



**AMITY SCHOOL DISTRICT NO. 4J**

**AMITY, OREGON**

**JUNE 30, 2015**

**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**

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

BARBARA ROWE . . . . . Vice Chair  
PO Box 590, Amity, OR 97101

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

MATT FOERTSCH . . . . . Board Member  
PO Box 404, 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

**AMITY SCHOOL DISTRICT NO. 4J**

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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, 2015, 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, 2015, 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 on pages 2-10, budgetary comparison information on pages 42-55, and pension schedules on pages 46-47 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 required supplementary information 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*

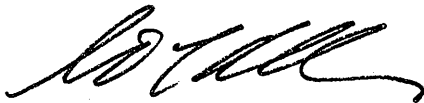
My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Amity School District No. 4J's basic financial statements. The combining and individual non-major fund financial statements and additional supporting schedules listed in the table of 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 December 18, 2015, 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  
December 18, 2015

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



**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**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, 2015. 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, 2015 are as follows:

- Changes in the financial statements are included for this year due to the implementation of Governmental Accounting Standards Board Statements 67 & 68. Those statements require accounting and reporting changes related to employee pension plans. Net pension liability or asset, as well as deferred inflows and outflows of resources, and restricted amounts of the government's net position, each related to pension activities all appear for the first time on the Statements of Net Position. Also, beginning net positions have been restated to include the estimated impacts of the new requirements prior to the current year. Note 7, beginning on page 29 of this report, describe in detail the government's pension plans.
- The District's net position, after consideration of the restatement for pension costs prior to the current year, increased by \$246,143 which represents a 40.7 percent increase from the previous year.
- General revenues accounted for \$8,401,730 in revenue, or 89.3 percent of all revenues. Program specific revenues in the form of charges for services, and grants and contributions accounted for \$1,011,690 or 10.8 percent of total revenues of \$9,413,420.
- The District had \$9,168,352 in expenses related to governmental activities; which was less than total revenues, resulting in an increase in net position of \$246,143. Total expenses increased \$174,190 over the previous year.
- Total assets of governmental activities decreased by \$405,937. The decrease resulted primarily from a decrease of \$120,928 in current assets and a \$255,331 decrease in prepaid expense – pension obligation, net of accumulated amortization.
- Total liabilities decreased by \$667,668, largely due to a decrease in general obligation and PERS bonds of more than \$588,000, and a decrease in QZAB note payables of \$69,261.
- Among the governmental funds, the general fund had \$7,828,764 in revenues, which primarily consisted of state school support funds and property taxes. General Fund expenditures totaled \$7,993,209 including \$207,000 in budgeted interfund transfers out and \$69,261 in budgeted debt service payments. The General Fund's fund balance decreased \$164,445 to \$800,679.

**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.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**Unaudited**

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*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.

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, 2015**  
**Unaudited**

*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 \$850,491. This is a \$246,143 increase from last year's net position and represents a 40.7 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**

	<u>Governmental Activities</u>		Percentage Change
	<u>June 30, 2015</u>	<u>June 30, 2014</u>	
<b>Assets</b>			
Current and Other Assets	\$ 5,784,629	\$ 5,961,376	-2.96%
Capital Assets	<u>5,261,493</u>	<u>5,490,683</u>	-4.17%
Total Assets	11,046,122	11,452,059	-3.54%
<b>Liabilities</b>			
Long-Term Liabilities	8,987,169	9,670,012	-7.06%
Other Liabilities	<u>819,910</u>	<u>804,735</u>	1.89%
Total Liabilities	<u>9,807,079</u>	<u>10,474,747</u>	-6.37%
<b>Deferred Inflow of Resources</b>			
- Restated for Prior Year	<u>388,552</u>	<u>372,964</u>	4.2%
<b>Net Position</b>			
Invested in Capital Assets			
Net of Debt	543,255	569,239	-4.56%
Restricted	244,293	31,952	664.56%
Unrestricted	<u>62,943</u>	<u>3,157</u>	1893.76%
Total Net Position - Restated for Prior Year	<u>\$ 850,491</u>	<u>\$ 604,348</u>	40.73%

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**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**

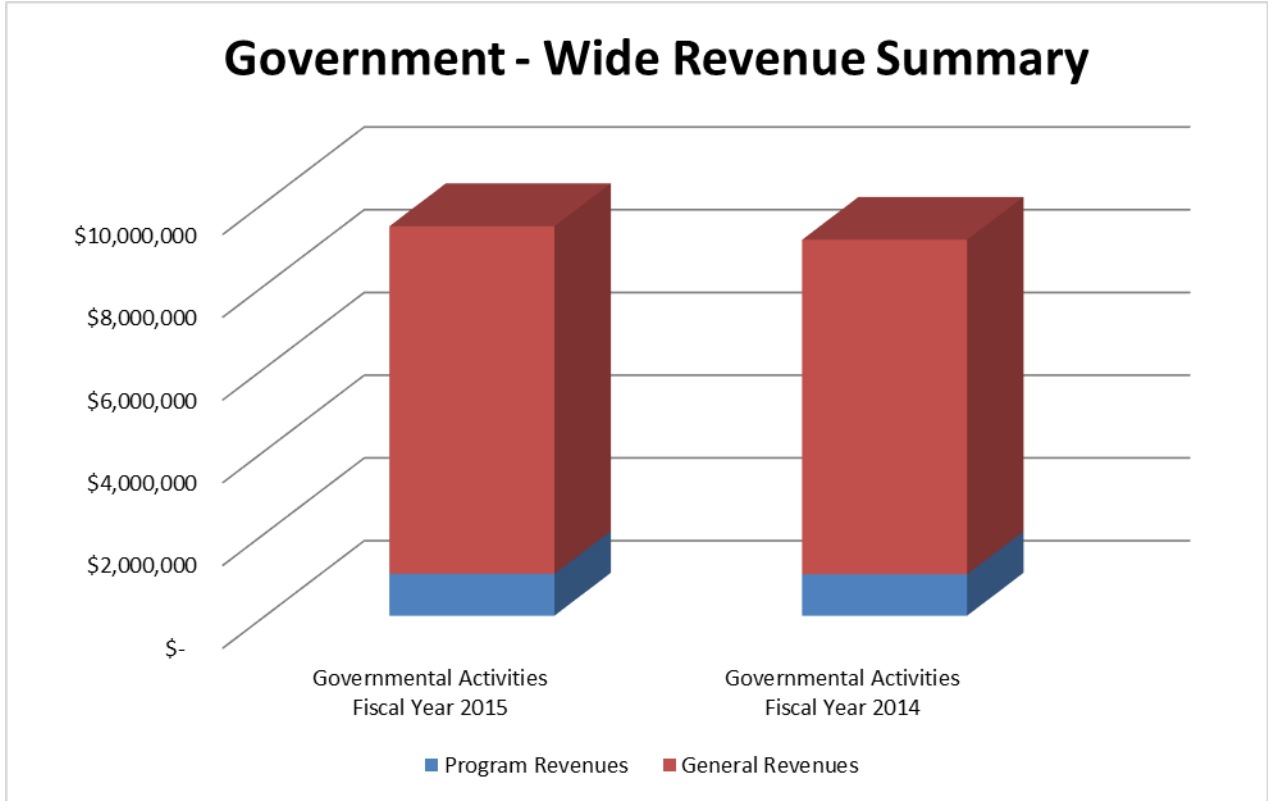
	<u>Governmental Activities</u>		
	<u>2014-15</u>	<u>2013-14</u>	<u>Percentage Change</u>
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 353,539	\$ 374,503	-5.6%
Operating Grants and Contributions	658,151	626,515	5.0%
General Revenues			
Property Taxes	2,068,940	2,032,278	1.8%
State Basic School Support	5,955,066	5,668,380	5.1%
Other	377,724	384,536	-1.8%
Total Revenues	<u>9,413,420</u>	<u>9,086,212</u>	3.6%
<b>Program Expenses</b>			
Instruction	5,318,520	5,183,878	2.6%
Support Services	2,970,945	2,952,536	0.6%
Community Services	323,506	321,884	0.5%
Interest on Long-Term Debt	555,381	535,864	3.6%
Total Program Expenses	<u>9,168,352</u>	<u>8,994,162</u>	1.9%
Change in Net Position before Special Items	245,068	92,050	166.2%
Special Items	1,075	-	
<b>Change in Net Position</b>	<u>\$ 246,143</u>	<u>\$ 92,050</u>	167.4%

The largest governmental activities program is instruction, which comprises 58 percent of expenses. Interest expense was 6 percent of total expenses.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**Unaudited**

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The following chart analyzes the revenue between governmental activities from prior to current year.



**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**Unaudited**

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.

**Governmental Activities**

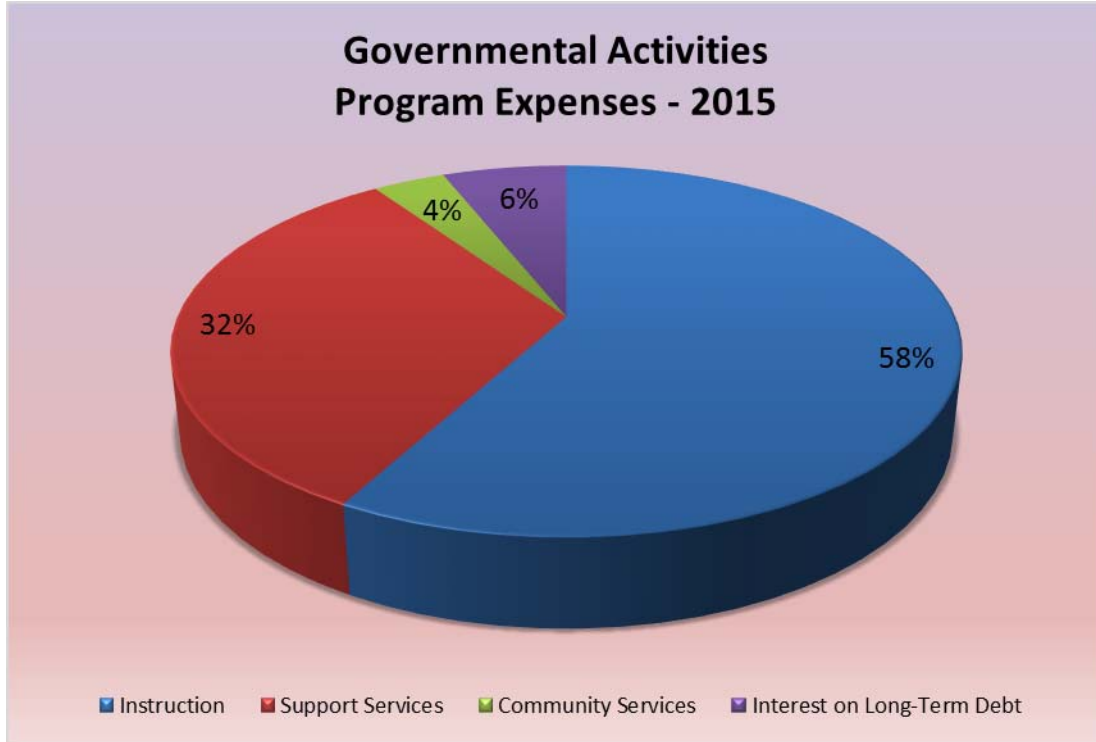
	<u>2014-15</u>		<u>2013-14</u>	
	<u>Total Cost of Services</u>	<u>Net Cost (Profit) of Services</u>	<u>Total Cost of Services</u>	<u>Net Cost (Profit) of Services</u>
Instruction	\$ 5,318,520	\$4,644,105	\$5,183,878	\$ 4,557,753
Support Services				
Students	464,564	464,297	382,215	381,164
Instructional Staff	153,998	98,028	208,470	125,211
General Administration	197,303	197,303	197,496	197,496
School Administration	541,658	536,983	560,898	559,138
Business Services	256,414	256,414	206,479	206,479
Operation & Maintenance of Plant Services	724,171	724,171	722,506	722,506
Student Transportation Services	408,438	408,438	397,186	397,186
Staff Services	21,547	21,547	28,629	28,629
Technology Services	202,852	202,852	248,657	248,657
Community Services	323,506	47,143	321,884	33,061
Interest on Long-Term Debt	555,381	555,381	535,864	535,864
Total Program Expenses	<u>\$ 9,168,352</u>	<u>\$8,156,662</u>	<u>\$8,994,162</u>	<u>\$ 7,993,144</u>

The dependence on property tax and state basic support revenues is apparent. Over 87 percent of instruction activities are supported through property tax and state basic support. For all governmental activities general revenue support was 89 percent. Unrestricted state basic school support payments are by far the primary support of Amity School District No. 4J students.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**Unaudited**

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This graph represents the cost of the District's program expenses by governmental activities.



**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 \$1,917,239, a decrease of \$75,273. 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 \$164,445.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**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 \$7,857,139 during the fiscal year. Actual General Fund receipts of \$7,828,764 were less than budgeted revenues by \$28,375, or 0.4 percent. In the General Fund, District spending was less than budgeted amounts in most function areas. Total appropriations budgeted in the General Fund were \$8,957,139 while actual General Fund expenditures of \$7,993,209 resulted in a difference of \$963,930 or 10.8 percent of the budgeted total.

The IDEA Grant Fund actual revenues of \$141,118 were \$107,882 less than budgeted while expenditures of \$141,118 were \$107,882 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 \$187,111 were \$12,889 less than budgeted while expenditures of \$187,111 were \$12,889 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 \$36,948 more than budgeted while expenditures were over the budgeted amount of \$591,350 by \$131,950. The fund began the year with a \$31,953 balance and ended the year with a \$44,781 balance.

The PERS Bond Service Fund actual revenues received were \$67,025 more than budgeted while expenditures equaled the budgeted amount. The fund began the year with a \$373,274 balance and ended the year with a \$445,084 balance.

**Capital Assets and Debt Administration**

**Capital Assets**

As of June 30, 2015, the District had invested \$10,346,291 in capital assets, including school buildings, athletic facilities, land, vehicles, computers and other equipment and furnishings. This amount represents an increase of \$95,126 from the prior year due to additions.

