



**AMITY SCHOOL DISTRICT NO. 4J**

**AMITY, OREGON**

**JUNE 30, 2014**

**AUDIT REPORT**

**STEVE TUCHSCHERER**  
Certified Public Accountant  
A Professional Corporation

# **AMITY SCHOOL DISTRICT NO. 4J**

807 Trade Street  
Amity, Oregon 97101-0138  
(503) 835-2171

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## **DISTRICT OFFICIALS**

RAY BOTTENBERG. . . . . Board Chair  
9605 Yocum Road, Sheridan, OR 97378

PAUL DAUENHAUER.. . . . Vice Chair  
12800 SE Fairview Rd., Dayton, OR 97114

MATT FOERTSCH. . . . . Board Member  
20465 Poco Lane, Amity, OR 97101

BARBARA ROWE . . . . . Board Member  
PO Box 590, Amity, OR 97101

RYAN JONES . . . . . Board Member  
22320 SE Boulder Crest Lane, Amity, OR 97101

## **ADMINISTRATION**

JEFF CLARK. . . . . Superintendent  
807 Trade Street, Amity, OR 97101

ANN ADAMS. . . . . Deputy Clerk  
807 Trade Street, Amity, OR 97101

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## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Directors  
Amity School District No. 4J  
807 Trade Street  
Amity, Oregon 97101

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Amity School District No. 4J as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

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

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting standards generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

My responsibility is to express opinions on these financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### **Opinions**

In my 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 Amity School District No. 4J as of June 30, 2014, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

### **Other Matters**

#### *Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 2 through 8 and 32 through 35 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the

management's discussion and analysis in accordance with the auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

*Other Information*

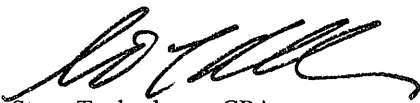
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Amity School District No. 4J's basic financial statements. The combining and individual non-major fund financial statements and additional supporting schedules listed in the table of contents as Other Supplementary Information are presented for purposes of additional analysis and are not a required part of the basic financial statements of the Amity School District No. 4J. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain other procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the financial statements taken as a whole.

Other schedules listed in the table of contents as Additional Supporting Schedules have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, I do not express an opinion or provide any assurance on them.

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

In accordance with *Government Auditing Standards*, I have also issued our report dated October 23, 2014, on our consideration of the Amity School District No. 4J's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Amity School District No. 4J's internal control over financial reporting and compliance.



Steve Tuchscherer, CPA  
October 23, 2014

**MANAGEMENT'S DISCUSSION**  
**AND ANALYSIS**



**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2014**  
**Unaudited**

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The discussion and analysis of Amity School District's financial performance provides an overview of the District's financial activities for the fiscal year that ended June 30, 2014. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

**FINANCIAL HIGHLIGHTS**

Key financial highlights for the fiscal year ended June 30, 2014 are as follows:

- The District's net position increased by \$92,050 which represents a 10.4 percent increase from the previous year.
- General revenues accounted for \$8,085,194 in revenue, or 89 percent of all revenues. Program specific revenues in the form of charges for services, and grants and donations accounted for \$1,001,018 or 11 percent of total revenues of \$9,086,212.
- The District had \$8,994,162 in expenses related to governmental activities; which was less than total revenues, resulting in an increase in net position of \$92,050. Total expenses increased \$669,830 over the previous year.
- Total assets of governmental activities decreased by \$284,352. The decrease resulted primarily from a decrease of \$148,513 in current assets and a \$255,331 decrease in prepaid expense – pension obligation, net of accumulated amortization.
- Total liabilities decreased by \$989,502, largely due to a decrease in general obligation and PERS bonds of more than \$599,000, and a decrease in QZAB note payables of \$69,261.
- Among the governmental funds, the general fund had \$7,506,326 in receipts, which primarily consisted of state school support funds and property taxes. General Fund expenditures totaled \$7,802,652 including \$230,000 in budgeted interfund transfers out and \$69,261 in budgeted debt service payments. The General Fund's fund balance decreased \$296,326 to \$965,125.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes additional supplementary information to supplement the basic financial statements.

*Government-wide Financial Statements*

The first of the government-wide statements is the *Statement of Net Position*. This is the District-wide statement of financial position presenting information that includes all of the District's assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall economic health of the District would extend to other non-financial factors such as the condition of school buildings and other facilities and changes in the district's enrollment, which dictates the majority of revenue to be collected through the State Funding Formula.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2014**  
**Unaudited**

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The second government-wide statement is the *Statement of Activities* which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the *Statement of Activities* is to show the financial reliance of the distinct activities or functions of the District that are primarily supported by intergovernmental revenues--principally state basic school support and property tax revenues. The governmental activities of the District include instruction, instructional support services, operation and maintenance of plant, student transportation, and non-instructional support services.

*Fund Financial Statements*

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, Fund Financial Statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of individual budget versus actual statements and combining statements in a later section of this report.

At this time the District has two kinds of funds:

*Governmental funds* focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Unlike the government-wide financial statements, the fund financial statements report short-term fiscal accountability focusing on use of spendable resources during the year, and balances of spendable resources available at the end of the fiscal year. They are useful in evaluating whether the annual financing requirements of governmental programs such as regular and special education were financed in the short term and the commitment of spendable resources for the near-term.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental statement of assets, liabilities, and fund equities and the governmental fund statement of receipts, expenditures, and changes in fund balances provide a reconciliation to government-wide statements to assist in understanding the differences between these two perspectives.

*Fiduciary funds* such as private-purpose trust funds for scholarships are reported in the fiduciary fund financial statements, but are excluded from government-wide reporting. Fiduciary fund financial statements report net position and changes in net position on a cash basis.

*Notes to the Financial Statements*

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2014**  
**Unaudited**

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*Other Information*

In addition to the basic financial statements and accompanying notes, this report also presents, as required supplementary information schedules of revenues, expenditures, and changes in fund balance—budget and actual for the General Fund, the IDEA Grant Fund, the Title 1 Fund. The required supplementary information immediately follows the notes to the financial statements. Other supplementary information includes individual fund schedules of revenues, expenditures, and changes in fund balance—budget and actual for the Debt Service Funds and all non-major funds. Also presented as other supplementary information are various other schedules. These schedules immediately follow the required supplementary information in this report.

**Financial Analysis of the School District as a Whole**

Recall that the Statement of Net Position provides the perspective of the District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The District's net position at fiscal year-end is \$977,312. This is a \$92,050 increase from last year's net position and represents a 10.4 percent increase from the previous year.

The following table provides a summary of the District's net position. Prior year information is provided for comparative purposes.

**Summary of Net Position**

	Governmental Activities		
	June 30, 2014	June 30, 2013	Percentage Change
<b>Assets</b>			
Current and Other Assets	\$ 5,961,376	\$ 6,365,220	-6.34%
Capital Assets	5,490,683	5,371,191	2.22%
Total Assets	11,452,059	11,736,411	-2.42%
<b>Liabilities</b>			
Long-Term Liabilities	9,670,012	10,160,060	-4.82%
Other Liabilities	804,735	691,088	16.44%
Total Liabilities	10,474,747	10,851,148	-3.47%
<b>Net Position</b>			
Invested in Capital Assets			
Net of Debt	569,239	(45,457)	-1352.26%
Restricted	31,952	59,331	-46.15%
Unrestricted	376,121	871,388	-56.84%
Total Net Position	\$ 977,312	\$ 885,262	10.40%

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2014**  
**Unaudited**

The following table shows the changes in net position. Prior year information is provided for comparison of government-wide revenue and expense information.

**Changes in Net Position**

	<u>Governmental Activities</u>		
	<u>2013-14</u>	<u>2012-13</u>	<u>Percentage Change</u>
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 374,503	\$ 361,840	3.5%
Operating Grants and Contributions	626,515	706,692	-11.3%
General Revenues			
Property Taxes	2,032,278	1,940,193	4.7%
State Basic School Support	5,668,380	5,190,182	9.2%
Other	384,536	334,293	15.0%
Total Revenues	<u>9,086,212</u>	<u>8,533,200</u>	6.5%
<b>Program Expenses</b>			
Instruction	5,184,127	4,774,502	8.6%
Support Services	2,952,287	2,707,734	9.0%
Community Services	321,884	322,226	-0.1%
Interest on Long-Term Debt	535,864	519,870	3.1%
Total Program Expenses	<u>8,994,162</u>	<u>8,324,332</u>	8.0%
<b>Change in Net Position</b>	<u>\$ 92,050</u>	<u>\$ 208,868</u>	-55.9%

The largest governmental activities program is instruction, which comprises 57.6 percent of expenses. Interest expense was 6 percent of total expenses.

The Statement of Activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table shows, for governmental activity, the total cost of the four major functional activities of the District. The table also shows each function's net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District's taxpayers by each of these functions.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2014**  
**Unaudited**

**Governmental Activities**

	<u>2013-14</u>		<u>2012-13</u>	
	<u>Total Cost of Services</u>	<u>Net Cost (Profit) of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost (Profit) of Services</u>
Instruction	\$ 5,184,127	\$4,558,002	\$4,774,502	\$ 4,039,631
Support Services				
Students	382,215	381,164	392,994	389,461
Instructional Staff	208,470	125,211	190,892	134,112
General Administration	197,440	197,440	184,301	184,301
School Administration	560,898	559,138	488,324	487,364
Business Services	206,479	206,479	229,648	229,648
Operation & Maintenance of Plant Services	722,506	722,506	637,919	637,919
Student Transportation Services	397,089	397,089	357,611	356,433
Staff Services	28,533	28,533	109,981	109,981
Technology Services	248,657	248,657	116,064	116,064
Community Services	321,884	33,061	322,226	51,016
Interest on Long-Term Debt	535,864	535,864	519,870	519,870
Total Program Expenses	<u>\$ 8,994,162</u>	<u>\$7,993,144</u>	<u>\$8,324,332</u>	<u>\$ 7,255,800</u>

The dependence on property tax and state basic support revenues is apparent. Over 87.9 percent of instruction activities are supported through property tax and state basic support. For all governmental activities general revenue support was 88.9 percent. Unrestricted state basic school support payments are by far the primary support of Amity School District No. 4J students.

**Financial Analysis of the District's Funds**

*Governmental Funds*

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$1,992,513, a decrease of \$130,778. The fund balance consists of non-spendable, restricted amounts, committed amounts, assigned amounts, and unassigned amounts.

The General Fund is the principal operating fund of the District. The decrease in fund balance in the General Fund for the fiscal year was \$296,326.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2014**  
**Unaudited**

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**Budgetary Highlights**

Over the course of the year, the District made only minor changes to its various funds' budgets.

General Fund revenues were budgeted and anticipated to be collected in the amount of \$7,368,445 during the fiscal year. Actual General Fund receipts of \$7,506,326 exceeded budgeted revenues by \$137,881, or 1.9 percent. In the General Fund, District spending was less than budgeted amounts in most function areas. Total appropriations budgeted in the General Fund were \$8,568,445 while actual General Fund expenditures of \$7,802,652 resulted in a difference of \$765,793 or 8.9 percent of the budgeted total.

The IDEA Grant Fund actual revenues of \$114,861 were \$125,139 less than budgeted while expenditures of \$114,861 were \$125,139 less than the budgeted amount. The fund began the year with a \$0 balance and ended the year with a \$0 balance.

The Title 1 Grant Fund actual revenues of \$124,484 were \$50,538 less than budgeted while expenditures of \$124,484 were \$50,538 less than the budgeted amount. The fund began the year with a \$0 balance and ended the year with a \$0 balance.

The Debt Service Fund actual revenues received were \$17,783 more than budgeted while expenditures equaled the budgeted amount of \$580,850. The fund began the year with a \$44,652 balance and ended the year with a \$31,952 balance.

The PERS Bond Service Fund actual revenues received were \$5,760 more than budgeted while expenditures equaled the budgeted amount. The fund began the year with a \$332,530 balance and ended the year with a \$373,274 balance.

**Capital Assets and Debt Administration**

**Capital Assets**

As of June 30, 2014, the District had invested \$10,251,165 in capital assets, including school buildings, athletic facilities, land, vehicles, computers and other equipment and furnishings. This amount represents a 0.04 percent increase prior to depreciation.

Total depreciation expense for the year was \$317,670. Additional information on the District's capital assets can be found in Note 4 in the notes to the basic financial statements section of this report.

**Long-Term Debt**

At June 30, 2014, the District had general obligation bonds payable due of \$9,319,117. The entire balance is backed by the full faith and credit of the District. Debt payments reduced the bonds payable debt by \$567,613 during the fiscal year. Interest of \$530,453 was paid on the bonded debt. The District had Qualified Zone Academy Bonds (QZAB) payable of \$597,387. The entire balance is backed by the full faith and credit of the District. Debt payments reduced the QZAB debt by \$69,261 during the fiscal year. Annual payments are made to a trustee, which accumulates the payments until the bonds come due in 2019. Interest is earned on the account held by the trustee, and interest on the bonds is subsidized by the federal government's QZAB program. The District had capital leases for new bus purchases of \$237,820, the current payment of \$35,943 reduced the lease payable to a balance of \$201,877.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2014**  
**Unaudited**

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**Economic Factors and Next Year's Budget and Rates**

The primary factors considered in developing the budget for next year were the District's slight decrease in student population as well as a healthier state school fund resulting in a 6.6 percent increase in state school fund allocations, and continued increases in PERS costs.

Budgeted expenditures in the General Fund increased 4.5 percent to \$8,957,139 for fiscal year 2014-2015. Anticipated revenue increases in property taxes and state government funding for the majority of the increases in budgeted expenditures.

The majority of appropriation increases used to balance the 2014-2015 budget were in employee benefit costs, textbook spending, and technology funding. No new programs were added to the 2014-2015 budget.

The State's budget for the 2014-2015 biennium is expected to meet the District's 2014-2015 budgeted state basic school support revenues. However, the district continues its conservative approach to review the status of the various issues impacting its funding while scrutinizing all expenditures. The 2014-15 budget has been prepared emphasizing transparency in order to maximize efficiency.

**Contacting the District's Financial Management**

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives. If you have any questions about this report or need additional information, contact the Business Office, Amity School District No. 4J, 807 Trade St., Amity, Oregon 97101.

