	17	17
\$86,917	\$94,448	\$90,476	\$96,341	\$99,375
46%	38%	66%	76%	68%
3,779	4,971	2,742	2,535	2,923
2,141	2,141	2,141	2,141	2,141
50	50	50	50	50
20	22	33	22	15
8	8	11	14	7
\$94,355	\$58,093	\$95,728	\$79,691	\$116,531
40%	44%	66%	44%	30%
4,718	2,641	2,901	3,622	7,769
2,254	2,254	2,254	2,254	2,254
50	50	50	50	50
27	23	23	25	26
15	11	8	11	14
\$107,343	\$99,195	\$106,964	\$102,759	\$137,554
54%	46%	46%	50%	52%
3,976	4,313	4,651	4,110	5,291
2,853	2,853	2,853	2,853	2,853
50	50	50	50	50
42	42	36	40	33
18	23	17	15	14
\$267,631	\$174,855	\$141,590	\$198,485	\$228,617
84%	84%	72%	80%	66%
6,372	4,163	3,933	4,962	6,928
6,677	6,677	6,677	6,677	6,677
50	50	50	50	50
27	17	16	18	22
13	5	7	8	4
\$141,109	\$108,423	\$118,770	\$112,423	\$109,086
54%	34%	32%	36%	44%
5,226	6,378	7,423	6,246	4,958
5,569	5,569	5,569	5,569	5,569
50	25	n/a	n/a	n/a
15	6	n/a	n/a	n/a
6	5	n/a	n/a	n/a
\$161,981	\$23,487	n/a	n/a	n/a
30%	24%	n/a	n/a	n/a
10,799	3,915	n/a	n/a	n/a
4,086	4,086	n/a	n/a	n/a

(continued)

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Operating Statistics and Classroom Space by Program

Last Ten Fiscal Years
(cash basis of accounting)

(continued)

	2000	2001	2002	2003	2004
Welding					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	18	18	19	16	23
Students Who Graduated from Program	10	7	4	6	7
Cost of Program	\$69,917	\$99,491	\$76,625	\$92,660	\$95,599
Percentage of Students to Maximum Capacity of Program	36%	36%	38%	32%	46%
Cost of Program Per Student	3,884	5,527	4,033	5,791	4,156
Square ft. of Program Space	4,273	4,273	4,273	4,273	4,273
Cosmotology					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	20	29	36	34	25
Students Who Graduated from Program	9	5	16	14	12
Cost of Program	\$137,045	\$132,530	\$145,856	\$142,905	\$161,869
Percentage of Students to Maximum Capacity of Program	40%	58%	72%	68%	50%
Cost of Program Per Student	6,852	4,570	4,052	4,203	6,475
Square ft. of Program Space	2,746	2,746	2,746	2,746	2,746
Criminal Justice					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	20	15	23	14	16
Students Who Graduated from Program	11	5	9	5	7
Cost of Program	\$62,470	\$83,716	\$83,594	\$113,401	\$111,098
Percentage of Students to Maximum Capacity of Program	40%	30%	46%	28%	32%
Cost of Program Per Student	3,123	5,581	3,635	8,100	6,944
Square ft. of Program Space	2,776	2,776	2,776	2,776	2,776
Graphics					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	20	16	23	16	19
Students Who Graduated from Program	9	8	3	9	4
Cost of Program	\$67,903	\$82,147	\$94,997	\$123,427	\$133,703
Percentage of Students to Maximum Capacity of Program	40%	32%	46%	32%	38%
Cost of Program Per Student	3,395	5,134	4,130	7,714	7,037
Square ft. of Program Space	2,389	2,389	2,389	2,389	2,389
Administration/Office Technology					
Maximum Capacity of Program	50	50	50	50	50
Number of Students at End of Year (1)	31	22	37	28	33
Students Who Graduated from Program	15	10	10	18	24
Cost of Program	\$98,629	\$109,593	\$128,939	\$143,848	\$75,341
Percentage of Students to Maximum Capacity of Program	62%	44%	74%	56%	66%
Cost of Program Per Student	3,182	4,982	3,485	5,137	2,283
Square ft. of Program Space	2,508	2,508	2,508	2,508	2,508
Marketing Education					
Maximum Capacity of Program	25	25	25	n/o	n/o
Number of Students at End of Year (1)	11	10	12	n/o	n/o
Students Who Graduated from Program	11	10	11	n/o	n/o
Cost of Program	\$47,655	\$50,118	\$63,447	n/o	n/o
Percentage of Students to Maximum Capacity of Program	44%	40%	48%	n/o	n/o
Cost of Program Per Student	4,332	5,012	5,287	n/o	n/o
Square ft. of Program Space	1,754	1,754	1,754	n/o	n/o
Occupational Work Experience					
Maximum Capacity of Program	n/o	25	n/o	n/o	n/o
Number of Students at End of Year (1)	n/o	7	n/o	n/o	n/o
Students Who Graduated from Program	n/o	7	n/o	n/o	n/o
Cost of Program	n/o	\$63,192	n/o	n/o	n/o
Percentage of Students to Maximum Capacity of Program	n/o	28%	n/o	n/o	n/o
Cost of Program Per Student	n/o	9,027	n/o	n/o	n/o
Square ft. of Program Space	n/o	558	n/o	n/o	n/o
Sports Medicine					
Maximum Capacity of Program	n/o	n/o	n/o	n/o	n/o
Number of Students at End of Year (1)	n/o	n/o	n/o	n/o	n/o
Students Who Graduated from Program	n/o	n/o	n/o	n/o	n/o
Cost of Program	n/o	n/o	n/o	n/o	n/o
Percentage of Students to Maximum Capacity of Program	n/o	n/o	n/o	n/o	n/o
Cost of Program Per Student	n/o	n/o	n/o	n/o	n/o