Total depreciation expense for the year was \$324,316. 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.



**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2015**  
**Unaudited**

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**Long-Term Debt**

At June 30, 2015, the District had general obligation bonds payable due of \$4,020,000. This amount includes the general obligation refunding bond, Series 2015, which refunded the 2005 series general obligation bonds in the current year. The entire balance is backed by the full faith and credit of the District. Debt payments on the current and refunded bonds were \$476,000 during the fiscal year. Interest of \$188,682 was paid on the bonded debt. For more information on the refunded debt see note 6 of this document.

The District had an outstanding limited tax pension obligation bond payable of \$4,889,856. For more information see note 5 of this document.

The District had Qualified Zone Academy Bonds (QZAB) payable of \$528,126. 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 bus purchases payable of \$170,112, the current principal payment was \$31,765 and \$4,643 was paid in interest.

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

The primary factors considered in developing the budget for next year were the District's stable student enrollment level as well as a 2.4 percent decrease in anticipated state school fund allocations. The budget was created with flat PERS rates.

Budgeted expenditures in the General Fund decreased 1.4 percent to \$8,830,983 for fiscal year 2015-2016. Anticipated revenue decreases in state school fund accounts for the decrease in budgeted expenditures. No new programs were added to the 2015-2016 budget.

The State's budget for the 2015-2017 biennium is expected to meet the District's 2015-2016 budgeted state basic school support revenues. The district continues its conservative approach to review the status of the various issues impacting its funding while scrutinizing all expenditures and working closely with staff to implement cost saving practices. The 2015-16 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, 2015**

		<u>Governmental Activities</u>
<b><u>ASSETS:</u></b>		
Current Assets:		
Cash and Investments	\$ 1,709,564	
Property Taxes Receivable	205,469	
Accounts Receivable	45,306	
Due From Other Governments	112,592	
Prepaid Expenses	24,975	
Prepaid Loan Fees, net of accumulated amortization	161,780	
Inventory-Food, Supplies & Commodities	6,133	
Total Current Assets		\$ 2,265,819
Restricted Assets:		
Net Pension Asset	199,512	
Total Restricted Assets		199,512
Capital Assets:		
Land	296,099	
Land Improvements	717,161	
Buildings & Improvements	8,487,798	
Vehicles	496,939	
Equipment	348,294	
Less: Accumulated Depreciation	(5,084,798)	
Total Capital Assets, Net of Depreciation		5,261,493
Other Assets:		
Prepaid Expense - Pension Obligation	6,618,174	
Less: Accumulated Amortization	\$ (3,298,876)	
Total Other Assets, Net of Amortization		3,319,298
<b>Total Assets</b>		<b>\$ 11,046,122</b>
<b><u>LIABILITIES:</u></b>		
Current Liabilities:		
Accounts Payable	\$ 22,049	
Accrued Vacation Benefits	22,295	
Interest Payable	5,374	
Current Portion of Long-Term Liabilities:		
Capital Leases Payable	32,495	
QZAB Note Payable	69,261	
General Obligations Bonds	490,000	
Limited Tax PERS Bonds	178,436	
Total Current Liabilities		\$ 819,910
Long-Term Liabilities:		
Noncurrent Portion of Long-Term Liabilities:		
Capital Leases Payable	\$ 137,617	
General Obligations Bonds	3,530,000	
Limited Tax PERS Bonds	4,711,420	
QZAB Note Payable	458,865	
Net OPEB Obligation	149,267	
Total Long-Term Liabilities		8,987,169
<b>Total Liabilities</b>		<b>\$ 9,807,079</b>
<b><u>DEFERRED INFLOW OF RESOURCES</u></b>		
Deferred Earnings on Pension Assets	388,552	
<b>Total Deferred Inflow of Resources</b>		<b>\$ 388,552</b>
<b><u>NET POSITION:</u></b>		
Invested in capital assets, net of related debt	\$ 543,255	
Restricted for:		
Debt Service	44,781	
Net Pension Asset	199,512	
Unrestricted	62,943	
<b>Total Net Position</b>		<b>\$ 850,491</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, 2015

	(Expenses)	Program Revenues		Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Governmental Activities
<b><u>GOVERNMENTAL ACTIVITIES:</u></b>				
Instruction:				
Regular Instruction	\$ 3,887,563	\$ 287,006	\$ 71,332	\$ (3,529,225)
Special Programs	1,429,690	-	316,077	(1,113,613)
Summer School Programs	1,267	-	-	(1,267)
Total Instruction	<u>5,318,520</u>	<u>287,006</u>	<u>387,409</u>	<u>(4,644,105)</u>
Support Services:				
Students	464,564	-	267	(464,297)
Instructional Staff	153,998	-	55,970	(98,028)
General Administration	197,303	-	-	(197,303)
School Administration	541,658	-	4,675	(536,983)
Business Services	256,414	-	-	(256,414)
Operation & Maintenance of Plant Service	724,171	-	-	(724,171)
Student Transportation Services	408,438	-	-	(408,438)
Staff Services	21,547	-	-	(21,547)
Technology Services	202,852	-	-	(202,852)
Total Support Services	<u>2,970,945</u>	<u>-</u>	<u>60,912</u>	<u>(2,910,033)</u>
Community Services	<u>323,506</u>	<u>66,533</u>	<u>209,830</u>	<u>(47,143)</u>
Interest on Long-Term Debt	<u>555,381</u>	<u>-</u>	<u>-</u>	<u>(555,381)</u>
<b>Total Governmental Activities</b>	<b><u>\$ 9,168,352</u></b>	<b><u>\$ 353,539</u></b>	<b><u>\$ 658,151</u></b>	<b><u>\$ (8,156,662)</u></b>

### **GENERAL REVENUES:**

Local Sources:

Property Taxes, Levied for General Purposes	1,472,393
Property Taxes, Levied for Debt Service Purposes	596,547
Interest and Investment Earnings	12,997
Miscellaneous	100,834
County School Fund	173,280
State School Support Available for General Purposes	5,955,066
Common School Fund	90,613

**Subtotal - General Revenues** 8,401,730

Special Items:

Gain on Disposition of Capital Asset	1,075
Change in Net Position	246,143
Net Position - July 1, 2014 - Restated	604,348

**Net Position - June 30, 2015** **\$ 850,491**

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

**BASIC FINANCIAL**  
**STATEMENTS**

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

**AMITY SCHOOL DISTRICT NO. 4J**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2015**

	<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 Funds</b>	<b>Total Governmental Funds</b>
<b><u>ASSETS:</u></b>							
Cash and Cash Equivalents	\$ 631,506	\$ -	\$ -	\$ 31,491	\$ 445,084	\$ 601,483	\$ 1,709,564
Accounts Receivable	45,306	-	-	-	-	-	45,306
Property Taxes Receivable	146,444	-	-	59,025	-	-	205,469
Due From Other Funds	112,355	-	-	-	-	-	112,355
Due from Other Governments	-	45,836	64,414	-	-	2,342	112,592
Prepaid Expenses	-	-	-	-	-	24,975	24,975
Inventory-Food, Supplies & Commodities	-	-	-	-	-	6,133	6,133
<b>Total Assets</b>	<b>\$ 935,611</b>	<b>\$ 45,836</b>	<b>\$ 64,414</b>	<b>\$ 90,516</b>	<b>\$ 445,084</b>	<b>\$ 634,933</b>	<b>\$ 2,216,394</b>
<b><u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</u></b>							
<b>Liabilities:</b>							
Account Payables	\$ 22,049	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,049
Due to Other Funds	-	45,836	64,414	-	-	2,105	112,355
<b>Total Liabilities</b>	<b>22,049</b>	<b>45,836</b>	<b>64,414</b>	<b>-</b>	<b>-</b>	<b>2,105</b>	<b>134,404</b>
<b>Deferred Inflows of Resources:</b>							
Deferred Property Tax Revenue	112,883	-	-	45,735	-	-	158,618
<b>Total Deferred Inflows of Resources</b>	<b>112,883</b>	<b>-</b>	<b>-</b>	<b>45,735</b>	<b>-</b>	<b>-</b>	<b>158,618</b>
<b>Fund Balances:</b>							
Non-spendable	-	-	-	-	-	6,133	6,133
Restricted for:							
Debt Service	-	-	-	44,781	-	-	44,781
Committed for:							
Educational Programs	-	-	-	-	-	74,155	74,155
Community Projects	-	-	-	-	-	9,209	9,209
Student Body Activities	-	-	-	-	-	157,043	157,043
Food Service Programs	-	-	-	-	-	1,715	1,715
Equipment Acquisition	-	-	-	-	-	121,873	121,873
Capital Construction & Bldg. Maint.	-	-	-	-	-	137,948	137,948
Employee Benefits Programs	-	-	-	-	-	124,752	124,752
Debt Service	-	-	-	-	445,084	-	445,084
Unassigned	800,679	-	-	-	-	-	800,679
<b>Total Fund Balances</b>	<b>800,679</b>	<b>-</b>	<b>-</b>	<b>44,781</b>	<b>445,084</b>	<b>632,828</b>	<b>1,923,372</b>
<b>Total Liabilities, Deferred Inflows of Resources &amp; Fund Balances</b>	<b>\$ 935,611</b>	<b>\$ 45,836</b>	<b>\$ 64,414</b>	<b>\$ 90,516</b>	<b>\$ 445,084</b>	<b>\$ 634,933</b>	<b>\$ 2,216,394</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, 2015**

**Total Fund Balances - Governmental Funds** \$ 1,923,372

**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 -	\$10,346,291	
The accumulated depreciation is -	(5,084,798)	
Net Value of Assets		5,261,493

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 -	(3,298,876)	
Net Value of Prepaid Expense		3,319,298

Net pension assets reported in governmental activities are not financial resources and therefore are not reported in the governmental funds.

199,512

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 -		161,780
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Accrued interest payable is not included as a liability in the governmental funds.

(5,374)

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

158,618

Deferred inflows and outflows of pension contributions and earnings are not reported in the governmental funds.

Deferred Earnings on Pension Assets		(388,552)
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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	22,295	
Capital Leases	170,112	
Limited Tax PERS Bonds	4,889,856	
General Obligation Bonds	4,020,000	
Net OPEB Obligation	149,267	
QZAB Note Payable	528,126	
Total Long-Term Liabilities		(9,779,656)

<b>Net Position of Governmental Activities</b>	<b>\$ 850,491</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, 2015

	General Fund #100	IDEA Grant Fund #200	Title 1 Fund #201	Debt Service Fund #300	PERS Bond Debt Service Fund #302	Other Govern- mental Funds	Total Govern- mental Funds
<b>REVENUES:</b>							
Basic School Support Fund	\$ 5,925,689	\$ -	\$ -	\$ -	\$ -	\$ 29,377	\$ 5,955,066
Ad Valorem Taxes-Current Year	1,417,027	-	-	574,405	-	-	1,991,432
Ad Valorem Taxes-Prior Year	58,065	-	-	24,354	-	-	82,419
Services Provided to Other Funds	-	-	-	-	617,560	-	617,560
Fees and Charges	24,390	-	-	-	-	315,563	339,953
Admission to Co-Curricular Activities	13,586	-	-	-	-	-	13,586
Interest on Investments	9,474	-	-	1,369	1,465	689	12,997
Miscellaneous Local Revenues	46,733	-	213	-	-	54,101	101,047
County School Fund	173,280	-	-	-	-	-	173,280
Common School Fund	90,613	-	-	-	-	-	90,613
State Grants-In-Aid	68,643	-	-	-	-	5,519	74,162
Federal Reimbursement Grants	189	141,118	186,898	-	-	255,571	583,776
<b>Total Revenues</b>	<b>7,827,689</b>	<b>141,118</b>	<b>187,111</b>	<b>600,128</b>	<b>619,025</b>	<b>660,820</b>	<b>10,035,891</b>
<b>EXPENDITURES:</b>							
Instruction:							
Regular Instruction	3,602,617	-	-	-	-	284,130	3,886,747
Special Programs	1,184,135	129,488	186,589	-	-	-	1,500,212
Summer School Programs	1,294	-	-	-	-	-	1,294
Support Services:							
Students	498,071	267	-	-	-	-	498,338
Instructional Staff	109,061	11,363	40	-	-	44,567	165,031
General Administration	210,502	-	-	-	-	-	210,502
School Administration	581,820	-	-	-	-	4,675	586,495
Business Services	176,537	-	-	-	-	974	177,511
Operation & Maint. of Plant Service:	742,511	-	-	-	-	46,914	789,425
Student Transportation Services	389,662	-	-	-	-	-	389,662
Information and Staff Services	21,568	-	-	-	-	-	21,568
Technology Services	199,170	-	-	-	-	14,236	213,406
Community Services	-	-	482	-	-	332,615	333,097
Facilities Acquisition and Construction	-	-	-	-	-	60,183	60,183
Debt Service	69,261	-	-	723,300	547,215	74,992	1,414,768
<b>Total Expenditures</b>	<b>7,786,209</b>	<b>141,118</b>	<b>187,111</b>	<b>723,300</b>	<b>547,215</b>	<b>863,286</b>	<b>10,248,239</b>
Excess (Deficiency) of Revenues Over Expenditures	41,480	-	-	(123,172)	71,810	(202,466)	(212,348)
<b>OTHER FINANCING SOURCES (USES):</b>							
Interfund Transfers In	-	-	-	-	-	207,000	207,000
Bond Proceeds In	-	-	-	136,000	-	-	136,000
Interfund Transfers Out	(207,000)	-	-	-	-	-	(207,000)
Proceeds from Sale of Assets	1,075	-	-	-	-	-	1,075
<b>Net Change in Fund Balances</b>	<b>(164,445)</b>	<b>-</b>	<b>-</b>	<b>12,828</b>	<b>71,810</b>	<b>4,534</b>	<b>(75,273)</b>
Fund Balances - July 1, 2014	965,124	-	-	31,953	373,274	622,161	1,992,512
<b>Fund Balances - June 30, 2015</b>	<b>\$ 800,679</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,781</b>	<b>\$ 445,084</b>	<b>\$ 626,695</b>	<b>\$ 1,917,239</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, 2015**

**Net Changes in Fund Balances - Total Governmental Funds** \$ (75,273)

**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	\$ 95,126	
Less current year depreciation	<u>(324,316)</u>	(229,190)

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>(4,911)</u>	(4,911)
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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>(64)</u>	(64)
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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>6,473</u>	6,473
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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	(7,349)	
Vacation Payable	<u>(22,295)</u>	(29,644)

Adjustment for pension costs on accrued basis

183,923

Bond proceeds are recognized as revenue for the governmental funds.