**BASIC FINANCIAL**  
**STATEMENTS**



**Government-wide**  
**Financial Statements**

**AMITY SCHOOL DISTRICT NO. 4J**

**STATEMENT OF NET POSITION**

**June 30, 2014**

	<b>Governmental Activities</b>
<b><u>ASSETS:</u></b>	
Current Assets:	
Cash and Investments	\$ 1,900,563
Property Taxes Receivable	201,315
Accounts Receivable	42,186
Due From Other Governments	44,373
Prepaid Loan Fees, net of accumulated amortization	192,113
Inventory-Food, Supplies & Commodities	6,197
Total Current Assets	\$ 2,386,747
Capital Assets:	
Land	296,099
Land Improvements	717,161
Buildings & Improvements	8,392,672
Vehicles	496,939
Equipment	348,294
Less: Accumulated Depreciation	(4,760,482)
Total Capital Assets, Net of Depreciation	5,490,683
Other Assets:	
Prepaid Expense - Pension Obligation	6,618,174
Less: Accumulated Amortization	\$ (3,043,545)
Total Other Assets, Net of Amortization	3,574,629
<b>Total Assets</b>	<b>\$ 11,452,059</b>
<b><u>LIABILITIES:</u></b>	
Current Liabilities:	
Accounts Payable	\$ 32,395
Accrued Vacation Benefits	22,196
Interest Payable	11,847
Note Payable - Loan for land	37,500
Current Portion of Long-Term Liabilities:	
Capital Leases Payable	31,765
QZAB Note Payable	69,261
General Obligations Bonds	420,000
Limited Tax PERS Bonds	179,771
Total Current Liabilities	\$ 804,735
Long-Term Liabilities:	
Noncurrent Portion of Long-Term Liabilities:	
Capital Leases Payable	\$ 170,112
General Obligations Bonds	3,940,000
Limited Tax PERS Bonds	4,889,856
QZAB Note Payable	528,126
Net OPEB Obligation	141,918
Total Long-Term Liabilities	9,670,012
<b>Total Liabilities</b>	<b>\$ 10,474,747</b>
<b><u>NET POSITION:</u></b>	
Invested in capital assets, net of related debt	\$ 569,239
Restricted for:	
Debt Service	31,952
Unrestricted	376,121
<b>Total Net Position</b>	<b>\$ 977,312</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**AMITY SCHOOL DISTRICT NO. 4J**

**STATEMENT OF ACTIVITIES**

**For the Fiscal Year Ended June 30, 2014**

	(Expenses)	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
<b><u>GOVERNMENTAL ACTIVITIES:</u></b>					
Instruction					
Regular Instruction	\$ 3,842,822	\$ 311,118	\$ 99,021	\$ -	\$ (3,432,683)
Special Programs	1,339,308	-	215,986	-	(1,123,322)
Summer School Programs	1,997	-	-	-	(1,997)
Total Instruction	5,184,127	311,118	315,007	-	(4,558,002)
Support Services					
Students	382,215	-	1,051	-	(381,164)
Instructional Staff	208,470	-	83,259	-	(125,211)
General Administration	197,440	-	-	-	(197,440)
School Administration	560,898	-	1,760	-	(559,138)
Business Services	206,479	-	-	-	(206,479)
Operation & Maintenance of Plant Services	722,506	-	-	-	(722,506)
Student Transportation Services	397,089	-	-	-	(397,089)
Staff Services	28,533	-	-	-	(28,533)
Technology Services	248,657	-	-	-	(248,657)
Total Support Services	2,952,287	-	86,070	-	(2,866,217)
Community Services	321,884	63,385	225,438	-	(33,061)
Interest on Long-Term Debt	535,864	-	-	-	(535,864)
<b>Total Governmental Activities</b>	<b>\$ 8,994,162</b>	<b>\$ 374,503</b>	<b>\$ 626,515</b>	<b>\$ -</b>	<b>\$ (7,993,144)</b>

**GENERAL REVENUES:**

Local Sources	
Property Taxes, levied for general purposes	1,466,857
Property Taxes, levied for debt service purposes	565,421
Interest and Investment Earnings	30,125
Miscellaneous	144,280
County School Fund	125,760
State School Support available for general purposes	5,668,380
Common School Fund	84,371
<b>Subtotal - General Revenues</b>	<b>8,085,194</b>
Change in Net Assets	92,050
Net Assets, July 1, 2013	885,262
<b>Net Position, June 30, 2014</b>	<b>\$ 977,312</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**Fund Financial Statements**  
**Governmental Funds**

**AMITY SCHOOL DISTRICT NO. 4J**

**BALANCE SHEET  
GOVERNMENTAL FUNDS**

June 30, 2014

	General Fund #100	IDEA Grant Fund #200	Title 1 Fund #201	Debt Service Fund #300	PERS Bond Debt Service Fund #302	Other Funds	Total Governmental Funds
<b>ASSETS:</b>							
Cash and Cash Equivalents	\$ 882,473	\$ -	\$ -	\$ 21,182	\$ 373,274	\$ 623,634	\$ 1,900,563
Accounts Receivable	42,186	-	-	-	-	-	42,186
Property Taxes Receivable	143,188	-	-	58,127	-	-	201,315
Due From Other Funds	44,167	-	-	-	-	-	44,167
Due from Other Governments	-	38,222	-	-	-	6,151	44,373
Inventory-Food, Supplies & Commodities	-	-	-	-	-	6,197	6,197
<b>Total Assets</b>	<b>\$ 1,112,014</b>	<b>\$ 38,222</b>	<b>\$ -</b>	<b>\$ 79,309</b>	<b>\$ 373,274</b>	<b>\$ 635,982</b>	<b>\$ 2,238,801</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</b>							
<b>LIABILITIES:</b>							
Account Payables	\$ 30,717	\$ -	\$ -	\$ -	\$ -	\$ 1,678	\$ 32,395
Due to Other Funds	-	38,222	-	-	-	5,945	44,167
<b>Total Liabilities</b>	<b>30,717</b>	<b>38,222</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,623</b>	<b>76,562</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>							
Deferred Property Tax Revenue	116,172	-	-	47,357	-	-	163,529
<b>Total Deferred Inflows of Resources</b>	<b>116,172</b>	<b>-</b>	<b>-</b>	<b>47,357</b>	<b>-</b>	<b>-</b>	<b>163,529</b>
<b>FUND BALANCES:</b>							
Non-spendable	-	-	-	-	-	6,197	6,197
Restricted for:							
Debt Service	-	-	-	31,952	-	-	31,952
Committed for:							
Educational Programs	-	-	-	-	-	80,354	80,354
Community Projects	-	-	-	-	-	9,163	9,163
Student Body Activities	-	-	-	-	-	138,654	138,654
Food Service Programs	-	-	-	-	-	206	206
Equipment Acquisition	-	-	-	-	-	111,633	111,633
Capital Construction & Building Maintenance	-	-	-	-	-	157,056	157,056
Employee Benefits Programs	-	-	-	-	-	125,096	125,096
Debt Service	-	-	-	-	373,274	-	373,274
Unassigned	965,125	-	-	-	-	-	965,125
<b>Total Fund Balances</b>	<b>965,125</b>	<b>-</b>	<b>-</b>	<b>31,952</b>	<b>373,274</b>	<b>628,359</b>	<b>1,998,710</b>
<b>Total Liabilities, Deferred Inflows of Resources &amp; Fund Balances</b>	<b>\$ 1,112,014</b>	<b>\$ 38,222</b>	<b>\$ -</b>	<b>\$ 79,309</b>	<b>\$ 373,274</b>	<b>\$ 635,982</b>	<b>\$ 2,238,801</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**AMITY SCHOOL DISTRICT NO. 4J**  
**RECONCILIATION OF THE BALANCE SHEET**  
**GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION**  
**June 30, 2014**

**Total Fund Balances - Governmental Funds** \$ 1,998,710

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

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

The cost of the assets is -	\$10,251,165	
The accumulated depreciation is -	<u>(4,760,482)</u>	
Net Value of Assets		5,490,683

Amounts paid to Oregon Public Retirement System to reduce the unfunded pension obligation of the District are not financial resources and therefore are not capitalized as a prepaid expense in the governmental funds.

The original prepaid amount is -	6,618,174	
The accumulated amortization is -	<u>(3,043,545)</u>	
Net Value of Prepaid Expense		3,574,629

Amounts paid for loan fees out of refunding bond proceeds are not financial resources and therefore are not capitalized as a prepaid expense in the governmental funds.

The original prepaid amount net of accumulated amortization is -		192,113
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Accrued interest payable is not included as a liability in the governmental funds.

(11,847)

Property taxes receivable that will not be available to pay for current-period expenditures are deferred in the governmental funds.

163,529

Certain liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.

Those liabilities at year-end consist of :

Accrued Vacation Benefits	22,196	
Capital Leases	201,877	
Note Payable - Land Purchase	37,500	
Limited Tax PERS Bonds	5,069,627	
General Obligation Bonds	4,360,000	
Net OPEB Obligation	141,918	
QZAB Note Payable	<u>597,387</u>	
Total Long-Term Liabilities		<u>(10,430,505)</u>

<b>Net Position of Governmental Activities</b>	<b><u>\$ 977,312</u></b>
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The accompanying notes to the basic financial statements are an integral part of this statement.

**AMITY SCHOOL DISTRICT NO. 4J**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**

**GOVERNMENTAL FUNDS**

**For The Fiscal Year Ended June 30, 2014**

	<b>General Fund #100</b>	<b>IDEA Grant Fund #200</b>	<b>Title 1 Fund #201</b>	<b>Debt Service Fund #300</b>	<b>PERS Bond Debt Service Fund #302</b>	<b>Other Govern- mental Funds</b>	<b>Total Govern- mental Funds</b>
<b>REVENUES:</b>							
Basic School Support Fund	\$ 5,660,138	\$ -	\$ -	\$ -	\$ -	\$ 8,242	\$ 5,668,380
Ad Valorem Taxes-Current Year	1,413,760	-	-	543,520	-	-	1,957,280
Ad Valorem Taxes-Prior Year	52,699	-	-	23,348	-	-	76,047
Services Provided to Other Funds	-	-	-	-	556,700	-	556,700
Fees and Charges	25,039	-	-	-	-	336,827	361,866
Admission to Co-Curricular Activities	12,637	-	-	-	-	-	12,637
Interest on Investments	11,261	-	-	1,282	1,260	16,322	30,125
Miscellaneous Local Revenues	35,071	-	-	-	-	109,209	144,280
County School Fund	125,760	-	-	-	-	-	125,760
Common School Fund	84,371	-	-	-	-	-	84,371
State Grants-In-Aid	85,584	-	-	-	-	22,518	108,102
Federal Reimbursement Grants	6	114,861	124,484	-	-	279,062	518,413
<b>Total Revenues</b>	<b>7,506,326</b>	<b>114,861</b>	<b>124,484</b>	<b>568,150</b>	<b>557,960</b>	<b>772,180</b>	<b>9,643,961</b>
<b>EXPENDITURES:</b>							
Instruction							
Regular Instruction	3,474,168	-	-	-	-	257,074	3,731,242
Special Programs	1,153,678	104,921	111,065	-	-	-	1,369,664
Summer School Programs	1,997	-	-	-	-	-	1,997
Supporting Services							
Students	399,787	1,051	-	-	-	-	400,838
Instructional Staff	131,619	8,889	12,937	-	-	61,433	214,878
General Administration	204,682	-	-	-	-	-	204,682
School Administration	587,715	-	-	-	-	1,760	589,475
Business Services	175,039	-	-	-	-	3,230	178,269
Operation & Maint. of Plant Services	724,740	-	-	-	-	75,799	800,539
Student Transportation Services	370,215	-	-	-	-	237,820	608,035
Information and Staff Services	27,371	-	-	-	-	-	27,371
Technology Services	243,425	-	-	-	-	10,277	253,702
Supplemental Retirement	8,955	-	-	-	-	-	8,955
Community Services	-	-	482	-	-	380,808	381,290
Debt Service	69,261	-	-	580,850	517,216	74,295	1,241,622
<b>Total Expenditures</b>	<b>7,572,652</b>	<b>114,861</b>	<b>124,484</b>	<b>580,850</b>	<b>517,216</b>	<b>1,102,496</b>	<b>10,012,559</b>
Excess (Deficiency) of Revenues							
Over Expenditures	(66,326)	-	-	(12,700)	40,744	(330,316)	(368,598)
<b>OTHER FINANCING SOURCES (USES):</b>							
Interfund Transfers In	-	-	-	-	-	230,000	230,000
Loan Proceeds In	-	-	-	-	-	237,820	237,820
Interfund Transfers Out	(230,000)	-	-	-	-	-	(230,000)
<b>Net Change in Fund Balances</b>	<b>(296,326)</b>	<b>-</b>	<b>-</b>	<b>(12,700)</b>	<b>40,744</b>	<b>137,504</b>	<b>(130,778)</b>
Fund Balances, July 1, 2013	1,261,451	-	-	44,652	332,530	484,658	2,123,291
<b>Fund Balances, June 30, 2014</b>	<b>\$ 965,125</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,952</b>	<b>\$ 373,274</b>	<b>\$ 622,162</b>	<b>\$ 1,992,513</b>

The accompanying notes to the basic financial statements are an integral part of this statement.

**AMITY SCHOOL DISTRICT #4J**  
**RECONCILIATION OF THE STATEMENT OF REVENUES,  
EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**For The Fiscal Year Ended June 30, 2014**

**Net Changes in Fund Balances - Total Governmental Funds** \$ (130,778)

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

Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.

Expenditures for capitalized assets	\$ 362,162	
Less current year depreciation	<u>(317,670)</u>	44,492

Some property tax revenues will not be collected for several months after the District's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue. However, these funds are recorded as revenue in the Statement of Activities.

<u>(1,049)</u>	(1,049)
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Changes in the Food Service inventory balance from the prior year to the current year are an adjustment to expense for the Statement of Activities. That change is reflected as a change in fund balance reserve for the fund financial statements. That difference in accounting is reconciled here.

<u>585</u>	585
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Expense accruals in the governmental funds do not include accrued interest expense payable. The change in payables from the prior year to the current year is reconciled here.

<u>(4,559)</u>	(4,559)
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Payment of unfunded pension obligation was originally reported in the governmental funds as an expenditure. In the Statement of Activities the amount to be charged each year as an expense over the estimated expense incurred to pay the obligation is amortized, rather than expensed at the time of the prepayment of PERS funding.

Amount of current year amortization	<u>(255,331)</u>	(255,331)
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Cost of loan fees was originally reported in the governmental funds as an expenditure. In the Statement of Activities the amount to be charged each year as an expense over the repayment period of the obligation is amortized, rather than expensed at the time the loan fees were incurred.

Amount of current year amortization	<u>(30,333)</u>	(30,333)
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Some items reported in 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 accrued OPEB	(8,872)	
Vacation Payable	<u>(22,196)</u>	(31,068)

Proceeds from capital leases are reported as revenue in the governmental funds, but are reported as an increase in long-term debt liabilities in the Statement of Net Position.

Capital Leases	<u>(237,820)</u>	(237,820)
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Repayment of debt principal amounts are expenditures in the governmental funds, but the repayment reduces long-term debt liabilities in the Statement of Net Position.

Retirement of principal is as follows:

Vacation Payable	15,567	
Early Retirement Benefits	12,027	
Note Payable - Land Purchase	37,500	
Capital Leases Payable	35,943	
General Obligations Bonds	390,000	
Limited Tax PERS Bonds	177,613	
QZAB Note Payable	<u>69,261</u>	<u>737,911</u>

<b>Changes in Net Position of Governmental Assets</b>	<b><u>\$ 92,050</u></b>
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The accompanying notes to the basic financial statements are an integral part of this statement.



**Notes to the Basic**  
**Financial Statements**

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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Amity School District No. 4J was organized under the provisions of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is government by a separately elected five-member Board of Directors who approve the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:**

The financial statements of Amity School District No. 4J have been prepared in conformity with accounting principals generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the government's accounting policies are described below.

**A. Reporting Entity**

In determining the financial reporting entity, Amity School District No. 4J complies with Governmental Accounting Standards Board Statement 14, "The Financial Reporting Entity." The criteria for including organizations as component units within the District's reporting entity, include whether 1) the District appoints a voting majority of the organization's board; 2) the District is able to impose its will on the organization; 3) the organization has the potential to impose a financial benefit or burden on the District; and 4) there is fiscal dependency by the organization on the District.