Source: Southern Hills Joint Vocational School District records

Cost of Program based on cash expenditures

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

n/o - Program not offered.

2005	2006	2007	2008	2009
50	50	50	50	50
23	23	22	19	35
12	7	13	8	12
\$110,028	\$111,158	\$122,163	\$122,679	\$274,715
46%	46%	44%	38%	70%
4,784	4,833	5,553	6,457	7,849
4,273	4,273	9,273	9,273	9,273
50	50	50	50	50
24	30	26	24	32
11	10	16	10	11
\$141,191	\$142,822	\$155,139	\$155,752	\$172,459
48%	60%	52%	48%	64%
5,883	4,761	5,967	6,490	5,389
2,746	2,746	2,746	2,746	2,746
50	50	50	50	50
21	17	13	21	21
6	6	4	9	9
\$101,139	\$100,073	\$74,743	\$56,522	\$71,519
42%	34%	26%	42%	42%
4,816	5,887	5,749	2,692	3,406
2,776	2,776	2,776	2,776	2,776
50	50	50	50	50
34	47	42	31	29
11	21	18	17	16
\$141,459	\$167,829	\$113,744	\$93,236	\$88,661
68%	94%	84%	62%	58%
4,161	3,571	2,708	3,008	3,057
2,389	2,389	2,389	2,389	2,389
50	50	50	50	50
19	25	20	17	20
6	11	11	15	10
\$74,883	\$98,636	\$75,787	\$83,136	\$85,440
38%	50%	40%	34%	40%
3,941	3,945	3,789	4,890	4,272
2,508	2,508	2,508	2,508	2,508
n/o	n/o	n/a	n/a	n/a
n/o	n/o	n/a	n/a	n/a
n/o	n/o	n/a	n/a	n/a
n/o	n/o	n/a	n/a	n/a
n/o	n/o	n/a	n/a	n/a
n/o	n/o	n/a	n/a	n/a
n/o	n/o	n/a	n/a	n/a
25	n/o	n/a	n/a	n/a
14	n/o	n/a	n/a	n/a
14	n/o	n/a	n/a	n/a
\$69,697	n/o	n/a	n/a	n/a
56%	n/o	n/a	n/a	n/a
4,978	n/o	n/a	n/a	n/a
558	n/o	n/a	n/a	n/a
n/o	n/o	n/o	n/o	50
n/o	n/o	n/o	n/o	15
n/o	n/o	n/o	n/o	4
n/o	n/o	n/o	n/o	\$85,440
n/o	n/o	n/o	n/o	30%
n/o	n/o	n/o	n/o	5,696

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

Percentage of Students who Receive Free and Reduced Lunches
Last Eight Fiscal Years (1)

<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
25.15%	19.66%	24.09%	27.69%	32.54%	34.92%	38.85%	44.44%

Source: Ohio Department of Education

(1) Information prior to 2002 was not available.



Mary Taylor, CPA
Auditor of State

SOUTHERN HILLS JOINT VOCATIONAL SCHOOL DISTRICT

BROWN 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
JANUARY 28, 2010**