-136,000

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	22,196	
Note Payable - Land Purchase	37,500	
Capital Leases Payable	31,765	
General Obligations Bonds	476,000	
Limited Tax PERS Bonds	179,771	
QZAB Note Payable	<u>69,261</u>	816,493

<b>Changes in Net Position of Governmental Activities</b>	<b><u>\$ 246,143</u></b>
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The accompanying notes to the basic financial statements are an integral part of this statement.

**BASIC FINANCIAL**  
**STATEMENTS**

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

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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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, 2015**

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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 Debt Service 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, 2015**

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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.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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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. Receivables

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the District. All receivables are expected to be collected. Accordingly, receivables are reported at the gross amount without an allowance for uncollectible accounts.

Receivables are also recognized for property taxes and intergovernmental grants. Property taxes receivable consist of uncollected taxes levied and payable at the end of the fiscal year. All taxes are considered collectible. Consequently no allowance for uncollectible taxes has been established. In the governmental fund financial statements, property taxes not collected within sixty days of the end of the fiscal year are reported as a deferred inflow or resources. (See note 1.K.)

Intergovernmental 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.

G. 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.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

H. 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.

I. 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

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.

J. 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.

**AMITY SCHOOL DISTRICT NO. 4J**  
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**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT.):**

**K. Deferred Inflows/Outflows of Resources**

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred pension contributions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item that qualifies for reporting in this category, deferred earnings on pension assets. In the governmental funds balance sheet, a different category of deferred inflow of resources, delinquent property tax revenue not available, is reported. Property taxes levied and considered receivable at the end of the fiscal year, but not collected within sixty days of the end of the fiscal year are reported in this category. These amounts are recognized as an inflow of resources (revenue) in the period that the amounts become available.

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

M. Equity Classifications:

*Government-wide Statements*

Equity is classified as net position, which represents the difference between assets, liabilities, and deferred accounts. 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 District 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.
- 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's policy is to 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 the constrained fund balances.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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

N. 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.

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.

Q. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement Fund (OPERF) and the Oregon Public Service Retirement Plan (OPSRP) and additions to/deductions from OPERF's and OPSRP's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

**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, 2015**

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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, 2015, the reported amounts of the District's deposits were \$449,455 and the bank balance was \$853,490. 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, 2015, the District's investment in the Oregon State Treasurer's Local Government Investment Pool (LGIP) was unrated.

At June 30, 2015, 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)	\$ 1,260,081	N/A
Federal Agency Notes	28	N/A
Total Investments	<u>\$ 1,260,109</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, 2015**

**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	Title 1 Fund	Debt Service Fund	Non-Major and Other Fund	Total
Property Taxes	\$ 146,444	\$ -	\$ -	\$ 59,025	\$ -	\$ 205,469
Accounts Receivable	45,306	-	-	-	-	45,306
Due from Other Governments	-	45,836	64,414	-	2,342	112,592
<b>Total</b>	<b><u>\$ 191,750</u></b>	<b><u>\$ 45,836</u></b>	<b><u>\$ 64,414</u></b>	<b><u>\$ 59,025</u></b>	<b><u>\$ 2,342</u></b>	<b><u>\$ 363,367</u></b>

**4. CAPITAL ASSETS:**

The following is a summary of capital asset activity for the fiscal year ended June 30, 2015:

Governmental Activities	June 30, 2014	Additions	Deletions	June 30, 2015
<b>Assets not being depreciated:</b>				
Land	\$ 296,099	\$ -	\$ -	\$ 296,099
Total Non-Depreciable Assets	296,099	-	-	296,099
<b>Assets being depreciated:</b>				
Land Improvements	717,161		-	717,161
Buildings & Improvements	8,392,672	95,126	-	8,487,798
Vehicles	496,939		-	496,939
Equipment	348,294		-	348,294
Total Depreciable Assets	9,955,066	95,126	-	10,050,192
<b>Less: Accumulated Depreciation</b>				
Land Improvements	499,268	28,128	-	527,396
Buildings & Improvements	3,699,858	257,212	-	3,957,070
Vehicles	273,086	27,954	-	301,040
Equipment	288,270	11,022	-	299,292
Total Accumulated Depreciation	4,760,482	324,316	-	5,084,798
Net Value of Capital Assets Being Depreciated	5,194,584	(229,190)	-	4,965,394
Total Governmental Activities--				
Net Value of Capital Assets	<u>\$ 5,490,683</u>	<u>\$ (229,190)</u>	<u>\$ -</u>	<u>\$ 5,261,493</u>

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

Instruction - Regular Programs	\$ 281,729
Instruction - Special Programs	2,040
Support Services--Business Services	2,236
Support Services--Operation & Maintenance	5,854
Support Services--Student Transportation	27,264
Community & Enterprise Services - Food Services	5,193
Total depreciation expense - governmental activities	<u>\$ 324,316</u>

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**5. LONG-TERM DEBT:**

A summary of debt transactions for the year ended June 30, 2015 is as follows:

	Outstanding Balance June 1, 2014	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2015	Amounts Due Within One Year
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**General Obligation and Limited Tax Bonded Debt:**

General Obligation Refunding Bond, Series 2015 for refunding of GO Refunding Bonds, Series 2005, dated March 19, 2015. The original balance of the 2015 refunding bonds was \$4,076,000. Interest rate on the refunding bonds is fixed at 1.78%

Principal	\$ -	\$ 4,076,000	\$ 56,000	\$ 4,020,000	\$ 490,000
Interest	-	17,332	17,332	-	71,556
Totals	\$ -	\$ 4,093,332	\$ 73,332	\$ 4,020,000	\$ 561,556

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%. This bond issue was refunded during the 2014-15 fiscal year. See Note 6.

Principal	\$ 4,360,000	\$ -	\$ 4,360,000	\$ -	\$ -
Interest	-	171,350	171,350	-	-
Totals	\$ 4,360,000	\$ 171,350	\$ 4,531,350	\$ -	\$ -

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	\$ 5,069,627	\$ -	\$ 179,771	\$ 4,889,856	\$ 178,436
Interest	-	367,445	367,445	-	393,779
Totals	\$ 5,069,627	\$ 367,445	\$ 547,216	\$ 4,889,856	\$ 572,215

**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	\$ 201,877	\$ -	\$ 31,765	\$ 170,112	\$ 32,495
Interest	-	4,643	4,643	-	3,913
Totals	\$ 201,877	\$ 4,643	\$ 36,408	\$ 170,112	\$ 36,408

**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	\$ 597,387	\$ -	\$ 69,261	\$ 528,126	\$ 69,261
Interest	-	-	-	-	-
Totals	\$ 597,387	\$ -	\$ 69,261	\$ 528,126	\$ 69,261

**TOTAL DEBT AGREEMENTS:**

Principal	\$ 10,228,891	\$ 4,076,000	\$ 4,696,797	\$ 9,608,094	\$ 770,192
Interest	-	560,770	560,770	-	469,248
Totals	<u>\$ 10,228,891</u>	<u>\$ 4,636,770</u>	<u>\$ 5,257,567</u>	<u>\$ 9,608,094</u>	<u>\$ 1,239,440</u>

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

**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>				
	2016	668,436	465,335	1,133,771
	2017	699,168	485,882	1,185,050
	2018	723,241	507,552	1,230,793
	2019	751,588	529,504	1,281,092
	2020	776,485	554,373	1,330,858
	2021-2025	3,175,939	2,163,662	5,339,601
	2026-2028	2,115,000	218,964	2,333,964
	Totals	\$ 8,909,857	\$ 4,925,272	\$ 13,835,129
<b><u>Qualified Zone Academy Bond:</u></b>				
	2019	\$ 1,012,953	\$ -	\$ 1,012,953
<b><u>Capital Leases:</u></b>				
	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	\$ 170,112	\$ 11,928	\$ 182,040

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. LONG-TERM DEBT REFUNDING:**

On March 19, 2015, the District issued \$4.076 million in general obligation refunding bonds with an average interest rate of 1.79 percent to refund \$3.940 million of outstanding 2005 Series general obligation refunding bonds with an average interest rate of 3.87 percent. The gross proceeds from the new bond issue of \$4.076 million (less payment of \$0.06 million in underwriting fees, insurance, and other issuance costs) were used to refund the 2005 Series bonds. The District refunded the bonds to reduce its total debt service payments over the next 7 years by \$0.272 million and to obtain an economic gain (difference between the present values of the debt services payments on the old and new debt) of \$0.255 million.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**7. PENSION PLAN:**

A. Name of Pension Plan

The Oregon Public Employees Retirement System (PERS) consists of a cost-sharing multiple-employer defined benefit pension plan.

B. Description of Benefit Terms

*Plan Benefits*

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

**1. Tier One/Tier Two Retirement Benefit (Chapter 238).** Tier One/Tier Two Retirement Benefit plan is closed to new members hired on or after August 29, 2003.

*Pension Benefits*

The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

*Death Benefits*

Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided one or more of the following conditions are met:

- the member was employed by a PERS employer at the time of death,
- the member died within 120 days after termination of PERS-covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-covered job at the time of death.

*Disability Benefits*

A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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**7. PENSION PLAN (Cont.):**

*Benefit Changes After Retirement*

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

**2. OPSRP Defined Benefit Pension Program (OPSRP DB).** The Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003.

*Pension Benefits*

This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

*Death Benefits*

Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

*Disability Benefits*

A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

*Benefit Changes After Retirement*

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2015 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

**3. IAP Plan Description:**

**OPSRP Individual Account Program (OPSRP IAP)**

*Pension Benefits*

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP Individual Account Program (IAP)



**AMITY SCHOOL DISTRICT NO. 4J**  
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**7. PENSION PLAN (Cont.):**

may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

*Death Benefits*

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

*Recordkeeping*

PERS contracts with VOYA Financial to maintain IAP participant records.

C. Contributions

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. This funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2011 actuarial valuation as subsequently modified by 2013 legislated changes in benefit provisions. The rates based on a percentage of payroll, first became effective July 1, 2013. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced.

Employer contributions for the year ended June 30, 2015 were \$338,760, excluding amounts to fund employer specific liabilities.

D. Pension Plan CAFR

Oregon PERS produces an independently audited CAFR which can be found at:  
[http://www.oregon.gov/pers/Pages/section/financial\\_reports/financials.aspx](http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx)

E. Actuarial Valuations

The employer contribution rates effective July 1, 2013, through June 30, 2015, were set using the projected unit credit actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years. For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**7. PENSION PLAN (Cont.):**

F. Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2012 rolled forward to June 30, 2014.
Experience Study Report	2012, published September 18, 2013
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years.
Asset valuation method	Market value of assets
Actuarial assumptions:	
Inflation rate	2.75 percent
Investment rate of return	7.75 percent
Projected salary increases	3.75 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (65% for males, 90% for females) of the RP-2000 static combined disabled mortality sex-distinct table.

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2012 Experience Study which reviewed experience for the four-year period ending on December 31, 2012.

*Discount Rate*

The discount rate used to measure the total pension liability was 7.75 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from plan members and those of the contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments for the Defined Benefit Pension Plan was applied to all periods of projected benefit payments to determine the total pension liability.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

**7. PENSION PLAN (Cont.):**

*Assumed Asset Allocation*

<u>Asset Class/Strategy</u>	<u>Low Range</u>	<u>High Range</u>	<u>OIC Target</u>
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Private Equity	16.0%	24.0%	20.0%
Real estate	9.4%	15.5%	12.5%
Alternative Equity	0.0%	10.0%	10.0%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			<u>100%</u>

*Long-Term Expected Rate of Return*

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2013 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target</u>	<u>Compound Annual Return (Geometric)</u>
Core Fixed Income	7.20%	4.50%
Short-Term Bonds	8.00%	3.70%
Intermediate-Term Bonds	3.00%	4.10%
High Yield Bonds	1.80%	6.66%
Large Cap US Equities	11.65%	7.20%
Mid Cap US Equities	3.88%	7.30%
Small Cap US Equities	2.27%	7.45%
Developed Foreign Equities	14.21%	6.90%
Emerging Foreign Equities	5.49%	7.40%
Private Equity	20.00%	8.26%
Opportunity Funds/Absolute Return	5.00%	6.01%
Real Estate (Property)	13.75%	6.51%
Real Estate (REITS)	2.50%	6.76%
Commodities	7.71%	6.07%
Assumed Inflation – Mean		2.75%

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**7. PENSION PLAN (Cont.):**

G. Sensitivity Analysis

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.75 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.75 percent) or 1-percentage-point higher (8.75 percent) than the current rate:

	1% Decrease 6.75%	Discount Rate 7.75%	1% Increase 8.75%
Employer's proportionate share of the net pension liability	\$ 422,495	\$ (199,512)	\$ (725,585)

H. Changes in Assumptions

A summary of key changes implemented since the December 31, 2011 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2012 Experience Study for the System, which was published on September 18, 2013, and can be found at: <http://www.oregon.gov/pers/docs/2012%20Exp%20Study%20Updated.pdf>

*Changes in Actuarial Methods and Allocation Procedures*

Actuarial Cost Method - The Actuarial Cost Method was changed from the Projected Unit Credit (PUC) Cost Method to the Entry Age Normal (EAN) Cost Method. This change will allow PERS to use the same cost method for contribution rate calculations as required for financial reporting under GASB Statements 67 and 68.

Tier 1/Tier 2 UAL Amortization - In combination with the change in cost method, the Board chose to re-amortize the outstanding Tier 1/Tier 2 UAL as of December 31, 2013 over a closed period of 20 years as a level percentage of projected payroll. Gains and losses between subsequent rate-setting valuations will be amortized over a closed 20 year period from the valuation in which they are first recognized.