Based on these criteria, Amity School District No. 4J has no component units.

**B. Basis of Presentation**

*Government-wide Statements:* The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District. Eliminations have been made to minimize the double counting of internal activities. Governmental activities include programs supported primarily by taxes, state school support payments, grants and other intergovernmental revenues. The District has no business type activities that rely, to a significant extent, on fees and charges for support. The District also reports no fiduciary activities.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a program of function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

**B. Basis of Presentation (Cont.)**

*Fund Financial Statements:* During the fiscal year, the District segregates transactions related to certain school district functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds.

The fund financial statements provide reports on the financial condition and results of operations for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund - The General Fund is the main operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General Fund expenditures are categorized by "Instruction" which is the direct teaching of students or the interaction between teacher and students. "Support Services" covers all the support activities for students, teachers, and facilities. Major activities in support services are transportation, maintenance of facilities (i.e. heating, phones, electricity, cleaning,) administration, counseling for students, and technology support.

IDEA Grant Fund – This fund includes all resources received from federal IDEA grants passed through the Oregon Department of Education.

Title 1 Grant Fund – This fund includes all resources received from federal Title 1 grants passed through the Oregon Department of Education.

PERS Bond Fund - Revenues accounted for in the PERS Bond Fund are charges to other funds and interest earned on investments. Expenditures accounted for in the PERS Bond Fund are the principal and interest payments on the PERS Bond.

Debt Service Fund – Revenues accounted for in the Debt Service Fund are from local property taxes levied to make general obligation bond payments, which are also accounted for in this fund according to the bond repayment schedule.

**C. Measurement Focus/Basis of Accounting**

Measurement focus refers to what is being measured; basis of accounting refers to when transactions are recognized in the financial records and reported on the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

C. Measurement Focus/Basis of Accounting (Cont.)

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized when the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt which are reported when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

The revenues susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received, as they are deemed immaterial. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when the revenue recognition is met or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

D. Budgeting

The District budgets all funds as required by state law. The District budgets for all funds on a modified accrual basis. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total expenditures are controlled by annual appropriations at the following organizational levels: instruction, support services, community services, facilities acquisition and construction, and other expenditures. Appropriations lapse as of the fiscal year-end. A detailed budget document is required that contains more detailed information for the above-mentioned expenditure categories.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the District Board of Directors. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the District Board of Directors.

Budget amounts shown in the budgetary comparison schedules include both the original and, when applicable, the revised amount. The combining fund financial statements and individual fund financial statements include in the budget column any revisions to the budget since original budget amounts were adopted.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

E. Cash and Investments

Cash and cash equivalents include cash on hand, checking, savings and money market accounts and any short-term, highly liquid investments with initial maturity dates of three months or less.

The District has adopted an investment policy requiring compliance with Oregon statutes, which authorizes the District to invest in obligations of the United States, the agencies and instrumentalities of the United States and the State of Oregon, and numerous other investment instruments.

The District's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended, non-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

F. Property Taxes

Real and personal property taxes attach as an enforceable lien on property as of January 1. All taxes are levied as of the lien date and are payable in three installments on November 15, February 15, and May 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are recorded on the statement of net position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectable taxes has been established. All property taxes receivable are due from property owners within the District.

G. Receivables

Uncollected property taxes and revenues from other sources that are earned but not received by the fiscal year end are reported as receivable in the current assets section in the government-wide statement of net position by the District. Government grant reimbursement and entitlement amounts for which all eligibility requirements imposed by the provider have been met, but which were not received by the fiscal year end, are reported as due from other governments in the current assets section in the government-wide statement of net position by the District. All receivables are considered fully collectible; consequently no allowance for uncollectible taxes has been established.

Under the modified accrual basis of accounting used in the governmental fund financial statements, property taxes which have been collected within sixty days subsequent to year-end are considered measurable and

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

G. Receivables (Cont.)

available and are therefore recognized as revenue. All other property taxes receivable are offset by deferred inflows of resources and, accordingly, have not been recognized as revenue. All taxes are considered collectible; consequently no allowance for uncollectible taxes has been established. Government grant reimbursement and entitlement amounts for which all eligibility requirements imposed by the provider have been met, but which were not received by the fiscal year end, are reported as due from other governments in the fund financial statements by the District. Miscellaneous revenues are recorded as revenue when received in cash because they are generally not measurable until actually received.

H. Prepaid Expenses

The District has elected to report the amount paid to Oregon Public Employee Retirement System (PERS) to reduce the calculated unfunded pension liability obligation as a prepaid expense, as reported on the government-wide Statement of Net Position. The prepaid asset is to be amortized in the amounts and over the estimated length of time the unfunded portion of the pension obligation is expected be paid out to its current and former employees.

I. Inventory

Food & supplies inventories in the Food Service Fund are valued at cost determined on the FIFO method. Commodities inventory in the Food Service Fund is valued at estimated fair market value. Inventory is treated as being expended when used rather than when purchased. Inventories of non-food service supplies are not considered significant. The District records the cost of non-food service supplies as expenses and expenditures when purchased rather than when used.

J. Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost, or estimated cost when original cost is not available. Donated capital assets are valued at their estimated fair market value on the date received. Maintenance and repairs of capital assets are not capitalized, but rather are charged to expenditures in the governmental funds. The District does not possess any infrastructure. The capitalization threshold used by the District as recommended by the State of Oregon is \$5,000.

In the government-wide financial statements, all reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

<u>Asset Class</u>	<u>Estimated Years of Useful Lives</u>
Buildings	20-50
Building Improvements	20-50
Land Improvements	15-25
Vehicles	10
Equipment	5-10

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

J. Capital Assets (Cont.)

In the governmental fund financial statements, fixed assets are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

K. Compensated Absences and Accrued Liabilities:

The liability for accrued vacation benefits reported in the government-wide statements consists of unpaid, accumulated annual vacation. The early retirement liability has been calculated using the accrual method for benefit amounts due to former employees who currently are receiving early-termination benefits.

All payables and accrued liabilities are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full form current financial resources are reported as obligations of the funds.

L. Deferred Inflows of Resources:

In the governmental funds, property taxes which have not been collected within sixty days subsequent to year-end are not considered measurable and available and are therefore not recognized as revenue, but rather as deferred inflows of resources.

M. Long-Term Obligations

All bonds payable, notes payable and capital leases payable are recognized in the government-wide financial statements as a liability of the District. Amounts of the long-term debt due within the following fiscal year are included in the current liabilities section of the Statement of Net Position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the governmental fund financial statements, proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources. Principal and interest payments on bonded debt and capital lease payments are recorded as a debt service in the expenditure section of the statement and schedules.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

N. Equity Classifications:

*Government-wide Statements*

Equity is classified as net position, which represents the difference between assets and liabilities. Net position is displayed in three components:

- a. Invested in capital assets, net of related debt - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantor, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

*Fund Financial Statements*

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the City is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision making authority, the Board of Directors, and does not lapse at year-end.
- Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the Board of Directors or through the Board of Directors delegating this responsibility to selected staff members or through the budgetary process. This classification also includes the remaining positive fund balance for all governmental funds except for the General Fund.



**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

N. Equity Classifications:

- Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

The District would typically use Restricted fund balances first, followed by Committed resources, and then Assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend Unassigned resources first to defer the use of these other classified funds.

O. Inter-Fund Transactions

Quasi-external transactions are accounted for as revenues or expenditures, while reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions are reported as transfers. Nonrecurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers.

P. Use of Estimates

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect the reported amount of assets and liabilities as well as disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

**2. CASH AND INVESTMENTS:**

For discussion of deposit and investment policies and other related information, see Note 1.E.

The District follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized at Note 1.E.

Investments, including amounts held in pool cash and investments are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market prices, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**2. CASH AND INVESTMENTS (CONT.):**

Deposits - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of \$250,000 applies to the deposits in each depository. Where balances continually exceed \$250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer's website.

Qualifying depository banks must pledge securities with a particular value based on the bank's level of capitalization. The balances in excess of the FDIC insurance are considered exposed to custodial credit risk.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits exists when, in the event of a depository failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

As of June 30, 2014 the reported amount of the District's deposits was \$469,830 and the bank balance was \$976,459. Of the bank balance, the entire amount was covered by federal depository insurance or by pledged securities with the qualifying depository banks.

Investments - Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, banker's acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Governmental Investment Pool. The District has no credit risk policy or investment policy that would further limit its investment choices

Credit Risk - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. As of June 30, 2014, the District's investment in the Oregon State Treasurer's Local Government Investment Pool (LGIP) was unrated.

At June 30, 2014, the District's investments in financial institutions are as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Oregon State Treasurer's Local Government		
Investment Pool (LGIP)	\$ 1,429,028	N/A
Federal Agency Notes	27	N/A
Total Investments	<u>\$ 1,429,055</u>	

Investments in the LGIP and federal agency notes do not require disclosure credit rating quality.

Concentration of Credit Risk - An increased risk of loss occurs as more investments are acquired from one issuer. This results in a concentration of credit risk. The District places no limit on the amount that may be invested in any one issuer. More than 5 percent of the District's investments are in the Oregon State Treasurer's Local Government Investment Pool (LGIP). This investment is 100% of the District's total investments.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**3. RECEIVABLES:**

Receivables as of the end of the year for the District's individual major funds and non-major funds in the aggregate are as follows:

	General Fund	IDEA Grant Fund	Debt Service Fund	Non-Major and Other Fund	Total
Property Taxes	\$ 143,188	\$ -	\$ 58,127	\$ -	\$ 201,315
Accounts Receivable	42,186	-	-	-	42,186
Due from Other Governments	-	38,222	-	6,151	44,373
<b>Total</b>	<b>\$ 185,374</b>	<b>\$ 38,222</b>	<b>\$ 58,127</b>	<b>\$ 6,151</b>	<b>\$ 287,874</b>

**4. CAPITAL ASSETS:**

The following is a summary of capital asset activity for the fiscal year ended June 30, 2014:

Governmental Activities	June 30, 2013	Additions	Deletions	June 30, 2014
<b>Assets not being depreciated:</b>				
Land	\$ 221,099	\$ 75,000	\$ -	\$ 296,099
Total Non-Depreciable Assets	221,099	75,000	-	296,099
<b>Assets being depreciated:</b>				
Land Improvements	689,461	27,700	-	717,161
Buildings & Improvements	8,347,961	44,711	-	8,392,672
Vehicles	259,119	237,820	-	496,939
Equipment	296,363	51,931	-	348,294
Total Depreciable Assets	9,592,904	362,162	-	9,955,066
<b>Less: Accumulated Depreciation</b>				
Land Improvements	471,140	28,128	-	499,268
Buildings & Improvements	3,449,291	250,567	-	3,699,858
Vehicles	245,132	27,954	-	273,086
Equipment	277,249	11,021	-	288,270
Total Accumulated Depreciation	4,442,812	317,670	-	4,760,482
Net Value of Capital Assets Being Depreciated	5,150,092	44,492	-	5,194,584
Total Governmental Activities--				
Net Value of Capital Assets	<u>\$ 5,371,191</u>	<u>\$ 119,492</u>	<u>\$ -</u>	<u>\$ 5,490,683</u>

**Depreciation expense was charged to governmental functions as follows:**

Instruction - Regular Programs	\$ 275,782
Instruction - Special Programs	2,290
Support Services--Business Services	1,500
Support Services--Operation & Maintenance	11,616
Support Services--Student Transportation	26,482
Total depreciation expense - governmental activities	<u>\$ 317,670</u>

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

**5. LONG-TERM DEBT:**

A summary of debt transactions for the year ended June 30, 2014 is as follows:

	<u>Outstanding Balance June 1, 2013</u>	<u>New Issues and Interest Matured</u>	<u>Principal and Interest Retired</u>	<u>Outstanding Balance June 30, 2014</u>	<u>Amounts Due Within One Year</u>
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**General Obligation and Limited Tax Bonded Debt:**

General Obligation Refunding Bonds Series 2005 for partial refunding of Series 2002 General Obligation Bonds. Bonds are held by US Bank, NA trustee. The original balance of the refunding bonds was \$5,380,000 issued October 6, 2005. Fixed interest rates on the bonds vary from 3.5% to 5.0%.

Principal	\$ 4,750,000	\$ -	\$ 390,000	\$ 4,360,000	\$ 420,000
Interest	-	190,850	190,850	-	171,350
<b>Totals</b>	<b>\$ 4,750,000</b>	<b>\$ 190,850</b>	<b>\$ 580,850</b>	<b>\$ 4,360,000</b>	<b>\$ 591,350</b>

Oregon School Boards Association Limited Tax Pension Obligation Bonds Series 2004, held by Wells Fargo Bank Northwest, NA trustee. The original balance was \$6,618,714 issued April 21, 2004. Fixed interest rates on the bonds vary from 1.5% to 6.27%.

Principal	\$ 5,247,240	\$ -	\$ 177,613	\$ 5,069,627	\$ 179,771
Interest	-	339,603	339,603	-	367,445
<b>Totals</b>	<b>\$ 5,247,240</b>	<b>\$ 339,603</b>	<b>\$ 517,216</b>	<b>\$ 5,069,627</b>	<b>\$ 547,216</b>

**Capitalized Lease:**

Bus Leases with Sovereign Bank. Total Lease \$237,820 for 3 busses purchased on October 15, 2013 with an interest rate of 2.30%.

Principal	\$ -	\$ 237,820	\$ 35,943	\$ 201,877	\$ 31,765
Interest	-	465	465	-	4,643
<b>Totals</b>	<b>\$ -</b>	<b>\$ 238,285</b>	<b>\$ 36,408</b>	<b>\$ 201,877</b>	<b>\$ 36,408</b>

**Qualified Zone Academy Bond:**

Qualified Zone Academy Bond (QZAB), original balance of \$1,290,000, dated February 1, 2004, for funding qualified building improvements and equipment purchases. Interest costs are subsidized by the federal government. Annual payments of \$69,261 are placed into a sinking fund maintained by a paying agent. Earnings of the sinking fund reduce total payments made to retire bonds. The debt will be paid to bondholders at maturity in 2019 from the sinking fund. Reported outstanding balance at fiscal year end reflects total of original bond payable amount net of deposits made to date into sinking fund.

Principal	\$ 666,648	\$ -	\$ 69,261	\$ 597,387	\$ 69,261
<b>Totals</b>	<b>\$ 666,648</b>	<b>\$ -</b>	<b>\$ 69,261</b>	<b>\$ 597,387</b>	<b>\$ 69,261</b>

**Early Retirement Benefits:**

Certain employees have negotiated or are eligible for ongoing post-employment benefits

	\$ 12,027	\$ -	\$ 12,027	\$ -	\$ -
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<b>TOTAL DEBT AGREEMENTS:</b>	Principal	\$ 10,675,915	\$ 237,820	\$ 684,844	\$ 10,228,891	\$ 700,797
	Interest	-	530,918	530,918	-	543,438
	<b>Totals</b>	<b>\$ 10,675,915</b>	<b>\$ 768,738</b>	<b>\$ 1,215,762</b>	<b>\$ 10,228,891</b>	<b>\$ 1,244,235</b>

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

**5. LONG-TERM DEBT (Cont.):**

The debt service requirements on the above debt are as follows:

	Due Fiscal Year Ending June 30,	Principal	Interest	Total
<b><u>General Obligation and Limited Tax Bonds:</u></b>				
	2015	599,771	538,795	1,138,566
	2016	633,436	544,129	1,177,565
	2017	669,168	557,018	1,226,186
	2018	703,241	569,814	1,273,055
	2019	736,588	581,779	1,318,367
	2020-2024	3,252,424	2,642,692	5,895,116
	2025-2028	2,835,000	379,992	3,214,992
	Totals	\$ 9,429,628	\$ 5,814,219	\$ 15,243,847
<b><u>Qualified Zone Academy Bond:</u></b>				
	2019	\$ 1,012,953	\$ -	\$ 1,012,953
<b><u>Capital Leases:</u></b>				
	2015	31,765	4,643	36,408
	2016	32,495	3,913	36,408
	2017	33,243	3,165	36,408
	2018	34,007	2,401	36,408
	2019	34,790	1,618	36,408
	2020	35,577	832	36,408
	Totals	\$ 201,877	\$ 16,571	\$ 218,448

For further detail on debt service, see the ‘Schedule of Long Term Debt Transactions’ and ‘Schedule of Future Requirements for Retirement of Long Term’ in the Supplemental Data section of this report.

**6. PENSION PLAN:**

**Plan Description** - The District contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement Fund (OPERF) applies to the District’s contribution for qualifying employees who were hired before August 29, 2003, and is a cost-sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs: The Pension Program, the defined benefit portion of the plan, applies to qualifying District employees hired after August 29, 2003, and to inactive employees who return to employment following a six-month or greater break in service. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**6. PENSION PLAN (CONT.):**

Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

Both PERS plans provide retirement and disability benefits, post employment health care benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. PERS is administered under Oregon Revised Statute Chapter 238, which establishes the Public Employees Retirement Board as the governing body of PERS. PERS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to PERS, PO Box 23700, Tigard, OR, 97281-3700 or by calling 503-598-7377.

**Funding Policy** - Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The District is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF and the OPSRP rates in effect for the year ended June 30, 2014 were 3.69% and 1.69% respectively. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature. The District is currently paying the member required contributions in accordance with collective bargaining agreements and conditions of employment for District employees meeting certain eligibility guidelines.

**Annual Pension Cost** - The District's contributions to PERS for the years ending June 30, 2012, 2013 and 2014 were \$255,071 and \$257,842, and \$286,635 respectively, which equaled the required contribution for the year. During 2002-03, the District issued limited tax pension bonds, the proceeds of which were used to finance a portion of its estimated unfunded actuarial liability (See Note #5).

**7. OTHER POST-EMPLOYMENT BENEFITS (OPEB):**

*Oregon Public Employees Retirement Systems' (PERS) Retiree Health Insurance Account (RHIA)*

**Plan Description**

The District contributes to the Oregon Public Employees Retirement Systems' (PERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible PERS retirees. RHIA post-employment benefits are set by state statute. A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598- 7377, or by accessing the PERS web site at <http://oregon.gov/PERS/>.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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**7. OTHER POST-EMPLOYMENT BENEFITS (OPEB) (CONT.):**

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.59% of annual covered payroll. The OPERB sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to PERS' RHIA for the year ended June 30, 2014, was \$17,452, which equaled the required contributions for the year.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other post-employment benefit cost (expense) is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance within the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the fiscal year ending June 30, 2014, the amount actually contributed to the plans, and changes in the District's net OPEB obligation:

Annual required contribution	\$ 27,988
Interest on net OPEB obligation	6,319
Adjustment to the annual required contribution	<u>7,983</u>
Annual OPEB cost (expense)	42,290
Contributions made	<u>17,452</u>
Increase in net OPEB obligation	8,872
Net OPEB obligation, beginning of year	<u>133,046</u>
Net OPEB obligation, end of year	<u><u>\$ 141,918</u></u>

*Early Retirement Benefit*

A retired superintendent receives medical insurance benefits in accordance with his final contract until his eligibility for Medicare.

For government-wide statements, the potential liability created by the contractual obligation described above was paid off in the 2013-14 fiscal year. For fund financial statements, expenditures for post retirement benefits are recognized when paid.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

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**8. CONTINGENT LIABILITIES:**

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the District expects such amount, if any, to be immaterial.

The District is not currently named as a defendant in any pending or threatened litigation.

**9. COMMODITIES RECEIVED IN FOOD SERVICE FUND:**

During the year the District received USDA commodities. Fair market value of the amount of commodities used during the 2013-14 fiscal year is \$17,806. The amount is reflected as federal revenue received and as a food expenditure in the Food Service Fund in the financial statements. Fair market value is determined by the Oregon Department of Education.

**10. RISK MANAGEMENT:**

The District is exposed to various risks of loss related to limited torts; theft of, damage to and destruction of assets; errors and omissions and natural disasters. The District is joined together with other school districts in the state, which are participating members of United Schools Insurance Program of Oregon, a public entity risk pool currently operating as a common risk management and insurance program for member governments. The District has an annually renewable contract to pay United Schools Insurance Program of Oregon an annual premium for its general liability, property liability, automobile liability, boiler and machinery, comprehensive crime, and umbrella insurance coverage.

The District carries commercial insurance for all other losses, including workers' compensation and employee health and accident insurance. Premiums to the health insurance company are paid through a combination of employer contributions and payroll withholdings for eligible employees.

The District came under the State Unemployment Act as of July 1, 1974. The District has elected to pay State Unemployment insurance to the State of Oregon to pay for any claims paid to former employees.

There have been no significant reductions in coverage from the prior years and settlements have not exceeded insurance coverage in the past three years.



**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**

**JUNE 30, 2014**

**11. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:**

The interfund balances between the general fund and special revenue funds represent payments made by the general fund on behalf of the special revenue funds in relation to grant reimbursements. All balances are expected to be repaid within one year.

Interfund balances at June 30, 2014 consisted of the following individual fund receivables and payables:

	Due From Other Funds	Due To Other Funds
General Fund #100	\$ 44,167	
Special Revenue Funds:		
IDEA Fund #200		\$ 38,222
FEDERAL MISCELLANEOUS FUND #204		5,945
Total	\$ 44,167	\$ 44,167

Interfund transfers for the year ended June 30, 2014 were as follows:

	Transfers Out	Transfers In
General Fund #100	\$230,000	\$ -
Food Service Fund #280	-	30,000
Technology Replacement Fund #293	-	50,000
Unemployment Fund #298	-	40,000
Capital Improvement Fund #430	-	110,000
Total	\$230,000	\$230,000

The transfer out of the General Fund to the Food Service Fund represents the District's election to provide General Fund support to the food service program. The transfer out of the General Fund to the Capital Improvement Fund and Technology Replacement Fund represents the District's election to provide General Fund support towards capital activities. The transfer out of the General Fund to the Unemployment Fund is to provide reserve balances according to Oregon Employment Division laws.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2014**

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**12. FUND BALANCE COMPARISONS:**

<u>Fund</u>	<u>Actual</u> <u>June 30, 2014</u>	<u>Budgeted</u> <u>July 1, 2014</u>
General Fund #100	\$ 965,125	\$ 1,100,000
IDEA Grant Fund # 200	-	-
Title 1 Fund # 201	-	-
Federal Miscellaneous Grants Fund # 204	-	-
State Miscellaneous Grants Fund # 205	1,993	-
Community Projects Fund # 250	9,163	9,000
Student Body Fund # 270	138,654	140,000
Food Service Fund # 280	206	10,000
Vehicle Replacement Fund # 292	36,987	37,000
Technology Replacement Fund # 293	74,646	82,000
Unemployment Fund # 298	125,096	125,000
Scholarship Fund # 299	78,361	62,650
Debt Service Fund # 300	31,952	28,170
PERS Bond Debt Fund # 302	373,274	315,000
Capital Improvement Fund #430	\$ 157,056	\$ 155,850

**REQUIRED**  
**SUPPLEMENTARY**  
**INFORMATION**

# **AMITY SCHOOL DISTRICT NO. 4J**

## **Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

### **GENERAL FUND #100**

**For the Fiscal Year Ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u> <u>(See Note 1)</u>	<u>Variance</u> <u>with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Ad Valorem Taxes-Current Year	1,290,000	1,290,000	1,413,760	123,760
Ad Valorem Taxes-Prior Year	65,000	65,000	52,699	(12,301)
Land Sales - Delinquent Taxes	25	25	20	(5)
Penalties & Interest on Taxes	25	25	18	(7)
Interest on Investments	12,000	12,000	11,261	(739)
Admission to Co-Curricular	20,000	20,000	12,637	(7,363)
Fees	25,000	25,000	25,039	39
Rental on Buildings	9,600	9,600	9,710	110
Contributions from Private Sources	375	375	1,780	1,405
Services Provided Charter Schools	1,000	1,000	-	(1,000)
Recovery of Prior Years' Expenditures	5,000	5,000	3,489	(1,511)
Miscellaneous	25,000	25,000	19,759	(5,241)
Fingerprint Fees	300	300	295	(5)
<b>Total Local Revenues</b>	<b>1,453,325</b>	<b>1,453,325</b>	<b>1,550,467</b>	<b>97,142</b>
Revenues from Intermediate Sources:				
County School Fund	3,300	3,300	4,432	1,132
ESD Apportionment	120,000	120,000	120,000	-
Other Intermediate Sources	1,500	1,500	1,328	(172)
<b>Total Intermediate Revenues</b>	<b>124,800</b>	<b>124,800</b>	<b>125,760</b>	<b>960</b>
Revenues from State Sources:				
Basic School Support Fund	5,666,313	5,666,313	5,660,138	(6,175)
Common School Fund	72,006	72,006	84,371	12,365
Other Unrestricted Grants-in-Aid	52,001	52,001	85,584	33,583
<b>Total State Revenues</b>	<b>5,790,320</b>	<b>5,790,320</b>	<b>5,830,093</b>	<b>39,773</b>
Revenues from Federal Sources:				
Federal Forest Fees	-	-	6	6
<b>Total Federal Revenues</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>6</b>
<b>Total Revenues</b>	<b>7,368,445</b>	<b>7,368,445</b>	<b>7,506,326</b>	<b>137,881</b>
<b>Total Expenditures</b>	<b>8,568,445</b>	<b>8,568,445</b>	<b>7,802,652</b>	<b>(765,793)</b>
Excess (Deficiency) of Revenues Over Expenditure	(1,200,000)	(1,200,000)	(296,326)	903,674
Fund Balance - July 1, 2013	1,200,000	1,200,000	1,261,451	61,451
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 965,125</b>	<b>\$ 965,125</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**SCHEDULE OF EXPENDITURES**

**GENERAL FUND #100**

**For the Fiscal Year Ended June 30, 2014**

	Actual Amounts (Budgetary Basis - See Note 1)							Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Salaries 100	Employee Benefits 200	Purchased Services 300	Supplies and Materials 400	Other Objects 600	Transfers 700	Total	Original	Final	
<b>INSTRUCTION:</b>										
Regular Programs:										
#1111 Primary, K-5	\$ 795,457	\$ 411,901	\$ 7,788	\$ 32,300	\$ -	\$ -	\$ 1,247,446	\$ 1,323,087	\$ 1,323,087	\$ (75,641)
#1113 Elementary Extracurricular	5,968	1,906	-	-	-	-	7,874	9,034	9,034	(1,160)
#1121 Middle School	488,937	242,184	3,707	39,205	-	-	774,033	800,579	800,579	(26,546)
#1122 Middle School Extracurricular	11,846	2,774	5,782	1,605	-	-	22,007	22,417	22,417	(410)
#1131 High School	749,999	416,744	25,471	52,067	642	-	1,244,923	1,260,200	1,260,200	(15,277)
#1132 High School Extracurricular	88,659	22,171	39,758	23,647	3,650	-	177,885	161,218	121,218	56,667
Special Programs:										
#1210 Talented & Gifted	69	23	-	-	-	-	92	4,072	4,072	(3,980)
#1220 Restrict. Prgms f/ Stdnts w/Disablt.	-	-	152,281	-	-	-	152,281	162,236	162,236	(9,955)
#1225 Restrict. Prgms f/ Stdnts w/Disablt. - Out of Di	-	-	-	-	-	-	-	1,133	1,133	(1,133)
#1250 Resources Room	246,622	151,199	64,218	8,747	-	-	470,786	463,345	423,345	47,441
#1260 Early Intervention	-	-	-	-	-	-	-	26,000	26,000	(26,000)
#1280 Alternative Education	-	-	474,601	-	-	-	474,601	474,750	474,750	(149)
#1291 English as Second Language	44,014	9,095	-	2,809	-	-	55,918	112,900	112,900	(56,982)
#1292 Teen Parent Program	-	-	-	-	-	-	-	203	203	(203)
#1294 Youth Corrections Education	-	-	-	-	-	-	-	2,060	2,060	(2,060)
#1430 High School Summer Programs	1,512	485	-	-	-	-	1,997	1,731	1,731	266
<b>Total Instruction</b>	<b>2,433,083</b>	<b>1,258,482</b>	<b>773,606</b>	<b>160,380</b>	<b>4,292</b>	<b>-</b>	<b>4,629,843</b>	<b>4,824,964</b>	<b>4,744,964</b>	<b>(115,121)</b>
<b>SUPPORT SERVICES:</b>										
Students:										
#2110 Attendance and Social Work Svcs	59,224	45,760	15,362	-	-	-	120,346	121,365	121,365	(1,019)
#2120 Guidance Services	101,325	57,241	835	1,883	50	-	161,334	181,240	181,240	(19,906)
#2130 Health Services	-	-	2,530	-	-	-	2,530	2,621	2,621	(91)
#2140 Psychological Services	-	-	-	-	-	-	-	10,030	10,030	(10,030)
#2150 Speech, Pathlgy & Audiology Svcs	-	-	-	-	-	-	-	50,806	50,806	(50,806)
#2190 Service Direction Services	77,803	37,774	-	-	-	-	115,577	105,110	105,110	10,467
Instructional Staff:										
#2210 Improvement of Instruct. Svcs	-	-	-	-	-	-	-	1,015	1,015	(1,015)
#2220 Education Media Services	64,863	38,768	408	3,745	50	-	107,834	114,601	114,601	(6,767)
#2230 Assessment and Testing	6,027	3,801	-	2,747	1,758	-	14,333	12,632	12,632	1,701
#2240 Instructional Staff Development	310	8,686	456	-	-	-	9,452	15,475	15,475	(6,023)
General Administration:										
#2310 Board of Education Services	-	-	17,620	2,419	12,327	-	32,366	41,256	41,256	(8,890)
#2320 Executive Administrative Services	111,805	51,103	5,016	3,467	925	-	172,316	166,266	166,266	6,050
School Administration:										
#2410 Office of the Principal Services	365,739	210,591	6,044	2,106	3,235	-	587,715	513,173	593,173	(5,458)
Business:										
#2520 Fiscal Services	91,891	43,716	37,598	1,379	455	-	175,039	166,215	166,215	8,824
#2540 Operation and Maintenance of Plant Services										
Care & Upkeep of Buildings	175,127	118,048	225,019	46,775	62,836	-	627,805	662,436	662,436	(34,631)
Care & Upkeep of Grounds	6,680	3,953	14,643	2,315	50	-	27,641	31,865	31,865	(4,224)
District-Wide Maintenance	38,817	23,297	5,599	1,581	-	-	69,294	74,733	74,733	(5,439)
#2550 Student Transportation Services										
Service Direction	6,305	2,835	-	-	-	-	9,140	8,774	8,774	366
Vehicle Operations Services	3,713	540	242,986	12,038	2,785	-	262,062	295,416	295,416	(33,354)
Special Education Transportation Svcs	-	-	78,833	-	-	-	78,833	64,990	64,990	13,843
Other Student Transportation Services	12,497	7,683	-	-	-	-	20,180	19,470	19,470	710
Central Activities:										
#2630 Information Services	12,665	6,450	1,311	-	-	-	20,426	22,149	22,149	(1,723)
#2640 Staff Services	-	-	6,945	-	-	-	6,945	3,530	3,530	3,416
#2660 Technology Services	64,566	34,348	39,470	104,891	150	-	243,425	247,053	247,053	(3,628)
#2700 Supplemental Retirement Program	-	8,955	-	-	-	-	8,955	12,000	12,000	(3,045)
<b>Total Support Services</b>	<b>1,199,357</b>	<b>703,549</b>	<b>700,675</b>	<b>185,346</b>	<b>84,621</b>	<b>-</b>	<b>2,873,548</b>	<b>2,944,219</b>	<b>3,024,219</b>	<b>(150,671)</b>
<b>Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,261</b>	<b>-</b>	<b>69,261</b>	<b>69,262</b>	<b>69,262</b>	<b>(1)</b>
<b>Interfund Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>230,000</b>	<b>230,000</b>	<b>230,000</b>	<b>230,000</b>	<b>-</b>
<b>Contingency</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>500,000</b>	<b>(500,000)</b>
<b>Total General Fund Expenditures</b>	<b>\$ 3,632,440</b>	<b>\$ 1,962,031</b>	<b>\$1,474,281</b>	<b>\$345,726</b>	<b>\$158,174</b>	<b>\$230,000</b>	<b>\$ 7,802,652</b>	<b>\$ 8,568,445</b>	<b>\$ 8,568,445</b>	<b>\$ (765,793)</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual**