*Contribution Rate Stabilization Method*

The "grade-in range" over which the rate collar gradually doubles was modified so that the collar doubles as funded status (excluding side accounts) decreases from 70% to 60% or increases from 130% to 140%. Previously the ranges had been 80% to 70% and 120% to 130%. The modification to the grade-in range was made in combination with the change to actuarial cost method, as discussed at the July 2013 PERS Board public meeting.

*Allocation of Liability for Service Segments*

For purposes of allocating Tier 1/Tier 2 member's actuarial accrued liability among multiple employers, the valuation uses a weighted average of the Money Match methodology and the Full Formula methodology used by PERS when the member retires. The weights are determined based on the prevalence of each formula among the current Tier 1/Tier 2 population. For the December 31, 2010 and December 31, 2011 valuations, the Money Match was weighted 40 percent for General Service members and 10 percent for Police & Fire members. For the December 31, 2012 and December 31, 2013 valuations, this weighting has been adjusted to 30 percent for General Service members and 5 percent for Police & Fire members, based on a projection of the proportion of liability attributable to Money Match benefits at those valuation dates.

*Changes in Economic Assumptions*

Investment Return and Interest Crediting - The assumed investment return and interest crediting to both regular and variable account balances was reduced to 7.75%. Previously, the assumed investment return and interest crediting to regular account balances was 8.00% and the assumed interest crediting to variable account balances was 8.25%.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**7. PENSION PLAN (Cont.):**

OPSRP Administrative Expenses - Assumed administrative expenses for the OPSRP System were reduced from \$6.6 million per year to \$5.5 million per year.

Healthcare Cost Inflation - The healthcare cost inflation for the maximum RHIPA subsidy was updated based on analysis performed by Milliman's healthcare actuaries. This analysis includes the consideration of the excise tax that will be introduced in 2018 by the Patient Protection and Affordable Care Act

*Changes in Demographic Assumptions*

Healthy Mortality - The healthy mortality assumption is based on the RP2000 generational mortality tables with group-specific class and setback adjustments. The group-specific adjustments have been updated to more closely match recently observed system experience.

Disabled Mortality - The disabled mortality assumption base was changed from the RP2000 healthy tables to the RP2000 disabled tables. Gender-specific adjustments were applied to align the assumption with recently observed system experience.

Disability, Retirement from Active Status, and Termination - Rates for disability, retirement from active status, and termination were adjusted. Termination rates were changed from being indexed upon age to being indexed upon duration from hire date.

*Changes in Salary Increase Assumptions*

Merit Increases, Unused Sick Leave, and Vacation Pay - Assumed merit increases were lowered, while unused sick leave and vacation pay rates were adjusted upward.

Retiree Healthcare Participation - The RHIA participation rate for healthy retirees was reduced from 48% to 45%. The RHIPA participation rate was changed from a uniform rate of 13% to a service-based table of rates.

*Change in Proportionate Share*

There was no change in proportionate share for fiscal years ending June 30, 2013 and June 30, 2014. Because the proportionate share is actuarially determined, it was calculated as of the December 31, 2012 valuation date used to develop results for both the June 30, 2013 and June 30, 2014 Measurement Dates. In future measurement periods, there will be changes in proportionate shares from the beginning of the period to the end.

*Changes in Plan Provisions*

Senate Bill 822, signed into law in May 2013, eliminated the SB 656/HB 3349 tax remedy payments for beneficiaries not subject to Oregon income tax and limited the 2013 post-retirement COLA to 1.5 percent of annual benefit. The effects of this legislation were reflected in the December 31, 2012 valuation.

Senate Bill 861, signed into law in October 2013, limited the post-retirement COLA for years beyond 2013 to 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. The effects of this legislation were reflected in the December 31, 2012 valuation.

The December 31, 2012 valuation was rolled forward to the measurement date of June 30, 2014.

**I. Employer Contributions**

PERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position. These are normally included in the employer statements cut off as of the fifth of the following month. PERS does not try to accrue contributions based on paydate.

Beginning with fiscal year 2015, PERS will be able to report cash contributions and UAL side account amortization by employer, and will publish this information on the PERS Website. Prior to fiscal year 2015, contributions to the OPSRP Defined Benefit plan were not accounted for by employer, as all employers were pooled for actuarial purposes.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

**7. PENSION PLAN (Cont.):**

J. Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 57, of the June 30, 2014 PERS CAFR.

*Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions*

At June 30, 2015, the employer reported an asset of \$199,512 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

At June 30, 2014, the employer's proportion was 0.00880183 percent.

For the year ended June 30, 2015, the employer recognized pension income of \$183,924. At June 30, 2015, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions	-	-
Net difference between projected and actual earnings on investments	-	384,978
Changes in proportion and differences between employer contributions and proportionate share of contributions	-	3,574
Total (prior to post- measurement date contributions)	\$ -	\$ 388,552
Contributions subsequent to the measurement date	TBD	N/A
Net Deferred Outflow/(Inflow) of Resources		\$ (388,552)

\$388,552 reported as deferred inflows of resources related to pensions resulting from employer contributions subsequent to the measurement date will be recognized as a reduction/(increase) of the net pension liability/(asset) in the year ended June 30, 2015. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	\$ (97,022)
2nd Fiscal Year	(97,022)
3rd Fiscal Year	(97,022)
4th Fiscal Year	(97,022)
5th Fiscal Year	(466)
Thereafter	-
Total	\$ (388,552)

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**7. PENSION PLAN (Cont.):**

*Changes in Plan Provisions Subsequent to Measurement Date*

The Oregon Supreme Court on April 30, 2015, ruled that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law was unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. We will make restoration payments to those benefit recipients.

PERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire.

This is a change in benefit terms subsequent to the measurement date of June 30, 2014, and will not be included in the net pension liability (asset) proportionate shares provided to employers in June 2015.

**8. 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/>.

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, 2015, was \$20,628, which equaled the required contributions for the year.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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

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, 2015, the amount actually contributed to the plans, and changes in the District's net OPEB obligation:

Annual required contribution	\$ 29,751
Interest on net OPEB obligation	6,741
Adjustment to the annual required contribution	<u>8,515</u>
Annual OPEB cost (expense)	45,007
Contributions made	<u>20,628</u>
Increase in net OPEB obligation	7,349
Net OPEB obligation, beginning of year	<u>141,918</u>
Net OPEB obligation, end of year	<u><u>\$ 149,267</u></u>

**9. 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.

**10. 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 2014-15 fiscal year is \$18,838. 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.



**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**11. 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.

**12. OVER-EXPENDITURE OF APPROPRIATIONS:**

Expenditures in excess of appropriation in individual funds for the year ended June 30, 2015 occurred as follows:

<u>Fund / Category</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Variance</u>
Debt Service/Other Uses	\$ 591,350	\$ 723,300	\$ 131,950

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**13. 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, 2015 consisted of the following individual fund receivables and payables:

	Due From Other Funds	Due To Other Funds
General Fund #100	\$ 112,355	\$ -
Special Revenue Funds:		
IDEA Fund #200	-	45,836
Title 1 Fund #201	-	64,414
Federal Miscellaneous Fund #204	-	2,105
Total	\$ 112,355	\$ 112,355

Interfund transfers for the year ended June 30, 2015 were as follows:

	Transfers Out	Transfers In
General Fund #100	\$ 207,000	\$ -
Food Service Fund #280	-	47,000
Technology Replacement Fund #293	-	50,000
Capital Improvement Fund #430	-	110,000
Total	\$ 207,000	\$ 207,000

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.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**June 30, 2015**

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**14. FUND BALANCE COMPARISONS:**

<u>Fund</u>	<u>Actual</u> <u>June 30, 2015</u>	<u>Budgeted</u> <u>July 1, 2015</u>
General Fund #100	\$ 800,679	\$1,000,000
State Miscellaneous Grants Fund # 205	1,841	-
Community Projects Fund # 250	9,209	10,500
Student Body Fund # 270	157,043	185,000
Food Service Fund # 280	1,715	1,000
Vehicle Replacement Fund # 292	27,061	27,061
Technology Replacement Fund # 293	94,812	70,000
Unemployment Fund # 298	124,752	125,000
Scholarship Fund # 299	72,314	73,000
Debt Service Fund # 300	44,781	39,000
PERS Bond Debt Fund # 302	445,084	428,561
Capital Improvement Fund #430	\$ 137,948	\$ 143,110

**15. RESTATEMENT OF BEGINNING NET POSITION:**

The Governmental Accounting Standards Board (GASB) has approved the following:

Statement No. 68, Accounting and Financial Reporting for Pensions- an amendment of GASB Statement No.27 – This statement will require the employer to change the accounting for the pensions costs related to the employer’s participation in the Oregon PERS. In addition, the employer will also be recognizing a net pension liability (asset), deferred outflows and inflows of resources related to the employer’s proportionate share of the collective amount in PERS. Management is evaluating the impact of these changes. The application of these standards result in a restatement of beginning net positions in the financial statements to include the estimated impacts of these new requirements prior to the current year.

**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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Revenues from Local Sources:				
Ad Valorem Taxes-Current Year	1,340,000	1,340,000	1,417,027	77,027
Ad Valorem Taxes-Prior Year	60,000	60,000	58,065	(1,935)
Land Sales - Delinquent Taxes	25	25	-	(25)
Penalties & Interest on Taxes	25	25	22	(3)
Summer School Tuition	600	600	-	(600)
Interest on Investments	13,000	13,000	9,474	(3,526)
Admission to Co-Curricular	15,000	15,000	13,586	(1,414)
Fees	30,000	30,000	24,390	(5,610)
Rental on Buildings	9,800	9,800	10,075	275
Contributions from Private Sources	1,000	1,000	1,411	411
Services Provided Charter Schools	1,000	1,000	2,990	1,990
Recovery of Prior Years' Expenditures	5,000	5,000	11,555	6,555
Miscellaneous	25,000	25,000	20,084	(4,916)
Fingerprint Fees	300	300	596	296
<b>Total Local Revenues</b>	<b>1,500,750</b>	<b>1,500,750</b>	<b>1,569,275</b>	<b>68,525</b>
Revenues from Intermediate Sources:				
County School Fund	3,000	3,000	3,507	507
ESD Apportionment	153,203	153,203	153,203	-
Restricted Revenue	-	-	15,347	15,347
Other Intermediate Sources	1,500	1,500	1,223	(277)
<b>Total Intermediate Revenues</b>	<b>157,703</b>	<b>157,703</b>	<b>173,280</b>	<b>15,577</b>
Revenues from State Sources:				
Basic School Support Fund	6,042,302	6,042,302	5,925,689	(116,613)
Common School Fund	76,374	76,374	90,613	14,239
Other Unrestricted Grants-in-Aid	80,000	80,000	68,643	(11,357)
<b>Total State Revenues</b>	<b>6,198,676</b>	<b>6,198,676</b>	<b>6,084,945</b>	<b>(113,731)</b>
Revenues from Federal Sources:				
ARRA - Education Jobs	-	-	184	184
Federal Forest Fees	10	10	5	(5)
<b>Total Federal Revenues</b>	<b>10</b>	<b>10</b>	<b>189</b>	<b>179</b>
Revenues from Other Sources:				
Sale of Fixed Assets	-	-	1,075	1,075
<b>Total Other Revenues</b>	<b>-</b>	<b>-</b>	<b>1,075</b>	<b>1,075</b>
<b>Total Revenues</b>	<b>7,857,139</b>	<b>7,857,139</b>	<b>7,828,764</b>	<b>(28,375)</b>
<b>Total Expenditures</b>	<b>8,957,139</b>	<b>8,957,139</b>	<b>7,993,209</b>	<b>(963,930)</b>
Excess (Deficiency) of Revenues				
Over Expenditures	(1,100,000)	(1,100,000)	(164,445)	935,555
Fund Balance - July 1, 2014	1,100,000	1,100,000	965,124	(134,876)
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 800,679</b>	<b>\$ 800,679</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**SCHEDULE OF EXPENDITURES  
GENERAL FUND #100**