**IDEA GRANT FUND #200**

**For the Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Federal Sources:				
IDEA Grant	\$ 220,000	\$ 220,000	\$ 104,682	\$ (115,318)
IDEA - 619 Grant	10,000	10,000	7	(9,993)
State Personnel Development Grant (EBISS)	-	-	6,806	6,806
SPR&I	5,000	5,000	1,515	(3,485)
IDEA Enhancement	5,000	5,000	1,851	(3,149)
<b>Total Federal Revenues</b>	<b>240,000</b>	<b>240,000</b>	<b>114,861</b>	<b>(125,139)</b>
<b>Total Revenues</b>	<b>240,000</b>	<b>240,000</b>	<b>114,861</b>	<b>(125,139)</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1255 Resource Rooms				
Salaries	138,781	138,781	61,320	(77,461)
Employee Benefits	59,136	59,136	43,362	(15,774)
Purchased Services	1,895	1,895	-	(1,895)
#1256 Resource Rooms				
Salaries	2,600	2,600	222	(2,378)
Employee Benefits	445	445	17	(428)
#1260 Treatment and Habilitation				
Purchased Services	8,500	8,500	-	(8,500)
<b>Total Instruction</b>	<b>211,357</b>	<b>211,357</b>	<b>104,921</b>	<b>(106,436)</b>
#2190 Service Direction, Student Support Services				
Salaries	10,500	10,500	598	(9,902)
Employee Benefits	250	250	87	(163)
Purchased Services	400	400	366	(34)
# 2210 Improvement of Instruction Services				
Salaries	1,900	1,900	341	(1,559)
Employee Benefits	651	651	94	(557)
Purchased Services	2,954	2,954	447	(2,507)
Supplies and Materials	300	300	201	(99)
#2240 Instructional Staff Development				
Salaries	2,000	2,000	2,232	232
Employee Benefits	-	-	601	601
Purchased Services	-	-	4,914	4,914
Supplies and Materials	-	-	59	59
#2558 Other Student Transportation Services				
Purchased Services	9,688	9,688	-	(9,688)
<b>Total Support Services</b>	<b>28,643</b>	<b>28,643</b>	<b>9,940</b>	<b>(18,703)</b>
<b>Total Expenditures</b>	<b>240,000</b>	<b>240,000</b>	<b>114,861</b>	<b>(125,139)</b>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
Fund Balance - July 1, 2013	-	-	-	-
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual**

**TITLE 1 FUND #201**

**For the Fiscal Year Ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis) (See Note 1)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Federal Sources:				
Title 1 Grant	\$ 175,022	\$ 175,022	\$ 124,484	\$ (50,538)
Total Federal Revenues	175,022	175,022	124,484	(50,538)
<b>Total Revenues</b>	175,022	175,022	124,484	(50,538)
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1272 Title 1				
Salaries	62,433	62,433	64,053	1,620
Employee Benefits	49,788	49,788	42,859	(6,929)
Supplies and Materials	15,000	15,000	4,153	(10,847)
#1410 Intermediate Summer School Program				
Salaries	16,500	16,500	-	(16,500)
Employee Benefits	6,225	6,225	-	(6,225)
Total Instruction	149,946	149,946	111,065	(38,881)
Support Services:				
#2240 Instructional Staff Development				
Salaries	-	-	3,180	3,180
Employee Benefits	-	-	241	241
Purchased Services	24,576	24,576	8,866	(15,710)
Supplies and Materials	-	-	650	650
Total Support Services	24,576	24,576	12,937	(11,639)
Enterprise and Community Services:				
#3330 Civic Services				
Supplies and Materials	500	500	482	(18)
Total Enterprise and Community Services	500	500	482	(18)
<b>Total Expenditures</b>	175,022	175,022	124,484	(50,538)
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
Fund Balance - July 1, 2013	-	-	-	-
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**OTHER**  
**SUPPLEMENTARY**  
**INFORMATION**

**Combining and Individual**  
**Fund Financial Statements**

**Additional Supporting Schedules**



## **Non-Major Governmental Funds**

**AMITY SCHOOL DISTRICT NO. 4J**  
**COMBINING BALANCE SHEET**  
**ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE**  
**June 30, 2014**

	<b>Non-Major Funds - By Fund Type</b>		<b>Totals (Memorandum Only)</b>
	<b>Special Revenue</b>	<b>Capital Projects</b>	<b>2013</b>
<b><u>ASSETS:</u></b>			
Cash and Investments	\$ 466,578	\$ 157,056	\$ 623,634
Intergovernmental Receivable	6,151	-	6,151
Inventories	6,197	-	6,197
<b>Total Assets</b>	<b>\$ 478,926</b>	<b>\$ 157,056</b>	<b>\$ 635,982</b>
<b><u>LIABILITIES AND FUND EQUITY:</u></b>			
<b>Liabilities:</b>			
Current Liabilities:			
Payroll Liabilities	\$ 1,678	\$ -	\$ 1,678
Due to Other Funds	5,945	-	5,945
<b>Total Liabilities</b>	<b>7,623</b>	<b>-</b>	<b>7,623</b>
<b>Fund Equity:</b>			
Fund Balance:			
Non-spendable	6,197	-	6,197
Committed for:			
Educational Programs	80,354	-	80,354
Community Projects	9,163	-	9,163
Student Body Activities	138,654	-	138,654
Food Service Programs	206	-	206
Equipment Acquisition	111,633	-	111,633
Capital Construction & Building Maintenance	-	157,056	157,056
Employee Benefits Programs	125,096	-	125,096
<b>Total Fund Equity</b>	<b>471,303</b>	<b>157,056</b>	<b>628,359</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 478,926</b>	<b>\$ 157,056</b>	<b>\$ 635,982</b>

# AMITY SCHOOL DISTRICT NO. 4J

## Combining Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual

### ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE

For the Fiscal Year Ended June 30, 2014

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
<b><u>REVENUES:</u></b>			
Revenues from:			
Basic School Support Fund	\$ 8,242	\$ -	\$ 8,242
Fees and Charges	336,827	-	336,827
Interest on Investments	16,322	-	16,322
Miscellaneous Local Revenues	32,185	77,024	109,209
State Grants-In-Aid	22,518	-	22,518
Federal Reimbursement Grants	279,062	-	279,062
<b>Total Revenues</b>	<b>695,156</b>	<b>77,024</b>	<b>772,180</b>
<b><u>EXPENDITURES:</u></b>			
Instruction			
Regular Instruction	257,074	-	257,074
Support Services			
Instructional Staff	61,433	-	61,433
School Administration	1,760	-	1,760
Business Services	3,230	-	3,230
Operation & Maint. of Plant Services	-	75,799	75,799
Student Transportation Services	237,820	-	237,820
Technology Services	10,277	-	10,277
Enterprise and Community Services	328,876	51,932	380,808
Debt Service	36,408	37,887	74,295
<b>Total Expenditures</b>	<b>936,878</b>	<b>165,618</b>	<b>1,102,496</b>
Excess (Deficiency) of Revenues Over Expenditures	(241,722)	(88,594)	(330,316)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Loan Proceeds In	237,820	-	237,820
Operating Transfers In	120,000	110,000	230,000
<b>Total Other Financing Sources (Uses)</b>	<b>357,820</b>	<b>110,000</b>	<b>467,820</b>
Net Change in Fund Balances	116,098	21,406	137,504
Fund Balances - July 1, 2013	349,008	135,650	484,658
<b>Fund Balances - June 30, 2014</b>	<b>\$ 465,106</b>	<b>\$ 157,056</b>	<b>\$ 622,162</b>

## **Non-Major Special Revenue Funds**

**AMITY SCHOOL DISTRICT NO. 4J**

**COMBINING BALANCE SHEET**

**NON-MAJOR SPECIAL REVENUE FUNDS**

**6/30/2014**

	<b>Federal Misc. Grants Fund #204</b>	<b>State Misc. Grants Fund #205</b>	<b>Community Projects Fund #250</b>	<b>Student Body Fund #270</b>	<b>Food Service Fund #280</b>	<b>Vehicle Replacement Fund #292</b>	<b>Technology Replacement Fund #293</b>	<b>Unemploy- ment Fund #298</b>	<b>Scholarship Fund #299</b>	<b>Total</b>
<b><u>ASSETS:</u></b>										
Cash and Investments	\$ -	\$ 3,671	\$ 9,163	\$ 138,654	\$ -	\$ 36,987	\$ 74,646	\$ 125,096	\$ 78,361	\$ 466,578
Intergovernmental Receivable	5,945	-	-	-	206	-	-	-	-	6,151
Inventories-Food, Supplies and Commodities	-	-	-	-	6,197	-	-	-	-	6,197
<b>Total Assets</b>	<b>\$ 5,945</b>	<b>\$ 3,671</b>	<b>\$ 9,163</b>	<b>\$ 138,654</b>	<b>\$ 6,403</b>	<b>\$ 36,987</b>	<b>\$ 74,646</b>	<b>\$ 125,096</b>	<b>\$ 78,361</b>	<b>\$ 478,926</b>
<b><u>LIABILITIES &amp; FUND BALANCES:</u></b>										
LIABILITIES:										
Payroll Liabilities	\$ -	\$ 1,678	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,678
Due to Other Funds	5,945	-	-	-	-	-	-	-	-	5,945
<b>Total Liabilities</b>	<b>5,945</b>	<b>1,678</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,623</b>
FUND BALANCES:										
Non-spendable	-	-	-	-	6,197	-	-	-	-	6,197
Committed for:										
Educational Programs	-	1,993	-	-	-	-	-	-	78,361	80,354
Community Projects	-	-	9,163	-	-	-	-	-	-	9,163
Student Body Activities	-	-	-	138,654	-	-	-	-	-	138,654
Food Service Programs	-	-	-	-	206	-	-	-	-	206
Equipment Acquisition	-	-	-	-	-	36,987	74,646	-	-	111,633
Employee Benefits Programs	-	-	-	-	-	-	-	125,096	-	125,096
<b>Total Fund Balances</b>	<b>-</b>	<b>1,993</b>	<b>9,163</b>	<b>138,654</b>	<b>6,403</b>	<b>36,987</b>	<b>74,646</b>	<b>125,096</b>	<b>78,361</b>	<b>471,303</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 5,945</b>	<b>\$ 3,671</b>	<b>\$ 9,163</b>	<b>\$ 138,654</b>	<b>\$ 6,403</b>	<b>\$ 36,987</b>	<b>\$ 74,646</b>	<b>\$ 125,096</b>	<b>\$ 78,361</b>	<b>\$ 478,926</b>

**AMITY SCHOOL DISTRICT NO. 4J**

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

**NON-MAJOR SPECIAL REVENUE FUNDS**

**For the Fiscal Year Ended June 30, 2014**

	Federal Misc. Grants Fund #204	State Misc. Grants Fund #205	Community Projects Fund #250	Student Body Fund #270	Food Service Fund #280	Vehicle Replacement Fund #292	Technology Replacement Fund #293	Unem- ployment Fund #298	Scholarship Fund #299	Totals
<b>REVENUES:</b>										
Basic School Support Fund	\$ -	\$ -	\$ -	\$ -	\$ 2,942	\$ 5,300	\$ -	\$ -	\$ -	\$ 8,242
Fees and Charges	-	-	10,485	273,442	52,900	-	-	-	-	336,827
Interest on Investments	-	-	-	-	5	-	-	561	15,756	16,322
Miscellaneous Local Revenues	-	-	-	-	115	-	32,070	-	-	32,185
State Grants-In-Aid	-	20,891	-	-	1,627	-	-	-	-	22,518
Federal Reimbursement Grants	55,733	-	-	-	223,329	-	-	-	-	279,062
<b>Total Revenues</b>	<b>55,733</b>	<b>20,891</b>	<b>10,485</b>	<b>273,442</b>	<b>280,918</b>	<b>5,300</b>	<b>32,070</b>	<b>561</b>	<b>15,756</b>	<b>695,156</b>
<b>EXPENDITURES:</b>										
Instruction										
Regular Instruction	7,922	14,539	-	234,613	-	-	-	-	-	257,074
Support Services										
Instructional Staff	46,051	15,382	-	-	-	-	-	-	-	61,433
School Administration	1,760	-	-	-	-	-	-	-	-	1,760
Business Services	-	-	-	-	-	-	-	3,230	-	3,230
Student Transportation Services	-	-	-	-	-	237,820	-	-	-	237,820
Technology Services	-	-	-	-	-	-	10,277	-	-	10,277
Enterprise & Community Svcs	-	-	11,999	-	315,077	-	-	-	1,800	328,876
Debt Service	-	-	-	-	-	36,408	-	-	-	36,408
<b>Total Expenditures</b>	<b>55,733</b>	<b>29,921</b>	<b>11,999</b>	<b>234,613</b>	<b>315,077</b>	<b>274,228</b>	<b>10,277</b>	<b>3,230</b>	<b>1,800</b>	<b>936,878</b>
Excess (Deficiency) of Revenues Over Expenditures	-	(9,030)	(1,514)	38,829	(34,159)	(268,928)	21,793	(2,669)	13,956	(241,722)
<b>OTHER FINANCING SOURCES (USES):</b>										
Operating Transfers In	-	-	-	-	30,000	-	50,000	40,000	-	120,000
Loan Proceeds In	-	-	-	-	-	237,820	-	-	-	237,820
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>30,000</b>	<b>237,820</b>	<b>50,000</b>	<b>40,000</b>	<b>-</b>	<b>357,820</b>
Net Change in Fund Balances	-	(9,030)	(1,514)	38,829	(4,159)	(31,108)	71,793	37,331	13,956	116,098
Fund Balances - July 1, 2013	-	11,023	10,677	99,825	4,365	68,095	2,853	87,765	64,405	349,008
<b>Fund Balances - June 30, 2014</b>	<b>\$ -</b>	<b>\$ 1,993</b>	<b>\$ 9,163</b>	<b>\$ 138,654</b>	<b>\$ 206</b>	<b>\$ 36,987</b>	<b>\$ 74,646</b>	<b>\$ 125,096</b>	<b>\$ 78,361</b>	<b>\$ 465,106</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual**

**FEDERAL MISCELLANEOUS GRANTS FUND #204**

**For the Fiscal Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from Federal Sources:				
Title IIa Improving Teacher Quality Grant	\$ 70,000	\$ 70,000	\$ 46,799	\$ (23,201)
Title IIIa English Language No Child Left Behind	10,000	10,000	-	(10,000)
Title VI Grant	138,000	138,000	7,922	(130,078)
Vocational Education Carl Perkins Grant	4,000	4,000	-	(4,000)
Title X Innovative Program	10,000	10,000	-	(10,000)
Grants-in-Aid from the Fed Gov't	30,000	30,000	-	(30,000)
Other Restricted Federal Grant	4,000	4,000	1,012	(2,988)
<b>Total Federal Revenues</b>	<b>266,000</b>	<b>266,000</b>	<b>55,733</b>	<b>(210,267)</b>
<b>Total Revenues</b>	<b>266,000</b>	<b>266,000</b>	<b>55,733</b>	<b>(210,267)</b>
<b>EXPENDITURES:</b>				
Instruction:				
#1111 Primary, K-5 - Title IIa				
Supplies and Materials	92,000	92,000	7,922	(84,078)
#1131 High School Programs - Title X				
Salaries	1,000	1,000	-	(1,000)
Supplies and Materials	48,000	48,000	-	(48,000)
#1291 English Second Language Program				
Salaries	4,700	4,700	-	(4,700)
Employee Benefits	1,600	1,600	-	(1,600)
Purchased Services	2,800	2,800	-	(2,800)
Supplies and Materials	900	900	-	(900)
<b>Total Instruction</b>	<b>151,000</b>	<b>151,000</b>	<b>7,922</b>	<b>(143,078)</b>
Support Services:				
#2110 Attendance Services				
Supplies and Materials	5,475	5,475	-	(5,475)
Other Uses	2,000	2,000	-	(2,000)
#2210 Improvement of Instruction Services - Title IIa				
Salaries	-	-	4,941	4,941
Employee Benefits	-	-	1,271	1,271
#2213 Social Work Services - Misc Fed Grants				
Supplies and Materi	20,000	20,000	-	(20,000)
#2240 Instructional Staff Development - Misc Federal Grants				
Purchased Services	10,000	10,000	-	(10,000)
#2240 Instructional Staff Development - Title IIa				
Salaries	36,625	36,625	4,468	(32,157)
Employee Benefits	8,875	8,875	2,080	(6,795)
Purchased Services	23,500	23,500	32,279	8,779
Supplies and Materials	1,000	1,000	-	(1,000)
#2240 Instructional Staff Development - Carl Perkins				
Salaries	2,000	2,000	-	(2,000)
#2241 Instructional Staff Development - TNT				
Salaries	3,500	3,500	939	(2,561)
Employee Benefits	500	500	73	(427)
#2490 Other Support Services				
Purchased Services	-	-	1,760	1,760
#2520 Title X				
Fiscal Services - Salaries	400	400	-	(400)
Fiscal Services - Employee Benefits	325	325	-	(325)
Fiscal Services - Purchased Services	300	300	-	(300)
#2552 Vehicle Operation Services - Title X				
Purchased Services	500	500	-	(500)
<b>Total Support Services</b>	<b>115,000</b>	<b>115,000</b>	<b>47,811</b>	<b>(67,189)</b>
<b>Total Expenditures</b>	<b>266,000</b>	<b>266,000</b>	<b>55,733</b>	<b>(210,267)</b>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
Fund Balance - July 1, 2013	-	-	-	-
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual**

**STATE MISCELLANEOUS GRANTS FUND #205**

**For the Fiscal Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Other Revenue from Local Sources	\$ 70,000	\$ 70,000	\$ -	\$ (70,000)
Other Restricted State Grants	60,000	60,000	20,891	(39,109)
<b>Total Revenues</b>	<b>130,000</b>	<b>130,000</b>	<b>20,891</b>	<b>(109,109)</b>
<b>Total Revenues</b>	<b>130,000</b>	<b>130,000</b>	<b>20,891</b>	<b>(109,109)</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1111 Primary, K-5 Programs				
Supplies & Materials	30,000	30,000	-	(30,000)
#1121 Middle School Programs				
Supplies & Materials	40,000	40,000	-	(40,000)
#1131 High School Programs				
Purchased Services	-	-	900	900
Supplies & Materials	-	-	13,639	13,639
<b>Total Instruction</b>	<b>70,000</b>	<b>70,000</b>	<b>14,539</b>	<b>(55,461)</b>
Support Services:				
#2113 Social Work Services				
Salaries	30,000	30,000	-	(30,000)
#2210 Improvement of Instruction Services				
Salaries	-	-	1,991	1,991
Employee Benefits	-	-	400	400
Purchased Services	30,000	30,000	12,991	(17,009)
<b>Total Support Services</b>	<b>60,000</b>	<b>60,000</b>	<b>15,382</b>	<b>(44,618)</b>
<b>Total Expenditures</b>	<b>130,000</b>	<b>130,000</b>	<b>29,921</b>	<b>(100,079)</b>
Excess (Deficiency) of Revenues Over Expenditures	-	-	(9,030)	(9,030)
Fund Balance - July 1, 2013	-	-	11,023	11,023
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,993</b>	<b>\$ (9,030)</b>



**AMITY SCHOOL DISTRICT NO. 4J**

**Schedule of Revenues, Expenditures, and  
Changes in Fund Balance - Budget and Actual**

**COMMUNITY PROJECTS FUND #250**

**For the Fiscal Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Tuition - Bridge Program	\$ 35,000	\$ 35,000	\$ 10,485	\$ (24,515)
<b>Total Local Revenues</b>	<b>35,000</b>	<b>35,000</b>	<b>10,485</b>	<b>(24,515)</b>
<b>Total Revenues</b>	<b>35,000</b>	<b>35,000</b>	<b>10,485</b>	<b>(24,515)</b>
<b><u>EXPENDITURES:</u></b>				
Enterprise and Community Services:				
#3502 Custody and Care of Children Services				
Salaries	28,544	28,544	9,670	(18,874)
Employee Benefits	9,456	9,456	2,329	(7,127)
Purchased Services	5,000	5,000	-	(5,000)
Supplies and Materials	4,500	4,500	-	(4,500)
<b>Total Enterprise and Community Services</b>	<b>47,500</b>	<b>47,500</b>	<b>11,999</b>	<b>(35,501)</b>
<b>Total Expenditures</b>	<b>47,500</b>	<b>47,500</b>	<b>11,999</b>	<b>(35,501)</b>
Excess (Deficiency) of Revenues Over Expenditures	(12,500)	(12,500)	(1,514)	10,986
Fund Balance - July 1, 2013	12,500	12,500	10,677	(1,823)
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,163</b>	<b>\$ 9,163</b>

# AMITY SCHOOL DISTRICT NO. 4J

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

### STUDENT BODY FUND #270

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Other Curricular Activities	\$ 230,000	\$ 230,000	\$ 273,442	\$ 43,442
Total Revenues from Local Sources	230,000	230,000	273,442	43,442
<b>Total Revenues</b>	<b>230,000</b>	<b>230,000</b>	<b>273,442</b>	<b>43,442</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1113 Primary Extracurricular Materials and Supplies	57,500	57,500	37,575	(19,925)
#1122 Middle School Extracurricular Materials and Supplies	57,500	57,500	25,670	(31,830)
#1132 High School Extracurricular Materials and Supplies	245,000	245,000	171,368	(73,632)
Total Instruction	360,000	360,000	234,613	(125,387)
<b>Total Expenditures</b>	<b>360,000</b>	<b>360,000</b>	<b>234,613</b>	<b>(125,387)</b>
Excess (Deficiency) of Revenues Over Expenditure	(130,000)	(130,000)	38,829	168,829
Fund Balance - July 1, 2013	130,000	130,000	99,825	(30,175)
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 138,654</b>	<b>\$ 138,654</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual**

**FOOD SERVICE FUND #280**

**For the Fiscal Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Interest on Investments	\$ -	\$ -	\$ 5	\$ 5
Breakfast Sales	5,000	5,000	2,566	(2,434)
Lunch Sales	85,000	85,000	46,197	(38,803)
Daily Sales - Non-reimbursable	10,000	10,000	4,137	(5,863)
Special Functions	4,000	4,000	115	(3,885)
Miscellaneous Revenue	1,300	1,300	-	(1,300)
<b>Total Local Revenues</b>	<b>105,300</b>	<b>105,300</b>	<b>53,020</b>	<b>(52,280)</b>
Revenues from State Sources:				
Basic School Support Fund	3,500	3,500	2,942	(558)
Reduced Price Meal Reimbursement	40,000	40,000	1,627	(38,373)
<b>Total State Revenues</b>	<b>43,500</b>	<b>43,500</b>	<b>4,569</b>	<b>(38,931)</b>
Revenues from Federal Sources:				
School Nutrition Reimbursements - Lunch & Breakfast	200,000	200,000	205,222	5,222
Restricted Rev From the Fed Gov through other agencies	-	-	301	301
Commodities	22,000	22,000	17,806	(4,194)
<b>Total Federal Revenues</b>	<b>222,000</b>	<b>222,000</b>	<b>223,329</b>	<b>1,329</b>
<b>Total Revenues</b>	<b>370,800</b>	<b>370,800</b>	<b>280,918</b>	<b>(89,882)</b>
<b><u>EXPENDITURES:</u></b>				
Enterprise and Community Services:				
#3120 Food Services:				
Salaries	72,575	72,575	69,859	(2,716)
Employee Benefits	68,053	68,053	63,748	(4,305)
Purchased Services	10,870	10,870	2,409	(8,461)
Supplies and Materials	206,841	206,841	158,580	(48,261)
Capital Outlay	49,168	49,168	-	(49,168)
Other Objects	4,700	4,700	5,042	342
#3190 Other Food Services:				
Salaries	9,236	9,236	8,651	(585)
Employee Benefits	9,358	9,358	6,788	(2,570)
<b>Total Enterprise and Community Services</b>	<b>430,800</b>	<b>430,800</b>	<b>315,077</b>	<b>(115,723)</b>
Other Uses:				
#5100 Debt Service				
Long Term Debt Service	20,000	20,000	-	(20,000)
<b>Total Other Uses</b>	<b>20,000</b>	<b>20,000</b>	<b>-</b>	<b>(20,000)</b>
<b>Total Expenditures</b>	<b>450,800</b>	<b>450,800</b>	<b>315,077</b>	<b>(135,723)</b>
Excess (Deficiency) of Revenues Over Expenditures	(80,000)	(80,000)	(34,159)	45,841
<b><u>OTHER FINANCING SOURCES:</u></b>				
Long Term Debt Financing Source	40,000	40,000	-	(40,000)
Interfund Transfer In	30,000	30,000	30,000	-
<b>Total Other Financing Sources</b>	<b>70,000</b>	<b>70,000</b>	<b>30,000</b>	<b>(40,000)</b>
Net Change in Fund Balance	(10,000)	(10,000)	(4,159)	5,841
Fund Balance - July 1, 2013	10,000	10,000	4,365	(5,635)
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 206</b>	<b>\$ 206</b>

# AMITY SCHOOL DISTRICT NO. 4J

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

### VEHICLE REPLACEMENT FUND #292

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from State Sources:				
SSF Transportation	\$ 5,300	\$ 5,300	\$ 5,300	\$ -
<b>Total State Revenues</b>	5,300	5,300	5,300	-
<b>Total Revenues</b>	5,300	5,300	5,300	-
<b>EXPENDITURES:</b>				
Support Services:				
#2550 Transportation Services				
Capital Outlay	281,400	281,400	237,820	(43,580)
<b>Total Support Services</b>	281,400	281,400	237,820	(43,580)
Other Uses:				
#5110 Debt Service				
#610 Redemption of Principal	37,000	37,000	35,943	(1,057)
#620 Interest	-	-	465	465
<b>Total Other Uses</b>	37,000	37,000	36,408	(592)
<b>Total Expenditures</b>	318,400	318,400	274,228	(44,172)
Excess (Deficiency) of Revenues Over Expenditure	(313,100)	(313,100)	(268,928)	44,172
<b>OTHER FINANCING SOURCES:</b>				
Long Term Debt Financing Sources	245,000	245,000	237,820	(7,180)
<b>Total Other Financing Sources</b>	245,000	245,000	237,820	(7,180)
Net Change in Fund Balance	(68,100)	(68,100)	(31,108)	44,172
Fund Balance - July 1, 2013	68,100	68,100	68,095	(5)
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,987</b>	<b>\$ 44,167</b>

# AMITY SCHOOL DISTRICT NO. 4J

## Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual

### TECHNOLOGY REPLACEMENT FUND #293

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from Local Sources:				
E-Rate Revenue	\$ 55,000	\$ 55,000	\$ 32,070	\$ (22,930)
Total Revenues from Local Sources	55,000	55,000	32,070	(22,930)
<b>Total Revenues</b>	<b>55,000</b>	<b>55,000</b>	<b>32,070</b>	<b>(22,930)</b>
<b>EXPENDITURES:</b>				
Instruction:				
#1121 Junior High Programs				
Supplies & Materials	94,891	94,891	-	(94,891)
Total Instruction	94,891	94,891	-	(94,891)
Support Services:				
#2660 Technology Services				
Purchased Services	10,000	10,000	2,467	(7,533)
Supplies & Materials	7,500	7,500	7,810	310
Total Support Services	17,500	17,500	10,277	(7,223)
<b>Total Expenditures</b>	<b>112,391</b>	<b>112,391</b>	<b>10,277</b>	<b>(102,114)</b>
Excess (Deficiency) of Revenues Over Expendit	(57,391)	(57,391)	21,793	79,184
<b>OTHER FINANCING SOURCES:</b>				
Interfund Transfer In	50,000	50,000	50,000	-
<b>Total Other Financing Sources</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>
Net Change in Fund Balance	(7,391)	(7,391)	71,793	79,184
Fund Balance - July 1, 2013	7,391	7,391	2,853	(4,538)
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 74,646</b>	<b>\$ 74,646</b>