**For the Fiscal Year Ended June 30, 2015**

	Actual Amounts (Budgetary Basis - See Note 1)										Variance with Final Budget Positive (Negative)	
	Salaries 100	Employee Benefits 200	Purchased Services 300	Supplies			Transfers 700	Total	Budgeted Amounts			
				Materials 400	Capital and Outlay 500	Other Objects 600			Original	Final		
<b>INSTRUCTION:</b>												
Regular Programs:												
#1111 Elementary K-5	\$ 880,285	\$ 438,772	\$ 8,279	\$ 26,667	\$ -	\$ -	\$ -	\$ 1,354,003	\$ 1,397,944	\$ 1,397,944	\$ (43,941)	
#1113 Elementary Extracurricular	6,968	2,011	750	161	-	-	-	9,890	10,458	10,458	(568)	
#1121 Middle School	504,965	258,202	3,789	10,342	-	-	-	777,298	839,321	839,321	(62,023)	
#1122 Middle School Extracurricular	14,753	2,498	3,671	143	-	-	-	21,065	26,149	26,149	(5,084)	
#1131 High School	780,188	414,629	11,976	28,246	-	214	-	1,235,253	1,295,853	1,295,853	(60,600)	
#1132 High School Extracurricular	110,558	27,263	42,881	19,881	-	4,525	-	205,108	182,733	182,733	22,375	
Special Programs:												
#1210 Talented & Gifted	-	-	-	-	-	-	-	-	4,072	4,072	(4,072)	
#1220 Restrict. Prgrms f/ Stdnts w/Disablts.	-	-	162,482	-	-	-	-	162,482	176,780	176,780	(14,298)	
#1225 Restrict. Prgrms f/ Stdnts w/Disablts., Out of Dis	-	-	-	-	-	-	-	-	600	600	(600)	
#1250 Resources Room	261,465	161,944	71,175	11,183	-	-	-	505,767	459,806	459,806	45,962	
#1260 Early Intervention	-	-	-	-	-	-	-	-	7,000	7,000	(7,000)	
#1280 Alternative Education	-	-	453,714	-	-	-	-	453,714	511,735	511,735	(58,021)	
#1291 English as Second Language	47,124	15,048	-	-	-	-	-	62,172	135,450	135,450	(73,278)	
#1292 Teen Parent Program	-	-	-	-	-	-	-	-	203	203	(203)	
#1294 Youth Corrections Education	-	-	-	-	-	-	-	-	2,060	2,060	(2,060)	
#1430 High School Summer Programs	972	322	-	-	-	-	-	1,294	1,865	1,865	(571)	
<b>Total Instruction</b>	<b>2,607,278</b>	<b>1,320,689</b>	<b>758,717</b>	<b>96,623</b>	<b>-</b>	<b>4,739</b>	<b>-</b>	<b>4,788,046</b>	<b>5,052,029</b>	<b>5,052,029</b>	<b>(263,983)</b>	
<b>SUPPORT SERVICES:</b>												
Students:												
#2110 Attendance and Social Work Svcs	62,596	46,940	17,366	-	-	-	-	126,902	125,448	125,448	1,454	
#2120 Guidance Services	123,033	86,795	791	1,055	-	-	-	211,674	205,936	205,936	5,738	
#2130 Health Services	-	-	1,450	-	-	-	-	1,450	3,830	3,830	(2,380)	
#2140 Psychological Services	-	-	38,754	-	-	-	-	38,754	10,030	10,030	28,724	
#2150 Speech, Pathlgy & Audiology Svcs	-	-	-	-	-	-	-	-	65,400	65,400	(65,400)	
#2190 Service Direction Services	79,544	39,747	-	-	-	-	-	119,291	115,341	115,341	3,950	
Instructional Staff:												
#2210 Improvement of Instruct. Svcs	-	-	-	-	-	-	-	-	1,015	1,015	(1,015)	
#2220 Education Media Services	60,420	16,360	802	6,350	-	110	-	84,042	89,446	89,446	(5,404)	
#2230 Assessment and Testing	6,459	3,875	-	3,649	-	1,663	-	15,646	16,684	16,684	(1,038)	
#2240 Instructional Staff Development	1,500	7,720	153	-	-	-	-	9,373	12,850	12,850	(3,477)	
General Administration:												
#2310 Board of Education Services	-	-	19,326	2,642	-	10,325	-	32,293	40,668	40,668	(8,375)	
#2320 Executive Administrative Services	115,836	54,659	3,224	4,160	-	330	-	178,209	174,082	174,082	4,127	
School Administration:												
#2410 Office of the Principal Services	369,925	203,263	3,576	2,521	-	2,535	-	581,820	592,865	592,865	(11,045)	
Business:												
#2520 Fiscal Services	98,458	47,792	27,887	1,945	-	455	-	176,537	177,633	177,633	(1,096)	
#2540 Operation and Maintenance of Plant Svcs												
Care & Upkeep of Buildings	174,230	122,773	228,026	46,220	-	63,569	-	634,818	695,393	695,393	(60,575)	
Care & Upkeep of Grounds	6,933	4,225	17,635	3,951	-	50	-	32,794	32,848	32,848	(54)	
District-Wide Maintenance	41,807	25,406	5,758	1,928	-	-	-	74,899	77,809	77,809	(2,910)	
#2550 Student Transportation Services												
Service Direction	6,527	3,016	-	-	-	-	-	9,543	9,429	9,429	114	
Vehicle Operations Services	2,162	318	254,728	9,425	-	2,702	-	269,335	310,075	310,075	(40,740)	
Special Education Transportation Svcs	-	-	89,294	-	-	-	-	89,294	86,360	86,360	2,934	
Other Student Transportation Services	13,392	8,098	-	-	-	-	-	21,490	20,726	20,726	764	
Central Activities:												
#2630 Information Services	13,572	7,020	150	-	-	-	-	20,742	23,222	23,222	(2,480)	
#2640 Staff Services	-	-	826	-	-	-	-	826	3,529	3,529	(2,703)	
#2660 Technology Services	69,116	37,270	49,204	43,280	-	300	-	199,170	255,229	255,229	(56,059)	
<b>Total Support Services</b>	<b>1,245,510</b>	<b>715,277</b>	<b>758,950</b>	<b>127,126</b>	<b>-</b>	<b>82,039</b>	<b>-</b>	<b>2,928,902</b>	<b>3,145,848</b>	<b>3,145,848</b>	<b>(216,946)</b>	
<b>Debt Service</b>	<b>-</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>-</b>	<b>207,000</b>	<b>207,000</b>	<b>190,000</b>	<b>207,000</b>	<b>-</b>	
<b>Contingency</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>500,000</b>	<b>483,000</b>	<b>(483,000)</b>	
<b>Total General Fund Expenditures</b>	<b>\$ 3,852,788</b>	<b>\$ 2,035,966</b>	<b>\$ 1,517,667</b>	<b>\$ 223,749</b>	<b>\$ -</b>	<b>\$ 156,039</b>	<b>\$ 207,000</b>	<b>\$ 7,993,209</b>	<b>\$ 8,957,139</b>	<b>\$ 8,957,139</b>	<b>\$ (963,930)</b>	

# AMITY SCHOOL DISTRICT NO. 4J

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

### IDEA GRANT FUND #200

For the Fiscal Year Ended June 30, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
			(Budgetary Basis)	Positive
			(See Note 1)	(Negative)
<b>REVENUES:</b>				
Revenues from Federal Sources:				
IDEA Grant	\$ 220,000	\$ 220,000	\$ 127,306	\$ (92,694)
State Personnel Development Grant (EBISS)	9,000	9,000	11,839	2,839
SPR&I	5,000	5,000	728	(4,272)
IDEA Enhancement	5,000	5,000	1,245	(3,755)
Restricted Revenue from Fed Gov't thru the State	10,000	10,000	-	(10,000)
<b>Total Federal Revenues</b>	<b>249,000</b>	<b>249,000</b>	<b>141,118</b>	<b>(107,882)</b>
<b>Total Revenues</b>	<b>249,000</b>	<b>249,000</b>	<b>141,118</b>	<b>(107,882)</b>
<b>EXPENDITURES:</b>				
Instruction:				
#1111 Primary Programs				
Supplies & Materials	-	-	1,760	1,760
#1255 Resource Rooms				
Salaries	138,393	138,393	75,571	(62,822)
Employee Benefits	63,641	63,641	51,735	(11,906)
Purchased Services	2,461	2,461	-	(2,461)
#1256 Resource Rooms				
Salaries	1,285	1,285	355	(930)
Employee Benefits	445	445	67	(378)
#1260 Treatment and Habilitation				
Purchased Services	3,505	3,505	-	(3,505)
<b>Total Instruction</b>	<b>209,730</b>	<b>209,730</b>	<b>129,488</b>	<b>(80,242)</b>
Support Services:				
#2190 Service Direction, Student Support Svcs				
Salaries	11,300	11,300	129	(11,171)
Employee Benefits	300	300	42	(258)
Purchased Services	600	600	96	(504)
# 2210 Improvement of Instruction Services				
Salaries	3,000	3,000	300	(2,700)
Employee Benefits	560	560	92	(468)
Purchased Services	5,710	5,710	653	(5,057)
Supplies and Materials	300	300	18	(282)
#2240 Instructional Staff Development				
Salaries	10,600	10,600	5,028	(5,572)
Employee Benefits	460	460	1,039	579
Purchased Services	6,000	6,000	1,428	(4,572)
Supplies and Materials	440	440	2,805	2,365
<b>Total Support Services</b>	<b>39,270</b>	<b>39,270</b>	<b>11,630</b>	<b>(27,640)</b>
<b>Total Expenditures</b>	<b>249,000</b>	<b>249,000</b>	<b>141,118</b>	<b>(107,882)</b>
Fund Balance - July 1, 2014	-	-	-	-
<b>Fund Balance - June 30, 2015</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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Revenues from Local Sources:				
Miscellaneous	\$ -	\$ -	\$ 213	\$ 213
<b>Total Local Revenues</b>	<b>-</b>	<b>-</b>	<b>213</b>	<b>213</b>
Revenues from Federal Sources:				
Title 1 Grant	200,000	200,000	176,408	(23,592)
Restricted from Federal thru State	-	-	10,490	10,490
<b>Total Federal Revenues</b>	<b>200,000</b>	<b>200,000</b>	<b>186,898</b>	<b>(13,102)</b>
<b>Total Revenues</b>	<b>200,000</b>	<b>200,000</b>	<b>187,111</b>	<b>(12,889)</b>
<b>EXPENDITURES:</b>				
Instruction:				
#1272 Title 1				
Salaries	65,350	74,350	81,850	7,500
Employee Benefits	55,458	62,458	57,437	(5,021)
Purchased Services	-	6,000	5,719	(281)
Supplies and Materials	45,000	45,000	41,583	(3,417)
<b>Total Instruction</b>	<b>165,808</b>	<b>187,808</b>	<b>186,589</b>	<b>(1,219)</b>
Support Services:				
#2240 Instructional Staff Development				
Employee Benefits	33,642	11,642	-	(11,642)
Purchased Services	-	-	40	40
<b>Total Support Services</b>	<b>33,642</b>	<b>11,642</b>	<b>40</b>	<b>(11,602)</b>
Enterprise and Community Services:				
#3330 Civic Services				
Supplies and Materials	550	550	482	(68)
<b>Total Enterprise and Community Svcs</b>	<b>550</b>	<b>550</b>	<b>482</b>	<b>(68)</b>
<b>Total Expenditures</b>	<b>200,000</b>	<b>200,000</b>	<b>187,111</b>	<b>(12,889)</b>
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	-
Fund Balance - July 1, 2014	-	-	-	-
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF PROPORTIONATE SHARE OF THE**  
**NET PENSION LIABILITY**  
**PERS**  
**Last 10 Fiscal Years\***

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	2015
Employer's proportion of the net pension liability (asset)	0.00880183%
Employer's proportionate share of the net pension liability (asset)	\$ (199,512)
Employer's covered - employee payroll	\$ 3,931,540
Employer's proportionate share of the net pension liability (asset) as a percentage of its covered - employee payroll	-5.07%
Plan fiduciary net position as a percentage of the total pension liability	103.6%

\*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF EMPLOYER CONTRIBUTIONS**  
**PERS**

**Last 10 Fiscal Years**

	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Contractually required contribution	\$ 338,760	\$ 286,635	\$ 257,842	\$ 255,071	\$ 192,983	\$ 200,041	\$ 226,213	\$ 219,554	\$ 168,111	N/A
Contributions in relation to the contractually required contribution	338,760	286,635	257,842	255,071	192,983	200,041	226,213	219,554	168,111	N/A
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	N/A
Employer's covered - employee payroll	\$ 3,931,540	\$3,864,906	\$3,589,876	\$3,553,505	\$ 3,363,297	\$3,440,483	\$3,570,818	\$3,620,977	\$3,584,215	N/A
Contributions as a percentage of covered - employee payroll	3.69%	3.69%	2.06%	2.06%	0.29%	0.29%	0.29%	0.29%	0.29%	N/A

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

**Non-Major**  
**Governmental Funds**

# AMITY SCHOOL DISTRICT NO. 4J

## COMBINING BALANCE SHEET

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

June 30, 2015

	Non-Major Funds - By Fund Type		Totals
	Special Revenue	Capital Projects	
<b><u>ASSETS:</u></b>			
Cash and Investments	\$ 463,535	\$ 137,948	\$ 601,483
Accounts Receivable	24,975	-	24,975
Intergovernmental Receivable	2,342	-	2,342
Inventories	6,133	-	6,133
<b>Total Assets</b>	<b>\$ 496,985</b>	<b>\$ 137,948</b>	<b>\$ 634,933</b>
<b><u>LIABILITIES AND FUND BALANCE:</u></b>			
<b>Liabilities:</b>			
Current Liabilities:			
Due to Other Funds	\$ 2,105	\$ -	\$ 2,105
<b>Total Liabilities</b>	<b>2,105</b>	<b>-</b>	<b>2,105</b>
<b>Fund Balance:</b>			
Non-spendable	6,133	-	6,133
Committed for:			
Educational Programs	74,155	-	74,155
Community Projects	9,209	-	9,209
Student Body Activities	157,043	-	157,043
Food Service Programs	1,715	-	1,715
Equipment Acquisition	121,873	-	121,873
Capital Construction & Building Maint.	-	137,948	137,948
Employee Benefits Programs	124,752	-	124,752
<b>Total Fund Balance</b>	<b>494,880</b>	<b>137,948</b>	<b>632,828</b>
<b>Total Liabilities and Fund Balance</b>	<b>\$ 496,985</b>	<b>\$ 137,948</b>	<b>\$ 634,933</b>

# AMITY SCHOOL DISTRICT NO. 4J

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

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

For the Fiscal Year Ended June 30, 2015

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals</u>
<b><u>REVENUES:</u></b>			
Revenues from:			
Basic School Support Fund	\$ 29,377	\$ -	\$ 29,377
Fees and Charges	315,563	-	315,563
Interest on Investments	689	-	689
Miscellaneous Local Revenues	37,528	16,573	54,101
State Grants-In-Aid	5,519	-	5,519
Federal Reimbursement Grants	255,571	-	255,571
<b>Total Revenues</b>	<b>644,247</b>	<b>16,573</b>	<b>660,820</b>
<b><u>EXPENDITURES:</u></b>			
Instruction:			
Regular Instruction	284,130	-	284,130
Support Services:			
Instructional Staff	44,567	-	44,567
School Administration	4,675	-	4,675
Business Services	974	-	974
Operation & Maint. of Plant Services	-	46,914	46,914
Technology Services	14,236	-	14,236
Enterprise and Community Services	332,615	-	332,615
Facilities Acquis. and Constr.	-	60,183	60,183
Debt Service	36,408	38,584	74,992
<b>Total Expenditures</b>	<b>717,605</b>	<b>145,681</b>	<b>863,286</b>
Excess (Deficiency) of Revenues			
Over Expenditures	(73,358)	(129,108)	(202,466)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Operating Transfers In	97,000	110,000	207,000
<b>Total Other Financing Sources (Uses)</b>	<b>97,000</b>	<b>110,000</b>	<b>207,000</b>
Net Change in Fund Balances	23,642	(19,108)	4,534
Fund Balances - July 1, 2014	465,105	157,056	622,161
<b>Fund Balances - June 30, 2015</b>	<b>\$ 488,747</b>	<b>\$ 137,948</b>	<b>\$ 626,695</b>