# AMITY SCHOOL DISTRICT NO. 4J

## Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

### UNEMPLOYMENT FUND #298

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from Local Sources:				
Interest on Investments	\$ 550	\$ 550	\$ 561	\$ 11
Total Revenues from Local Sources	550	550	561	11
<b>Total Revenues</b>	<b>550</b>	<b>550</b>	<b>561</b>	<b>11</b>
<b>EXPENDITURES:</b>				
Support Services:				
#2520 Fiscal Services -				
Employee Benefits	127,600	127,600	3,110	(124,490)
Purchased Services	150	150	120	(30)
Total Support Services	127,750	127,750	3,230	(124,520)
<b>Total Expenditures</b>	<b>127,750</b>	<b>127,750</b>	<b>3,230</b>	<b>(124,520)</b>
Excess (Deficiency) of Revenues Over Expenditures	(127,200)	(127,200)	(2,669)	124,531
<b>OTHER FINANCING SOURCES:</b>				
Interfund Transfer In	40,000	40,000	40,000	-
<b>Total Other Financing Sources</b>	<b>40,000</b>	<b>40,000</b>	<b>40,000</b>	<b>-</b>
Net Change in Fund Balance	(87,200)	(87,200)	37,331	124,531
Fund Balance - July 1, 2013	87,200	87,200	87,765	565
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,096</b>	<b>\$ 125,096</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**Schedule of Revenues, Expenditures  
and Changes in Fund Balance - Budget and Actual**

**SCHOLARSHIP FUND #299**

**For the Fiscal Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Locals Sources:				
Interest on Investments	\$ 360	\$ 360	\$ 56	\$ (304)
Contributions from Private Sources	-	-	15,700	15,700
<b>Total Local Revenues</b>	360	360	15,756	15,396
<b>Total Revenues</b>	360	360	15,756	15,396
<b><u>EXPENDITURES:</u></b>				
Enterprise and Community Services				
#3390 Other Community Services - Purchased Services	4,000	4,000	1,800	(2,200)
<b>Total Enterprise and Community Services</b>	4,000	4,000	1,800	(2,200)
Other Uses				
#6000 Contingency	61,360	61,360	-	(61,360)
<b>Total Expenditures</b>	65,360	65,360	1,800	(63,560)
Excess (Deficiency) of Revenues Over Expenditures	(65,000)	(65,000)	13,956	78,956
Fund Balance - July 1, 2013	65,000	65,000	64,405	(595)
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 78,361</b>	<b>\$ 78,361</b>

## **Debt Service Funds**



# **AMITY SCHOOL DISTRICT NO. 4J**

## **Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

### **DEBT SERVICE FUND #300**

**(A Major Fund)**

**For the Fiscal Year Ended June 30, 2014**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u> <u>(See Note 1)</u>	<u>Variance</u> <u>with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Current Year's Taxes	\$ 534,367	\$ 534,367	\$ 543,520	\$ 9,153
Prior Year's Taxes	15,000	15,000	23,348	8,348
Penalties and Interest on Local Taxes	-	-	8	8
Interest on Investments	1,000	1,000	1,274	274
<b>Total Revenues</b>	<b>550,367</b>	<b>550,367</b>	<b>568,150</b>	<b>17,783</b>
<b><u>EXPENDITURES:</u></b>				
Other Uses:				
#5110 Debt Service:				
#610 Principal Redemption	390,000	390,000	390,000	-
#620 Interest Expense	190,850	190,850	190,850	-
Total Other Uses	<b>580,850</b>	<b>580,850</b>	<b>580,850</b>	<b>-</b>
<b>Total Expenditures</b>	<b>580,850</b>	<b>580,850</b>	<b>580,850</b>	<b>-</b>
Excess (Deficiency) of Revenues Over Expenditu	(30,483)	(30,483)	(12,700)	17,783
Fund Balance - July 1, 2013	30,483	30,483	44,652	(17,783)
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 31,952</b>	<b>\$ -</b>

# **AMITY SCHOOL DISTRICT NO. 4J**

## **Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual**

### **PERS BOND DEBT SERVICE FUND #302**

**(A Major Fund)**

**For the Fiscal Year Ended June 30, 2014**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Services Provided Other Funds	\$ 550,000	\$ 550,000	\$ 556,700	\$ 6,700
Interest Income	2,200	2,200	1,260	(940)
<b>Total Revenues</b>	<b>552,200</b>	<b>552,200</b>	<b>557,960</b>	<b>5,760</b>
<b><u>EXPENDITURES:</u></b>				
Other Uses:				
#5110 Debt Service:				
#610 Principal Redemption	177,613	177,613	177,613	-
#620 Interest Expense	339,604	339,604	339,603	(1)
Total Other Uses	517,217	517,217	517,216	(1)
<b>Total Expenditures</b>	<b>517,217</b>	<b>517,217</b>	<b>517,216</b>	<b>(1)</b>
Excess (Deficiency) of Revenues Over Expenditures	34,983	34,983	40,744	5,761
Fund Balance - July 1, 2013	285,000	285,000	332,530	47,530
<b>Fund Balance - June 30, 2014</b>	<b>\$ 319,983</b>	<b>\$ 319,983</b>	<b>\$ 373,274</b>	<b>\$ 53,291</b>

## **Capital Projects Funds**

# AMITY SCHOOL DISTRICT NO. 4J

## Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual

### CAPITAL IMPROVEMENT FUND #430 (A Non-Major Fund)

For the Fiscal Year Ended June 30, 2014

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from Local Sources:				
Miscellaneous	\$ 99,500	\$ 99,500	\$ 77,024	\$ (22,476)
Total Revenues from Local Sources	99,500	99,500	77,024	(22,476)
<b>Total Revenues</b>	<b>99,500</b>	<b>99,500</b>	<b>77,024</b>	<b>(22,476)</b>
<b>EXPENDITURES:</b>				
Support Services:				
#2542 Care & Upkeep of Building Services				
Purchased Services	294,500	219,500	-	(219,500)
Supplies & Materials	-	-	3,388	3,388
Capital Outlay	50,000	50,000	72,411	22,411
Total Support Services	344,500	269,500	75,799	(193,701)
Enterprise and Community Services				
#3120 Food Preparation & Dispensing Services				
Capital Outlay	-	75,000	51,932	(23,068)
Total Enterprise and Community Services	-	75,000	51,932	(23,068)
Other Uses:				
#5110 Debt Service				
#610 Redemption of Principal	-	75,000	37,500	(37,500)
#640 Dues and Fees	-	-	387	387
Total Other Uses	-	75,000	37,887	(37,113)
<b>Total Expenditures</b>	<b>344,500</b>	<b>419,500</b>	<b>165,618</b>	<b>(193,701)</b>
Excess (Deficiency) of Revenues Over Expenditures	(245,000)	(320,000)	(88,594)	171,225
<b>OTHER FINANCING SOURCES:</b>				
Long Term Debt Financing Sources	-	75,000	-	(75,000)
Interfund Transfer In	110,000	110,000	110,000	-
<b>Total Other Financing Sources</b>	<b>110,000</b>	<b>185,000</b>	<b>110,000</b>	<b>(75,000)</b>
Net Change in Fund Balance	(135,000)	(135,000)	21,406	96,225
Fund Balance - July 1, 2013	135,000	135,000	135,650	650
<b>Fund Balance - June 30, 2014</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 157,056</b>	<b>\$ 96,875</b>

## **Additional Supporting Schedules**

# AMITY SCHOOL DISTRICT NO. 4J

## SCHEDULE OF PROPERTY TAX TRANSACTIONS

**For the Fiscal Year Ended June 30, 2014**

	Subject to Measure 5 Limits	Bond Levy Tax, Outside Measure 5 Limits	Total
<b>Yamhill County:</b>			
Assessed Valuation, 2013-14 Tax Roll	\$ 278,996,246	\$ 278,996,246	\$ 278,996,246
General Fund Permanent Rate Levy, Per One Thousand Dollars	4.7796		4.7796
General Obligation Bond Levy Rate, Per One Thousand Dollars		1.7526	1.7526
Amount Levy Rates Will Raise	1,333,490	488,969	1,822,459
Loss Due to Measure 5 Compression	(47,643)	-	(47,643)
Other Adjustments	-	7,066	7,066
Net Tax Levy - Yamhill County	<u>\$ 1,285,848</u>	<u>\$ 496,035</u>	<u>\$ 1,781,883</u>

<b>Polk County:</b>			
Assessed Valuation, 2013-14 Tax Roll	\$ 48,765,263	\$ 48,765,263	\$ 48,765,263
General Fund Permanent Rate Levy, Per One Thousand Dollars	4.7796		4.7796
General Obligation Bond Levy Rate, Per One Thousand Dollars		1.7526	1.7526
Amount Levy Rates Will Raise	233,078	85,466	318,544
Additional Taxes - Farmland			-
Loss Due to Measure 5 Compression	(10,354)	-	(10,354)
Other Adjustments	-	-	-
Net Tax Levy - Polk County	<u>\$ 222,724</u>	<u>\$ 85,466</u>	<u>\$ 308,190</u>

Tax Year	Uncollected Balance July 1, 2013	Tax Collector's Adjustments Increase (Decrease)	Collections During the Year	Uncollected Balance June 30, 2014
2013-14	\$ 2,090,073	\$ (77,378)	\$ 1,928,055	\$ 84,640
2012-13	91,456	18,745	63,259	46,942
2011-12	44,238	2,875	19,542	27,571
2010-11	40,264	100	18,898	21,466
2009-10	20,178	450	9,034	11,594
2008-09	4,842	(1,259)	871	2,712
2007-08 & Prior	10,086	(1,328)	2,367	6,391
<b>Totals</b>	<u>\$ 2,301,137</u>	<u>\$ (57,795)</u>	2,042,026	<u>\$ 201,316</u>
Less 2012-13 Accrual			(46,489)	
Add 2013-14 Accrual			37,789	
<b>Total Property Tax Revenues - Modified Accrual Method</b>			<u>\$ 2,033,326</u>	

Modified Accrual (Budget Basis) Revenues by Fund:	Current	Prior	Total
General Fund	\$ 1,413,760	\$ 52,699	\$ 1,466,459
Debt Service Fund	543,520	23,348	566,868
<b>Total Property Tax Revenues</b>	<u>\$ 1,957,280</u>	<u>\$ 76,047</u>	<u>\$ 2,033,327</u>

**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF FUND EXPENDITURES AND APPROPRIATIONS**  
**For the Fiscal Year Ended June 30, 2014**

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Over/(Under)</u> <u>Appropriations</u>
GENERAL FUND #100			
Instruction	\$ 4,629,843	\$ 4,744,964	*** \$ (115,121)
Support Services	2,873,548	3,024,219	*** (150,671)
Other Uses	299,261	299,262	(1)
Contingency	-	500,000	(500,000)
IDEA GRANT FUND #200			
Instruction	104,921	211,357	(106,436)
Support Services	9,940	28,643	(18,703)
TITLE I FUND #201			
Instruction	111,065	149,946	(38,881)
Support Services	12,937	24,576	(11,639)
Enterprise and Community Services	482	500	(18)
FEDERAL MISCELLANEOUS GRANTS FUND #204			
Instruction	7,922	151,000	** (143,078)
Support Services	47,811	115,000	** (67,189)
STATE MISCELLANEOUS GRANTS FUND #205			
Instruction	14,539	70,000	(55,461)
Support Services	15,382	60,000	(44,618)
COMMUNITY PROJECTS FUND #250			
Enterprise and Community Services	11,999	47,500	(35,501)
STUDENT BODY FUND #270			
Instruction	234,613	360,000	(125,387)
FOOD SERVICE FUND #280			
Enterprise and Community Services	315,077	430,800	(115,723)
Other Uses	-	20,000	(20,000)
VEHICLE REPLACEMENT FUND #292			
Support Services	237,820	281,400	(43,580)
Other Uses	36,408	37,000	(592)
TECHNOLOGY REPLACEMENT FUND #293			
Instruction	-	94,891	(94,891)
Support Services	10,277	17,500	(7,223)
UNEMPLOYMENT FUND #298			
Support Services	3,230	127,750	(124,520)
SCHOLARSHIP FUND #299			
Purchased Services	1,800	4,000	(2,200)
Contingency	-	61,360	(61,360)
DEBT SERVICE FUND #300			
Other Uses	580,850	580,850	-
PERS BOND DEBT SERVICE FUND #302			
Other Uses	517,216	517,217	(1)
CAPITAL IMPROVEMENT FUND #430			
Support Services	75,799	269,500	*(193,701)
Enterprise and Community Services	51,932	75,000	*(23,068)
Other Uses	37,887	75,000	**(37,113)
<b>TOTAL ALL FUNDS</b>	<b><u>\$ 10,242,559</u></b>	<b><u>\$ 12,379,235</u></b>	<b><u>\$ (2,136,676)</u></b>

RECAP:

Original Budget Appropriation	12,304,235
* Resolution 2013-2014 (1)	-
** Resolution 2013-2014 (2)	75,000
*** Resolution 2013-2014 (8)	-
<b>Total Budget Appropriations</b>	<b><u>\$ 12,379,235</u></b>

- \* Appropriations Transfer Resolution 2013-2014 (1) dated January 15, 2014 transferred Capital Improvements Fund #430 appropriations of \$75,000 from Support Services to Enterprise and Community Services in the same
- \*\* Supplemental Budget Resolution 2013-2014 (2) dated February 12, 2014 for Capital Improvement Fund #430: received unanticipated revenues (Title VI Grant) in the amount of \$75,000 and appropriated the same amount for Debt Service in the same fund.
- \*\*\* Appropriations Transfer Resolution 2013-2014 (8) dated June 18, 2014 transferred General Fund #100 appropriations of \$80,000 from Instruction to Support Services in the same fund.

# AMITY SCHOOL DISTRICT NO. 4J

## SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

**For the Fiscal Year Ended June 30, 2014**

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	<u>Outstanding Balance July 1, 2013</u>	<u>New Issues and Matured</u>	<u>Principal and Retired</u>	<u>Outstanding Balance June 30, 2014</u>	<u>Amount Due Within One Year</u>
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General Obligation Refunding Bonds Series 2005 for partial refunding of Series 2002 General Obligation Bonds. Bonds are held by US Bank, NA trustee. The original balance of the refunding bonds was \$5,380,000 issued October 6, 2005. Fixed interest rates on the bonds vary from 3.5% to 5.0%.

Principal	\$ 4,750,000	\$ -	\$ 390,000	\$ 4,360,000	\$ 420,000
Interest	-	190,850	190,850	-	171,350
<b>Totals</b>	<b>\$ 4,750,000</b>	<b>\$ 190,850</b>	<b>\$ 580,850</b>	<b>\$ 4,360,000</b>	<b>\$ 591,350</b>

Oregon School Boards Association Limited Tax Pension Obligation Bonds Series 2004, held by Wells Fargo Bank Northwest, NA trustee. The original balance was \$6,618,714 issued April 21, 2004. Fixed interest rates on the bonds vary from 1.5% to 6.27%.

Principal	\$ 5,247,240	\$ -	\$ 177,613	\$ 5,069,627	\$ 179,771
Interest	-	339,603	339,603	-	367,445
<b>Totals</b>	<b>\$ 5,247,240</b>	<b>\$ 339,603</b>	<b>\$ 517,216</b>	<b>\$ 5,069,627</b>	<b>\$ 547,216</b>

Bus Leases with Sovereign Bank. Total Lease \$237,820 for 3 busses purchased on October 15, 2013 with an interest rate of 2.30%

Principal	\$ -	\$ 237,820	\$ 35,943	\$ 201,877	\$ 31,765
Interest	-	465	465	-	4,643
<b>Totals</b>	<b>\$ -</b>	<b>\$ 238,285</b>	<b>\$ 36,408</b>	<b>\$ 201,877</b>	<b>\$ 36,408</b>

Qualified Zone Academy Bond (QZAB), original balance of \$1,290,000, dated February 1, 2004, for funding qualified building improvements and equipment purchases. Interest costs are subsidized by the federal government. Annual payments of \$69,261 are placed into a sinking fund maintained by a paying agent. Earnings of the sinking fund reduce total payments made to retire bonds. The debt will be paid to bondholders at maturity in 2019 from the sinking fund. Reported outstanding balance at fiscal year end reflects total of original bond payable amount net of deposits made to date into sinking fund.