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

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

**AMITY SCHOOL DISTRICT NO. 4J**

**COMBINING BALANCE SHEET  
NON-MAJOR SPECIAL REVENUE FUNDS**

**June 30, 2015**

	<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	\$ -	\$ 1,841	\$ 9,209	\$ 157,043	\$ 1,478	\$ 27,061	\$ 69,837	\$ 124,752	\$ 72,314	\$ 463,535
Accounts Receivable	-	-	-	-	-	-	24,975	-	-	24,975
Intergovernmental Receivable	2,105	-	-	-	237	-	-	-	-	2,342
Inventories-Food, Supplies and Commodities	-	-	-	-	6,133	-	-	-	-	6,133
<b>Total Assets</b>	<b>\$ 2,105</b>	<b>\$ 1,841</b>	<b>\$ 9,209</b>	<b>\$ 157,043</b>	<b>\$ 7,848</b>	<b>\$ 27,061</b>	<b>\$ 94,812</b>	<b>\$ 124,752</b>	<b>\$ 72,314</b>	<b>\$ 496,985</b>
<b><u>LIABILITIES &amp; FUND BALANCES:</u></b>										
<b>Liabilities:</b>										
Due to Other Funds	\$ 2,105	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,105
<b>Total Liabilities</b>	<b>2,105</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,105</b>
<b>Fund Balances:</b>										
Non-spendable	-	-	-	-	6,133	-	-	-	-	6,133
Committed for:										
Educational Programs	-	1,841	-	-	-	-	-	-	72,314	74,155
Community Projects	-	-	9,209	-	-	-	-	-	-	9,209
Student Body Activities	-	-	-	157,043	-	-	-	-	-	157,043
Food Service Programs	-	-	-	-	1,715	-	-	-	-	1,715
Equipment Acquisition	-	-	-	-	-	27,061	94,812	-	-	121,873
Employee Benefits Programs	-	-	-	-	-	-	-	124,752	-	124,752
<b>Total Fund Balances</b>	<b>-</b>	<b>1,841</b>	<b>9,209</b>	<b>157,043</b>	<b>7,848</b>	<b>27,061</b>	<b>94,812</b>	<b>124,752</b>	<b>72,314</b>	<b>494,880</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 2,105</b>	<b>\$ 1,841</b>	<b>\$ 9,209</b>	<b>\$ 157,043</b>	<b>\$ 7,848</b>	<b>\$ 27,061</b>	<b>\$ 94,812</b>	<b>\$ 124,752</b>	<b>\$ 72,314</b>	<b>\$ 496,985</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, 2015

	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	\$ -	\$ -	\$ -	\$ -	\$ 2,895	\$ 26,482	\$ -	\$ -	\$ -	\$ 29,377
Fees and Charges	-	-	12,119	249,030	54,414	-	-	-	-	315,563
Interest on Investments	-	-	-	-	6	-	-	630	53	689
Miscellaneous Local Revenues	-	-	-	-	2,288	-	35,240	-	-	37,528
State Grants-In-Aid	-	4,342	-	-	1,177	-	-	-	-	5,519
Federal Reimbursement Grants	47,400	-	-	-	208,171	-	-	-	-	255,571
<b>Total Revenues</b>	<b>47,400</b>	<b>4,342</b>	<b>12,119</b>	<b>249,030</b>	<b>268,951</b>	<b>26,482</b>	<b>35,240</b>	<b>630</b>	<b>53</b>	<b>644,247</b>
<b>EXPENDITURES:</b>										
Instruction:										
Regular Instruction	-	2,651	-	230,641	-	-	50,838	-	-	284,130
Support Services:										
Instructional Staff	42,725	1,842	-	-	-	-	-	-	-	44,567
School Administration	4,675	-	-	-	-	-	-	-	-	4,675
Business Services	-	-	-	-	-	-	-	974	-	974
Technology Services	-	-	-	-	-	-	14,236	-	-	14,236
Enterprise & Community Svcs	-	-	12,073	-	314,442	-	-	-	6,100	332,615
Debt Service	-	-	-	-	-	36,408	-	-	-	36,408
<b>Total Expenditures</b>	<b>47,400</b>	<b>4,493</b>	<b>12,073</b>	<b>230,641</b>	<b>314,442</b>	<b>36,408</b>	<b>65,074</b>	<b>974</b>	<b>6,100</b>	<b>717,605</b>
Excess (Deficiency) of Revenues										
Over Expenditures	-	(151)	46	18,389	(45,491)	(9,926)	(29,834)	(344)	(6,047)	(73,358)
<b>OTHER FINANCING SOURCES (USES):</b>										
Operating Transfers In	-	-	-	-	47,000	-	50,000	-	-	97,000
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>47,000</b>	<b>-</b>	<b>50,000</b>	<b>-</b>	<b>-</b>	<b>97,000</b>
Net Change in Fund Balances	-	(151)	46	18,389	1,509	(9,926)	20,166	(344)	(6,047)	23,642
Fund Balances - July 1, 2014	-	1,992	9,163	138,654	206	36,987	74,646	125,096	78,361	465,105
<b>Fund Balances - June 30, 2015</b>	<b>\$ -</b>	<b>\$ 1,841</b>	<b>\$ 9,209</b>	<b>\$ 157,043</b>	<b>\$ 1,715</b>	<b>\$ 27,061</b>	<b>\$ 94,812</b>	<b>\$ 124,752</b>	<b>\$ 72,314</b>	<b>\$ 488,747</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, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
			(Budgetary Basis)	Positive
			(See Note 1)	(Negative)
<b>REVENUES:</b>				
Revenues from Federal Sources:				
Title IIa Improving Teacher Quality Grant	\$ 70,000	\$ 70,000	\$ 46,660	\$ (23,340)
Title IIIa English Language No Child Left Behind	10,000	10,000	-	(10,000)
Title VI Grant	148,000	148,000	-	(148,000)
Vocational Education Carl Perkins Grant	4,000	4,000	-	(4,000)
Grants-in-Aid from the Fed Gov't	30,000	30,000	-	(30,000)
Other Restricted Federal Grant	4,000	4,000	740	(3,260)
<b>Total Revenues</b>	<b>266,000</b>	<b>266,000</b>	<b>47,400</b>	<b>(218,600)</b>
<b>EXPENDITURES:</b>				
Instruction:				
#1111 Elementary K-5 - Title IIa				
Salaries	10,000	10,000	-	(10,000)
Supplies and Materials	92,000	92,000	-	(92,000)
#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>161,000</b>	<b>161,000</b>	<b>-</b>	<b>(161,000)</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	7,300	7,300	1,093	(6,207)
Employee Benefits	4,510	4,510	316	(4,194)
#2213 Social Work Services - Misc Fed Grants				
Supplies and Materi	20,000	20,000	-	(20,000)
#2240 Instructional Staff Development - Title IIa				
Salaries	35,490	35,490	12,025	(23,465)
Employee Benefits	2,000	2,000	3,378	1,378
Purchased Services	18,600	18,600	25,173	6,573
#2240 Instructional Staff Development - Carl Perkins				
Salaries	2,000	2,000	-	(2,000)
#2241 Instructional Staff Development - TNT				
Salaries	3,500	3,500	654	(2,846)
Employee Benefits	500	500	86	(414)
#2490 Other Support Services				
Salaries	300	300	600	300
Employee Benefits	-	-	195	195
Purchased Services	1,800	1,800	3,880	2,080
#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)
Supplies and Materials	-	-	-	-
<b>Total Support Services</b>	<b>105,000</b>	<b>105,000</b>	<b>47,400</b>	<b>(57,600)</b>
<b>Total Expenditures</b>	<b>266,000</b>	<b>266,000</b>	<b>47,400</b>	<b>(218,600)</b>
Excess (Deficiency) of Revenues				
Over Expenditures	-	-	-	-
Fund Balance - July 1, 2014				
	-	-	-	-
<b>Fund Balance - June 30, 2015</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, 2015**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Positive (Negative)
<b><u>REVENUES:</u></b>				
Other Revenue from Local Sources	\$ 70,000	\$ 70,000	\$ -	\$ (70,000)
Other Restricted State Grants	79,000	79,000	4,342	(74,658)
<b>Total Revenues</b>	<b>149,000</b>	<b>149,000</b>	<b>4,342</b>	<b>(144,658)</b>
<b>Total Revenues</b>	<b>149,000</b>	<b>149,000</b>	<b>4,342</b>	<b>(144,658)</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1111 Elementary K-5 Programs				
Supplies & Materials	30,000	30,000	-	(30,000)
#1121 Middle School Programs				
Supplies & Materials	40,000	40,000	151	(39,849)
#1131 High School Programs				
Supplies & Materials	-	-	2,500	2,500
<b>Total Instruction</b>	<b>70,000</b>	<b>70,000</b>	<b>2,651</b>	<b>(67,349)</b>
Support Services:				
#2113 Social Work Services				
Salaries	30,000	30,000	-	(30,000)
#2210 Improvement of Instruction Services				
Salaries	5,500	5,500	858	(4,642)
Employee Benefits	205	205	152	(53)
Purchased Services	43,295	43,295	832	(42,463)
<b>Total Support Services</b>	<b>79,000</b>	<b>79,000</b>	<b>1,842</b>	<b>(77,158)</b>
<b>Total Expenditures</b>	<b>149,000</b>	<b>149,000</b>	<b>4,493</b>	<b>(144,507)</b>
Excess (Deficiency) of Revenues Over Expenditures	-	-	(151)	(151)
Fund Balance - July 1, 2014	-	-	1,992	1,992
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,841</b>	<b>\$ (151)</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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
			<u>(Budgetary Basis)</u>	<u>Positive</u>
			<u>(See Note 1)</u>	<u>(Negative)</u>
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
After School Child Care	\$ 21,000	\$ 21,000	\$ 12,119	\$ (8,881)
<b>Total Revenues</b>	21,000	21,000	12,119	(8,881)
<b><u>EXPENDITURES:</u></b>				
Enterprise and Community Services:				
#3502 Custody and Care of Children Svcs				
Salaries	17,014	17,014	9,815	(7,199)
Employee Benefits	3,486	3,486	2,258	(1,228)
Purchased Services	5,000	5,000	-	(5,000)
Supplies and Materials	4,500	4,500	-	(4,500)
<b>Total Enterprise and Community Svcs</b>	30,000	30,000	12,073	(17,927)
<b>Total Expenditures</b>	30,000	30,000	12,073	(17,927)
Excess (Deficiency) of Revenues				
Over Expenditures	(9,000)	(9,000)	46	9,046
Fund Balance - July 1, 2014	9,000	9,000	9,163	163
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 9,209</b>	<b>\$ 9,209</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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
			(Budgetary Basis)	Positive
			(See Note 1)	(Negative)
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Other Curricular Activities	\$ 250,000	\$ 250,000	\$ 249,030	\$ (970)
<b>Total Revenues</b>	<b>250,000</b>	<b>250,000</b>	<b>249,030</b>	<b>(970)</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1113 Elementary Extracurricular				
Materials and Supplies	72,500	72,500	31,936	(40,564)
#1122 Middle School Extracurricular				
Materials and Supplies	72,500	72,500	23,805	(48,695)
#1132 High School Extracurricular				
Materials and Supplies	245,000	245,000	174,900	(70,100)
<b>Total Expenditures</b>	<b>390,000</b>	<b>390,000</b>	<b>230,641</b>	<b>(159,359)</b>
Excess (Deficiency) of Revenues				
Over Expenditures	(140,000)	(140,000)	18,389	158,389
Fund Balance - July 1, 2014	140,000	140,000	138,654	(1,346)
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 157,043</b>	<b>\$ 157,043</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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis (See Note 1))	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Revenues from Local Sources:				
Interest on Investments	\$ 50	\$ 50	\$ 6	\$ (44)
Breakfast Sales	5,000	5,000	2,466	(2,534)
Lunch Sales	85,000	85,000	48,446	(36,554)
Daily Sales - Non-reimbursable	10,000	10,000	3,502	(6,498)
Special Functions	4,000	4,000	2,288	(1,712)
Miscellaneous Revenue	1,250	1,250	-	(1,250)
<b>Total Local Revenues</b>	<b>105,300</b>	<b>105,300</b>	<b>56,708</b>	<b>(48,592)</b>
Revenues from State Sources:				
Basic School Support Fund	3,500	3,500	2,895	(605)
Reduced Price Meal Reimbursement	40,000	40,000	1,177	(38,823)
<b>Total State Revenues</b>	<b>43,500</b>	<b>43,500</b>	<b>4,072</b>	<b>(39,428)</b>
Revenues from Federal Sources:				
School Nutrition Reimbursements - Lunch & Breakfast	200,000	200,000	189,333	(10,667)
Commodities	22,000	22,000	18,838	(3,162)
<b>Total Federal Revenues</b>	<b>222,000</b>	<b>222,000</b>	<b>208,171</b>	<b>(13,829)</b>
<b>Total Revenues</b>	<b>370,800</b>	<b>370,800</b>	<b>268,951</b>	<b>(101,849)</b>
<b>EXPENDITURES:</b>				
Enterprise and Community Services:				
#3120 Food Services:				
Salaries	83,936	83,936	70,689	(13,247)
Employee Benefits	77,034	77,034	62,189	(14,845)
Purchased Services	800	800	8,005	7,205
Supplies and Materials	222,000	222,000	150,928	(71,072)
Capital Outlay	22,558	22,558		(22,558)
Other Objects	5,700	5,700	5,179	(521)
#3190 Other Food Services:				
Salaries	8,849	8,849	8,899	50
Employee Benefits	9,922	9,922	8,553	(1,369)
<b>Total Enterprise and Community Services</b>	<b>430,800</b>	<b>430,800</b>	<b>314,442</b>	<b>(116,358)</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>314,442</b>	<b>(136,358)</b>
Excess (Deficiency) of Revenues Over Expenditures	(80,000)	(80,000)	(45,491)	34,509
<b>OTHER FINANCING SOURCES (USES):</b>				
Long Term Debt Financing Source	40,000	40,000	-	(40,000)
Interfund Transfer In	30,000	47,000	47,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>70,000</b>	<b>87,000</b>	<b>47,000</b>	<b>(40,000)</b>
Net Change in Fund Balance	(10,000)	7,000	1,509	(5,491)
Fund Balance - July 1, 2014	10,000	10,000	206	(9,794)
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ 17,000</b>	<b>\$ 1,715</b>	<b>\$ (15,285)</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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Positive (Negative)
<b>REVENUES:</b>				
Revenues from State Sources:				
SSF Transportation	\$ 30,000	\$ 30,000	\$ 26,482	\$ (3,518)
<b>Total Revenues</b>	30,000	30,000	26,482	(3,518)
<b>EXPENDITURES:</b>				
Support Services:				
#2550 Transportation Services				
Capital Outlay	125,000	125,000	-	(125,000)
<b>Total Support Services</b>	125,000	125,000	-	(125,000)
Other Uses:				
#5110 Debt Service				
#610 Redemption of Principal	56,000	56,000	31,765	(24,235)
#620 Interest	11,000	11,000	4,643	(6,357)
<b>Total Other Uses</b>	67,000	67,000	36,408	(30,592)
<b>Total Expenditures</b>	192,000	192,000	36,408	(155,592)
Excess (Deficiency) of Revenues Over Expenditures	(162,000)	(162,000)	(9,926)	152,074
<b>OTHER FINANCING SOURCES (USES):</b>				
Long Term Debt Financing Sources	125,000	125,000	-	(125,000)
<b>Total Other Financing Sources (Uses)</b>	125,000	125,000	-	(125,000)
Net Change in Fund Balance	(37,000)	(37,000)	(9,926)	152,074
Fund Balance - July 1, 2014	37,000	37,000	36,987	(13)
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 27,061</b>	<b>\$ 152,061</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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
			(Budgetary Basis)	Positive
			(See Note 1)	(Negative)
<b>REVENUES:</b>				
Revenues from Local Sources:				
E-Rate Revenue	\$ 37,000	\$ 37,000	\$ 35,240	\$ (1,760)
Total Revenues from Local Sources	37,000	37,000	35,240	(1,760)
<b>Total Revenues</b>	<b>37,000</b>	<b>37,000</b>	<b>35,240</b>	<b>(1,760)</b>
<b>EXPENDITURES:</b>				
Instruction:				
#1111 Elementary Programs				
Supplies & Materials	32,000	32,000	15,697	(16,303)
#1121 Middle School Programs				
Supplies & Materials	32,000	32,000	15,697	(16,303)
#1131 High School Programs				
Supplies & Materials	32,000	32,000	19,444	(12,556)
Total Instruction	96,000	96,000	50,838	(28,859)
Support Services:				
#2660 Technology Services				
Purchased Services	-	-	3,098	3,098
Supplies & Materials	73,000	73,000	11,138	(61,862)
Total Support Services	73,000	73,000	14,236	(58,764)
<b>Total Expenditures</b>	<b>169,000</b>	<b>169,000</b>	<b>65,074</b>	<b>(87,623)</b>
Excess (Deficiency) of Revenues Over Expenditures	(132,000)	(132,000)	(29,834)	85,863
<b>OTHER FINANCING SOURCES (USES):</b>				
Interfund Transfer In	50,000	50,000	50,000	-
<b>Total Other Financing Sources (Uses)</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>
Net Change in Fund Balance	(82,000)	(82,000)	20,166	85,863
Fund Balance - July 1, 2014	82,000	82,000	74,646	(7,354)
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 94,812</b>	<b>\$ 78,509</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, 2015