Principal	\$ 666,648	\$ -	\$ 69,261	\$ 597,387	\$ 69,261
<b>Totals</b>	<b>\$ 666,648</b>	<b>\$ -</b>	<b>\$ 69,261</b>	<b>\$ 597,387</b>	<b>\$ 69,261</b>

**TOTAL DEBT AGREEMENTS:**

Principal	\$ 10,663,888	\$ 237,820	\$ 672,817	\$ 10,228,891	\$ 700,797
Interest	-	530,918	530,918	-	543,438
<b>Totals</b>	<b>\$ 10,663,888</b>	<b>\$ 768,738</b>	<b>\$ 1,203,735</b>	<b>\$ 10,228,891</b>	<b>\$ 1,244,235</b>



**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF FUTURE REQUIREMENTS FOR**  
**RETIREMENT OF LONG-TERM DEBT**  
**For the Fiscal Year Ended June 30, 2014**

	Fiscal Year Ended June 30,	Total	Principal	Interest	Coupon Interest Rate
General Obligation Refunding Bonds Series 2005 for refunding of Series 2002 GO Bonds - Original Balance \$5,380,000	2015	591,350	420,000	171,350	5.00%
	2016	605,350	455,000	150,350	3.60%
	2017	623,970	490,000	133,970	3.70%
	2018	640,840	525,000	115,840	3.75%
	2019	656,152	560,000	96,152	3.80%
	2020	669,872	595,000	74,872	3.85%
	2021	686,965	635,000	51,965	3.90%
	2022	707,200	680,000	27,200	4.00%
<b>Totals</b>		<b>\$ 5,181,699</b>	<b>\$ 4,360,000</b>	<b>\$ 821,699</b>	
Oregon School Boards Association Limited Tax Pension Obligation Bonds Series 2004, Wells Fargo Bank Northwest, NA, Trustee - Original Balance \$6,618,714	2015	\$ 547,216	\$ 179,771	\$ 367,445	5.54%
	2016	572,215	178,436	393,779	5.71%
	2017	602,216	179,168	423,048	5.83%
	2018	632,215	178,241	453,974	5.96%
	2019	662,215	176,588	485,627	6.07%
	2020	697,216	176,485	520,731	6.15%
	2021	727,216	173,920	553,296	6.22%
	2022	762,216	173,094	589,122	6.26%
	2023	802,215	173,925	628,290	6.27%
	2024	842,216	645,000	197,216	6.27%
	2025	881,028	720,000	161,028	5.68%
	2026	920,132	800,000	120,132	5.68%
	2027	964,692	890,000	74,692	5.68%
	2028	449,140	425,000	24,140	5.68%
<b>Totals</b>		<b>\$ 10,062,148</b>	<b>\$ 5,069,628</b>	<b>\$ 4,992,520</b>	
Qualified Zone Academy Bond (QZAB), original America. Annual deposit of \$69,261 into Custodian Account at US Bank earning 3% annually is required. - Original Balance \$1,290,000	2019	\$ 1,012,953	\$ 1,012,953	\$ -	
<b>Totals</b>		<b>\$ 1,012,953</b>	<b>\$ 1,012,953</b>	<b>\$ -</b>	
Sovereign Bank Bus Leases - Original Balance \$237,820	2015	36,408	31,765	4,643	
	2016	36,408	32,495	3,913	
	2017	36,408	33,243	3,165	
	2018	36,408	34,007	2,401	
	2019	36,408	34,790	1,618	
	2020	36,408	35,577	832	
<b>Totals</b>		<b>218,448</b>	<b>201,877</b>	<b>16,571</b>	
<b>Total Future Requirements for Long-Term Debt</b>		<b>\$ 16,475,248</b>	<b>\$ 10,644,458</b>	<b>\$ 5,830,790</b>	

**INDEPENDENT AUDITOR'S**  
**COMMENTS**

**AMITY SCHOOL DISTRICT NO. 4J**  
**AUDITOR'S COMMENTS AND DISCLOSURES**  
**REQUIRED BY STATE REGULATION**

**As of June 30, 2014**

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To the Governing Body of the Amity School District No. 4J  
Amity, Oregon

We have audited the basic financial statements of the Amity School District No. 4J as of and for the year ended June 30, 2014, and have issued our report thereon dated October 23, 2014. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

**Compliance**

As part of obtaining reasonable assurance about whether the Amity School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements 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.

We performed procedures to the extent we considered necessary to address the required comments and disclosures which included, but were not limited to the following:

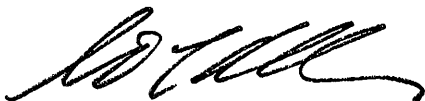
- **Deposit of public funds with financial institutions (ORS Chapter 295).**
- **Indebtedness limitations, restrictions and repayment.**
- **Budgets legally required (ORS Chapter 294).**
- **Insurance and fidelity bonds in force or required by law.**
- **Programs funded from outside sources.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State school fund factors and calculation.**

In connection with our testing nothing came to our attention that caused us to believe the District was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations.

**OAR 162-10-0230 Internal Control**

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

This report is intended solely for the information and use of the Board of Directors and management of Amity School District No. 4J and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.



Steve Tuchscherer, CPA, PC

Roseburg, Oregon  
October 23, 2014

# **SINGLE AUDIT SECTION**

**AMITY SCHOOL DISTRICT NO. 4J**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Fiscal Year Ended June 30, 2014**

Federal Grantor/Pass Through Grantor/ Program Title	Fund	Federal CFDA Number	Grant Period	Original Program or Grant Amount	(Receivable)/	Cash	Expenditures	(Receivable)/
					Deferred Revenue June 30, 2013			Deferred Revenue June 30, 2014
<b>Passed Through Oregon Department of Education:</b>								
Title 1-A	Title 1	84.010A	2013-14	\$ 174,961	\$ -	\$ 120,934	\$ 120,934	\$ -
Title 1-A	Title 1	84.010A	2012-13	129,454	-	3,550	3,550	-
Title 1 - School Improvement Grant	Title 1	84.010A						
<b>Total Title 1</b>				<b>304,415</b>	<b>-</b>	<b>124,484</b>	<b>124,484</b>	<b>-</b>
Title 2-A Improving Teacher Quality	Federal Misc.	84.367	2013-14	35,009	-	16,969	22,730	(5,761)
Title 2-A Improving Teacher Quality	Federal Misc.	84.367	2012-13	37,786	(7,084)	31,152	24,068	-
<b>Total Title 2A - Improving Teacher Quality</b>				<b>72,795</b>	<b>(7,084)</b>	<b>48,121</b>	<b>46,798</b>	<b>(5,761)</b>
IDEA - Special Education Grants to States	IDEA Grant	84.027A	2013-14	145,482	-	56,931	93,013	(36,082)
IDEA - Special Education Grants to States	IDEA Grant	84.027A	2012-13	145,887	(120,520)	132,189	11,669	-
IDEA - Part B, Section 611	IDEA Grant	84.027						
IDEA - Enhancement & Extended Assessment Training	IDEA Grant	84.027	2013-14	2,122	-	1,575	1,851	(276)
IDEA, Special Education- Preschool Grants-13/14	IDEA Grant	84.173	2013-14	797	-	-	7	(7)
IDEA, Special Education-Preschool Grants-12/13	IDEA Grant	84.173						
IDEA - SPR&I	IDEA Grant	84.027	2013-14	1,515	-	1,515	1,515	-
Special Education - State Personnel Development	IDEA Grant	84.323	2013-14	4,000	-	2,143	4,000	(1,857)
Special Education - State Personnel Development	IDEA Grant	84.323	2012-13	3,000	(194)	3,000	2,806	-
<b>Total IDEA</b>				<b>302,803</b>	<b>(120,714)</b>	<b>197,353</b>	<b>114,861</b>	<b>(38,222)</b>
Title X - McKinney Homeless Children and Youth		84.196	2012-13	3,196	(2,425)	2,425	-	-
<b>Total Title X - McKinney Homeless Children and Youth</b>				<b>3,196</b>	<b>(2,425)</b>	<b>2,425</b>	<b>-</b>	<b>-</b>
Title VI - Rural and Low Income Schools	General	84.358	2012-13	16,126	-	7,922	7,922	-
<b>Passed through Education Service District:</b>								
TNT Grant 11-12	Federal Misc.	84.387	2013-14		-	828	1,012	(184)
TNT Grant 12-13	Federal Misc.	84.387	2012-13		(674)	674	-	-
<b>Total TNT Grant s</b>				<b>-</b>	<b>(674)</b>	<b>1,502</b>	<b>1,012</b>	<b>(184)</b>
Title IIIa - English Language Acquisition	Federal Misc.	84.365	2012-13		-	-	-	-
Title IIIa - English Language Acquisition	Federal Misc.	84.365			-	-	-	-
<b>Total Title IIIa - English Language Acquisition</b>				<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total U.S. Department of Education</b>				<b>\$ 699,335</b>	<b>\$ (130,897)</b>	<b>\$ 381,807</b>	<b>\$ 295,077</b>	<b>\$ (44,167)</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
<b>Passed Through Oregon Department of Education:</b>								
Commodities	* Food Service	10.550	2013-14	\$ 17,806	\$ -	\$ 17,806	\$ 17,806	\$ -
National School Lunch - Breakfast	* Food Service	10.553	2013-14	61,476	-	62,897	63,103	(206)
National School Lunch - Breakfast	* Food Service	10.553	2012-13	48,758	(3,168)	3,168	-	-
National School Lunch - Section 4	* Food Service	10.555	2013-14			143,746	143,746	
National School Lunch - Section 4	* Food Service	10.555	2012-13	134,835	(6,760)	6,760	-	-
<b>Total National School Lunch Program</b>	<b>*</b>			<b>262,875</b>	<b>(9,928)</b>	<b>234,377</b>	<b>224,655</b>	<b>(206)</b>
<b>Passed Through Yamhill County:</b>								
Federal Forest Fees	General	10.665	2013-14	6	-	6	6	-
<b>Total U.S. Department of Agriculture</b>				<b>262,881</b>	<b>(9,928)</b>	<b>234,383</b>	<b>224,661</b>	<b>(206)</b>
<b>TOTALS</b>				<b>\$ 962,216</b>	<b>\$ (140,825)</b>	<b>\$ 616,190</b>	<b>\$ 519,738</b>	<b>\$ (44,373)</b>

*This schedule is prepared using the modified accrual basis of accounting*

**RECONCILIATION TO REVENUE:**

Cash Receipts per Schedule Above	\$ 616,190
Grants Receivable/Deferred Revenue Beginning of Year	(140,825)
Grants Receivable/Deferred Revenue End of Year	44,373
<b>Federal Revenue Recognized per Financial Statements</b>	<b>\$ 519,738</b>

\* major program



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

To the Board of Directors  
Amity School District No. 4J

I have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Amity School District No. 4J, as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the Amity School District No. 4J's basic financial statements and have issued our report thereon dated October 23, 2014.

**Internal Control over Financial Reporting**

In planning and performing my audit of the financial statements, I considered Amity School District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Amity School District's internal control. Accordingly, I do not express an opinion on the effectiveness of Amity School District's internal control.

*A deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

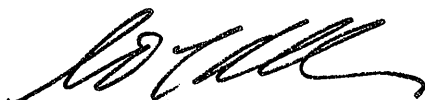
My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. Given these limitations, during my audit I did not identify any deficiencies in internal control that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Steve Tuchscherer, CPA  
October 23, 2014



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM  
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

To the Board of Directors  
Amity School District No. 4J59

**Report on Compliance for Each Major Federal Program**

I have audited Amity School District No. 4J's compliance with the types of compliance requirements described in the OMB *Circular A-133 Compliance Supplement* that could have a direct and material effect on each of Amity School District No. 4J's major federal programs for the year ended June 30, 2014. Amity School District No. 4J's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

**Auditor's Responsibility**

My responsibility is to express an opinion on compliance for each of Amity School District No. 4J's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Amity School District No. 4J's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination of Amity School District No. 4J's compliance.

**Opinion on Each Major Federal Program**

In my opinion, Amity School District No. 4J complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2014.

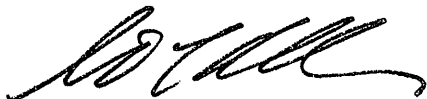
**Report on Internal Control Over Compliance**

The management of Amity School District No. 4J is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit, I considered Amity School District No. 4J's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Amity School District No. 4J's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.



Steve Tuchscherer, CPA  
October 23, 2014



**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**June 30, 2014**

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

1. The auditor’s report expresses an unqualified opinion on the financial statements of Amity School District No. 4J.
2. No material weaknesses or reportable conditions related to the financial statement audit were identified which are required to be reported in accordance with *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of Amity School District No. 4J were disclosed during the audit.
4. No significant deficiencies in internal control were disclosed by the audit of the financial statements.
5. No material weaknesses or significant deficiencies in internal controls over major programs were disclosed by the audit.
6. The auditor’s report on compliance for the major federal award program expresses an unqualified opinion.
7. The audit did not disclose any findings that are required to be reported.
8. The program tested as a major program was the National School Lunch cluster, CFDA Number(s) 10.550, 10.553 and 10.555.
9. The threshold for distinguishing between Type A and B programs was \$300,000.
10. The District was determined to be a low-risk auditee.

**Section II—Financial Statements Findings**

No findings related to the financial statements are reported for the year ended June 30, 2014.

**Section III—Findings and Questioned Costs for Federal Awards.**

No matters were reported relating to significant deficiencies, material weaknesses, or instances of noncompliance related to the financial statements that are required to be reported in accordance with paragraphs 5.18 through 5.20 of *Government Auditing Standards*.

**Section IV—Summary Schedule of Prior Audit Findings**

There were no findings or questioned costs for the year ended June 30, 2013.

**AMITY SCHOOL DISTRICT NO. 4J**

**Oregon Department of Education Form 581-3211-C**

**For the Fiscal Year Ended June 30, 2014**

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**SUPPLEMENTAL INFORMATION, 2013-2014**

Parts A is needed for computing Oregon's full allocation for ESEA, Title 1 & other Federal Funds for Education

**A. Energy Bills for Heating - All Funds:**

Please enter your expenditures for electricity  
& heating fuel for these Functions & Objects.

	Objects 325 & 326
Function 2540	\$ 130,598
Function 2550	\$ -

**B. Replacement of Equipment - General Fund:**

Include all General Fund expenditures in Object 542, except for the following exclusions:

Exclude these functions:

1113,1122 & 1132

1140

1300

1400

Extra-curricular Activities

Pre-Kindergarten

Continuing Education

Summer School

Exclude these functions:

4150

2550

3100

3300

Construction

Pupil Transportation

Food Service

Community Services

\$ -
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