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Positive (Negative)
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Interest on Investments	\$ 600	\$ 600	\$ 630	\$ 30
<b>Total Revenues</b>	600	600	630	30
<b><u>EXPENDITURES:</u></b>				
Support Services:				
#2520 Fiscal Services -				
Employee Benefits	125,450	125,450	854	(124,596)
Purchased Services	150	150	120	(30)
<b>Total Expenditures</b>	125,600	125,600	974	(124,626)
Excess (Deficiency) of Revenues				
Over Expenditures	(125,000)	(125,000)	(344)	124,656
Fund Balance - July 1, 2014	125,000	125,000	125,096	96
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 124,752</b>	<b>\$ 124,752</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, 2015

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from Locals Sources:				
Interest on Investments	\$ 360	\$ 360	\$ 53	\$ (307)
Contributions from Private Sources	25,000	25,000	-	(25,000)
<b>Total Revenues</b>	25,360	25,360	53	(25,307)
<b>EXPENDITURES:</b>				
Enterprise and Community Services				
#3390 Other Comm. Svcs - Purchased Svcs	16,000	16,000	6,100	(9,900)
<b>Total Enterprise and Community Svcs</b>	16,000	16,000	6,100	(9,900)
Other Uses				
#6000 Contingency	72,010	72,010	-	(72,010)
<b>Total Expenditures</b>	88,010	88,010	6,100	(81,910)
Excess (Deficiency) of Revenues Over Expenditures				
	(62,650)	(62,650)	(6,047)	56,603
Fund Balance - July 1, 2014	62,650	62,650	78,361	15,711
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 72,314</b>	<b>\$ 72,314</b>

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

**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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	<u>Positive</u> <u>(Negative)</u>
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Current Year's Taxes	\$ 547,180	\$ 547,180	\$ 574,405	\$ 27,225
Prior Year's Taxes	15,000	15,000	24,354	9,354
Penalties and Interest on Local Taxes	-	-	9	9
Interest on Investments	1,000	1,000	1,360	360
<b>Total Revenues</b>	<b>563,180</b>	<b>563,180</b>	<b>600,128</b>	<b>36,948</b>
<b><u>EXPENDITURES:</u></b>				
Other Uses:				
#5110 Debt Service:				
#300 Non-Instr Prof & Tech Svcs	-	-	2,500	2,500
#610 Principal Redemption	420,000	420,000	476,000	56,000
#620 Interest Expense	171,350	171,350	188,682	17,332
#640 Dues & Fees	-	-	56,118	56,118
<b>Total Expenditures</b>	<b>591,350</b>	<b>591,350</b>	<b>723,300</b>	<b>131,950</b>
Excess (Deficiency) of Revenues Over Expenditures	(28,170)	(28,170)	(123,172)	(95,002)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Bond Proceeds	-	-	136,000	136,000
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>136,000</b>	<b>136,000</b>
Net Change in Fund Balance	(28,170)	(28,170)	12,828	40,998
Fund Balance - July 1, 2014	28,170	28,170	31,953	95,002
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 44,781</b>	<b>\$ 136,000</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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u> <u>(See Note 1)</u>	<u>Variance 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:				
Services Provided Other Funds	\$ 550,000	\$ 550,000	\$ 617,560	\$ 67,560
Interest Income	2,000	2,000	1,465	(535)
<b>Total Revenues</b>	<b>552,000</b>	<b>552,000</b>	<b>619,025</b>	<b>67,025</b>
<b><u>EXPENDITURES:</u></b>				
Other Uses:				
#5110 Debt Service:				
#610 Principal Redemption	179,771	179,771	179,770	(1)
#620 Interest Expense	367,445	367,445	367,445	-
<b>Total Expenditures</b>	<b>547,216</b>	<b>547,216</b>	<b>547,215</b>	<b>(1)</b>
Excess (Deficiency) of Revenues Over Expenditures				
	4,784	4,784	71,810	67,026
Fund Balance - July 1, 2014	315,000	315,000	373,274	58,274
<b>Fund Balance - June 30, 2015</b>	<b>\$ 319,784</b>	<b>\$ 319,784</b>	<b>\$ 445,084</b>	<b>\$ 125,300</b>

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

**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, 2015**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u>	<u>Final Budget</u>
			<u>(Budgetary Basis)</u>	<u>Positive</u>
			<u>(See Note 1)</u>	<u>(Negative)</u>
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Miscellaneous	\$ 99,500	\$ 99,500	\$ 16,573	\$ (82,927)
<b>Total Revenues</b>	<b>99,500</b>	<b>99,500</b>	<b>16,573</b>	<b>(82,927)</b>
<b><u>EXPENDITURES:</u></b>				
Support Services:				
#2542 Care & Upkeep of Building Services				
Purchased Services	169,350	169,350	9,109	(160,241)
Supplies & Materials	10,000	10,000	-	(10,000)
Capital Outlay	80,000	80,000	37,805	(42,195)
<b>Total Support Services</b>	<b>259,350</b>	<b>259,350</b>	<b>46,914</b>	<b>(212,436)</b>
Enterprise and Community Services				
#3120 Food Preparation & Dispensing Svcs				
Capital Outlay	50,000	50,000	-	(50,000)
<b>Total Enterprise and Community Svcs</b>	<b>50,000</b>	<b>50,000</b>	<b>-</b>	<b>(50,000)</b>
Facilities Acquisition and Construction				
#4150 Bldng Acq., Const., & Impr. Svcs				
Capital Outlay	60,000	60,000	57,322	(2,678)
Other Objects	-	1,000	2,861	1,861
<b>Total Facilities Acquisition and Constr.</b>	<b>60,000</b>	<b>61,000</b>	<b>60,183</b>	<b>(817)</b>
Other Uses:				
#5110 Debt Service				
#610 Redemption of Principal	75,500	74,500	37,500	(37,000)
#620 Interest	500	500	1,084	584
<b>Total Other Uses</b>	<b>76,000</b>	<b>75,000</b>	<b>38,584</b>	<b>(36,416)</b>
<b>Total Expenditures</b>	<b>445,350</b>	<b>445,350</b>	<b>145,681</b>	<b>(213,253)</b>
Excess (Deficiency) of Revenues Over Expenditures	(345,850)	(345,850)	(129,108)	130,326
<b><u>OTHER FINANCING SOURCES (USES):</u></b>				
Long Term Debt Financing Sources	80,000	80,000	-	(80,000)
Interfund Transfer In	110,000	110,000	110,000	-
<b>Total Other Financing Sources</b>	<b>190,000</b>	<b>190,000</b>	<b>110,000</b>	<b>(80,000)</b>
Net Change in Fund Balance	(155,850)	(155,850)	(19,108)	50,326
Fund Balance - July 1, 2014	155,850	155,850	157,056	1,206
<b>Fund Balance - June 30, 2015</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 137,948</b>	<b>\$ 51,532</b>

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

**Additional**  
**Supporting Schedules**

# AMITY SCHOOL DISTRICT NO. 4J

## SCHEDULE OF PROPERTY TAX TRANSACTIONS

For the Fiscal Year Ended June 30, 2015

	Subject to Measure 5 Limits	Bond Levy Tax, Outside Measure 5 Limits	Total
<b>Yamhill County:</b>			
Assessed Valuation, 2014-15 Tax Roll	\$ 273,525,592	\$ 273,525,592	\$ 273,525,592
General Fund Permanent Rate Levy, Per One Thousand Dollars	4.7796		4.7796
General Obligation Bond Levy Rate, Per One Thousand Dollars		1.8613	1.8613
Amount Levy Rates Will Raise	1,307,343	509,113	1,816,456
Loss Due to Measure 5 Compression	(29,516)	-	(29,516)
Other Adjustments	-	7,955	7,955
Net Tax Levy - Yamhill County	<u>\$ 1,277,827</u>	<u>\$ 517,068</u>	<u>\$ 1,794,895</u>

<b>Polk County:</b>			
Assessed Valuation, 2014-15 Tax Roll	\$ 51,381,862	\$ 51,381,862	\$ 51,381,862
General Fund Permanent Rate Levy, Per One Thousand Dollars	4.7796		4.7796
General Obligation Bond Levy Rate, Per One Thousand Dollars		1.8613	1.8613
Amount Levy Rates Will Raise	245,585	95,637	341,222
Loss Due to Measure 5 Compression	(11,135)	-	(11,135)
Other Adjustments	(1)	-	(1)
Net Tax Levy - Polk County	<u>\$ 234,449</u>	<u>\$ 95,637</u>	<u>\$ 330,086</u>

Tax Year	Uncollected Balance July 1, 2014	Tax Collector's Adjustments Increase (Decrease)	Collections During the Year	Uncollected Balance June 30, 2015
2014-15	\$ 2,124,981	\$ (76,954)	\$ 1,965,568	\$ 82,459
2013-14	84,640	14,314	51,381	47,573
2012-13	46,942	2,335	18,184	31,093
2011-12	27,571	1,527	15,008	14,090
2010-11	21,466	(299)	9,869	11,298
2009-10	11,594	362	1,677	10,279
2008-09 & Prior	9,103	2,676	3,103	8,676
<b>Totals</b>	<u>\$ 2,326,297</u>	<u>\$ (56,039)</u>	2,064,790	<u>\$ 205,468</u>

Less 2013-14 Accrual

Add 2014-15 Accrual

Total Property Tax Revenues - Modified Accrual Method

Modified Accrual (Budget Basis)

Revenues by Fund:

	Current	Prior	Total
General Fund	\$ 1,417,027	\$ 58,065	\$ 1,475,092
Debt Service Fund	574,405	24,354	598,759
<b>Total Property Tax Revenues</b>	<u>\$ 1,991,432</u>	<u>\$ 82,419</u>	<u>\$ 2,073,851</u>



## AMITY SCHOOL DISTRICT NO. 4J

### SCHEDULE OF FUND EXPENDITURES AND APPROPRIATIONS

For the Fiscal Year Ended June 30, 2015

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Over/(Under) Appropriations</u>
<b>GENERAL FUND #100</b>			
Instruction	\$ 4,788,046	\$ 5,052,029	\$ (263,983)
Support Services	2,928,902	3,145,848	(216,946)
Other Uses	276,261	276,262 *	(1)
Contingency	-	483,000 *	(483,000)
<b>IDEA GRANT FUND #200</b>			
Instruction	129,488	209,730	(80,242)
Support Services	11,630	39,270	(27,640)
<b>TITLE 1 FUND #201</b>			
Instruction	186,589	187,808 **	(1,219)
Support Services	40	11,642 **	(11,602)
Enterprise and Community Services	482	550	(68)
<b>FEDERAL MISCELLANEOUS GRANTS FUND #204</b>			
Instruction	-	161,000	(161,000)
Support Services	47,400	105,000	(57,600)
<b>STATE MISCELLANEOUS GRANTS FUND #205</b>			
Instruction	2,651	70,000	(67,349)
Support Services	1,842	79,000	(77,158)
<b>COMMUNITY PROJECTS FUND #250</b>			
Enterprise and Community Services	12,073	30,000	(17,927)
<b>STUDENT BODY FUND #270</b>			
Instruction	230,641	390,000	(159,359)
<b>FOOD SERVICE FUND #280</b>			
Enterprise and Community Services	314,442	430,800	(116,358)
Other Uses	-	20,000	(20,000)
<b>VEHICLE REPLACEMENT FUND #292</b>			
Support Services	-	125,000	(125,000)
Other Uses	36,408	67,000	(30,592)
<b>TECHNOLOGY REPLACEMENT FUND #293</b>			
Instruction	50,838	96,000	(45,162)
Support Services	14,236	73,000	(58,764)
<b>UNEMPLOYMENT FUND #298</b>			
Support Services	974	125,600	(124,626)
<b>SCHOLARSHIP FUND #299</b>			
Purchased Services	6,100	16,000	(9,900)
Contingency	-	72,010	(72,010)
<b>DEBT SERVICE FUND #300</b>			
Other Uses	723,300	591,350	131,950
<b>PERS BOND DEBT SERVICE FUND #302</b>			
Other Uses	547,215	547,216	(1)
<b>CAPITAL IMPROVEMENT FUND #430</b>			
Support Services	46,914	259,350	(212,436)
Enterprise and Community Services	-	50,000	(50,000)
Facilities Acquisition, Construction & Improvement	60,183	61,000 **	(817)
Other Uses	38,584	75,000 **	(36,416)
<b>TOTAL ALL FUNDS</b>	<b><u>\$ 10,455,239</u></b>	<b><u>\$ 12,850,465</u></b>	<b><u>\$ (2,395,226)</u></b>

**RECAP:**

Original Budget Appropriation	12,850,465
* Resolution 2014-2015 (7)	-
** Resolution 2014-2015 (8)	-
<b>Total Budget Appropriations</b>	<b><u>\$ 12,850,465</u></b>

\* Appropriations Transfer Resolution 2014-2015 (7) dated June 24, 2015 transferred General Fund #100 appropriations of \$17,000 from Operating Contingency to Transfer of Funds in the same fund; then transferred that \$17,000 from General Fund #100 to Food Service Fund #280.

\*\* appropriations of \$22,000 from Support Services to Instruction in the same fund, and transferred Capital Improvement Fund #430 appropriations of \$1,000 from Debt Service to Facilities Acq/Constr in the same fund.

# AMITY SCHOOL DISTRICT NO. 4J

## SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

**For the Fiscal Year Ended June 30, 2015**

	Outstanding Balance July 1, 2014	New Issues and Matured	Principal and Retired	Outstanding Balance June 30, 2015	Amount Due Within One Year
General Obligation Refunding Bond, Series 2015 for refunding of GO Refunding Bonds, Series 2005, dated March 19, 2015. The original balance of the 2015 refunding bonds was \$4,076,000. Interest rate on the refunding bonds is fixed at 1.78%					
Principal	\$ -	\$ 4,076,000	\$ 56,000	\$ 4,020,000	\$ 490,000
Interest	-	17,332	17,332	-	71,556
<b>Totals</b>	<b>\$ -</b>	<b>\$ 4,093,332</b>	<b>\$ 73,332</b>	<b>\$ 4,020,000</b>	<b>\$ 561,556</b>

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%. This bond issue was refunded during the 2014-15 fiscal year. See Note 6.

Principal	\$ 4,360,000	\$ -	\$ 4,360,000	\$ -	\$ -
Interest	-	171,350	171,350	-	-
<b>Totals</b>	<b>\$ 4,360,000</b>	<b>\$ 171,350</b>	<b>\$ 4,531,350</b>	<b>\$ -</b>	<b>\$ -</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	\$ 5,069,627	\$ -	\$ 179,771	\$ 4,889,856	\$ 178,436
Interest	-	367,445	367,445	-	393,779
<b>Totals</b>	<b>\$ 5,069,627</b>	<b>\$ 367,445</b>	<b>\$ 547,216</b>	<b>\$ 4,889,856</b>	<b>\$ 572,215</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	\$ 201,877	\$ -	\$ 31,765	\$ 170,112	\$ 32,495
Interest	-	4,643	4,643	-	3,913
<b>Totals</b>	<b>\$ 201,877</b>	<b>\$ 4,643</b>	<b>\$ 36,408</b>	<b>\$ 170,112</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	\$ 597,387	\$ -	\$ 69,261	\$ 528,126	\$ 69,261
Interest	-	-	-	-	-
<b>Totals</b>	<b>\$ 597,387</b>	<b>\$ -</b>	<b>\$ 69,261</b>	<b>\$ 528,126</b>	<b>\$ 69,261</b>

### TOTAL DEBT AGREEMENTS:

Principal	\$ 10,228,891	\$ 4,076,000	\$ 4,696,797	\$ 9,608,094	\$ 770,192
Interest	-	560,770	560,770	-	469,248
<b>Totals</b>	<b>\$ 10,228,891</b>	<b>\$ 4,636,770</b>	<b>\$ 5,257,567</b>	<b>\$ 9,608,094</b>	<b>\$ 1,239,440</b>

# AMITY SCHOOL DISTRICT NO. 4J

## SCHEDULE OF FUTURE REQUIREMENTS FOR RETIREMENT OF LONG-TERM DEBT

For the Fiscal Year Ended June 30, 2015

	Fiscal Year Ended June 30,	Total	Principal	Interest	Coupon Interest Rate
GO Refunding Bond, Series 2015	2016	\$ 561,556	\$ 490,000	\$ 71,556	1.78%
- Original Balance \$4,076,000	2017	582,834	520,000	62,834	1.78%
- Interest rate 1.78%	2018	598,578	545,000	53,578	1.78%
	2019	618,877	575,000	43,877	1.78%
	2020	633,642	600,000	33,642	1.78%
	2021	652,962	630,000	22,962	1.78%
	2022	671,748	660,000	11,748	1.78%
<b>Totals</b>		<b>\$ 4,320,197</b>	<b>\$ 4,020,000</b>	<b>\$ 300,197</b>	
OSBA Limited Tax Pension OB, Series 2004	2016	\$ 572,215	\$ 178,436	\$ 393,779	5.71%
- Original Balance \$6,618,714	2017	602,216	179,168	423,048	5.83%
- Interest rate 1.5% - 6.27%	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>\$ 9,514,932</b>	<b>\$ 4,889,857</b>	<b>\$ 4,625,075</b>	
QZAB 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>	
Bus Leases with Sovereign Bank	2016	36,408	32,495	3,913	
- Original Balance \$237,820	2017	36,408	33,243	3,165	
- Interest rate 2.30%	2018	36,408	34,007	2,401	
	2019	36,408	34,790	1,618	
	2020	36,408	35,577	832	
<b>Totals</b>		<b>\$ 182,040</b>	<b>\$ 170,112</b>	<b>\$ 11,928</b>	
<b>Total Future Requirements for Long-Term Debt</b>		<b>\$ 15,030,122</b>	<b>\$ 10,092,922</b>	<b>\$ 4,937,200</b>	

**ACCOMPANYING**  
**INFORMATION**

**AMITY SCHOOL DISTRICT NO. 4J**  
**INDEPENDENT AUDITOR'S REPORT**  
**REQUIRED BY OREGON STATE REGULATIONS**  
**As of June 30, 2015**

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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, 2015, and have issued our report thereon dated December 18, 2015. 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, with the following exceptions:

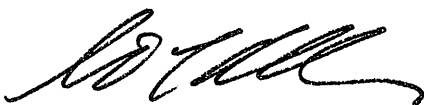
For the fiscal year ended June 30, 2015, over-expenditure of appropriations occurred in one fund, as noted on page 39 of the audit report.

The District has adopted new procedures to review actual vs. budget amounts regularly to avoid these over-expenditures in the future.

**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  
December 18, 2015

# **SINGLE AUDIT SECTION**

**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

**Fiscal Year Ended June 30, 2015**

Federal Grantor/Pass Through Grantor/ Program Title	Fund	Federal CFDA Number	Grant Period	Original Program or Grant Amount	(Receivable)/ Deferred Revenue June 30, 2014	Cash Received	Expenditures	(Receivable)/ Deferred Revenue June 30, 2015
<b>Passed Through Oregon Department of Education:</b>								
Title 1-A	Title 1	84.010A	2013-14	\$ 174,961	\$ -	\$ 10,490	\$ 19,645	\$ (9,155)
Title 1-A	Title 1	84.010A	2014-15	157,674	-	111,994	167,253	(55,259)
Title 1 - School Improvement Grant	Title 1	84.010A			-			-
<b>Total Title 1</b>				<b>332,635</b>	<b>-</b>	<b>122,484</b>	<b>186,898</b>	<b>(64,414)</b>
Title 2-A Improving Teacher Quality	Federal Misc.	84.367	2013-14	35,009	(5,761)	18,040	12,279	-
Title 2-A Improving Teacher Quality	Federal Misc.	84.367	2014-15	35,006	-	32,277	34,382	(2,105)
<b>Total Title 2A - Improving Teacher Quality</b>				<b>70,015</b>	<b>(5,761)</b>	<b>50,317</b>	<b>46,661</b>	<b>(2,105)</b>
IDEA - Special Education Grants to States	IDEA Grant	84.027A	2013-14	145,482	(36,082)	88,551	52,469	-
IDEA - Special Education Grants to States	IDEA Grant	84.027A	2014-15	151,369	-	35,116	74,837	(39,721)
IDEA - Enhancement & Extended Assessment Training	IDEA Grant	84.027	2013-14	1,851	(276)	276	-	-
IDEA - Enhancement & Extended Assessment Training	IDEA Grant	84.027	2014-15	2,122	-	1,245	1,245	-
IDEA, Special Education- Preschool Grants-13/14	IDEA Grant	84.173	2013-14	2,491	(7)	7	-	-
IDEA, Special Education-Preschool Grants-14/15	IDEA Grant	84.173	2014-15	3,672	-	-	-	-
IDEA - SPR&I	IDEA Grant	84.027	2014-15	1,540	-	452	728	(276)
Special Education - State Personnel Development	IDEA Grant	84.323	2013-14	4,000	(1,857)	1,857	-	-
Special Education - State Personnel Development	IDEA Grant	84.323	2014-15	12,392	-	6,000	11,839	(5,839)
<b>Total IDEA</b>				<b>324,919</b>	<b>(38,222)</b>	<b>133,504</b>	<b>141,118</b>	<b>(45,836)</b>
Title VI - Rural and Low Income Schools	General	84.358	2012-13	16,126	-	-	-	-
<b>Passed through Education Service District:</b>								
Education for Homeless Children and Youth	Federal Misc.	84.196	2013-14	1,012	(184)	184	-	-
Education for Homeless Children and Youth	Federal Misc.	84.196	2014-15	740	-	740	740	-
<b>Total Education for Homeless Children and Youth</b>				<b>1,752</b>	<b>(184)</b>	<b>924</b>	<b>740</b>	<b>-</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>\$ 745,447</b>	<b>\$ (44,167)</b>	<b>\$ 307,229</b>	<b>\$ 375,417</b>	<b>\$ (112,355)</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
<b>Passed Through Oregon Department of Education:</b>								
Commodities	* Food Service	10.550	2013-14	\$ 18,838	\$ -	\$ 18,838	\$ 18,838	\$ -
National School Lunch - Breakfast	* Food Service	10.553	2013-14	61,476	(206)	206	-	-
National School Lunch - Breakfast	* Food Service	10.553	2014-15	53,087	-	52,850	53,087	(237)
National School Lunch - Section 4	* Food Service	10.555	2013-14	-	-	-	-	-
National School Lunch - Section 4	* Food Service	10.555	2014-15	129,013	-	136,246	136,246	-
<b>Total National School Lunch Program</b>	*			<b>262,414</b>	<b>(206)</b>	<b>208,140</b>	<b>208,171</b>	<b>(237)</b>
<b>Passed Through Yamhill County:</b>								
Federal Forest Fees	General	10.665	2014-15	5	-	5	5	-
<b>Total U.S. Department of Agriculture</b>				<b>262,419</b>	<b>(206)</b>	<b>208,145</b>	<b>208,176</b>	<b>(237)</b>
<b>TOTALS</b>				<b>\$ 1,007,866</b>	<b>\$ (44,373)</b>	<b>\$ 515,374</b>	<b>\$ 583,593</b>	<b>\$ (112,592)</b>

This schedule is prepared using the modified accrual basis of accounting

**RECONCILIATION TO REVENUE:**

Cash Receipts per Schedule Above	\$ 515,374
Grants Receivable/Deferred Revenue Beginning of Year	(44,373)
Grants Receivable/Deferred Revenue End of Year	112,592
<b>Federal Revenue Recognized per Financial Statements</b>	<b>\$ 583,593</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, 2015, 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 December 18, 2015.

**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  
December 18, 2015





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, 2015. 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, 2015.

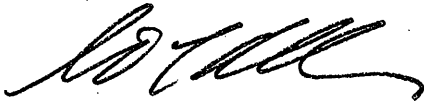
**Report on Internal Control Over Compliance**

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  
December 18, 2015

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

## **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**June 30, 2015**

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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, 2015.

### **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, 2014.

**AMITY SCHOOL DISTRICT NO. 4J**

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

**For the Fiscal Year Ended June 30, 2015**

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**SUPPLEMENTAL INFORMATION, 2014-2015**

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

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

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

	Objects 325 & 326
Function 2540	\$125,933
Function 2550	\$ -

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

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

Exclude these functions:

Exclude these functions:

\$	-
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1113,1122 & 1132	Extra-curricular Activities	4150	Construction
1140	Pre-Kindergarten	2550	Pupil Transportation
1300	Continuing Education	3100	Food Service
1400	Summer School	3300	Community Services