



**AMITY SCHOOL DISTRICT NO. 4J**

**AMITY, OREGON**

**JUNE 30, 2011**

**AUDIT REPORT**

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

**AMITY SCHOOL DISTRICT NO. 4J**

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

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**DISTRICT OFFICIALS**

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

DALE STEPPER . . . . . Vice-Chair  
20300 Poco Lane, Amity, OR 97101

CRAIG HUDSON . . . . . Board Member  
20465 Poco Lane, Amity, OR 97101

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

SANDY MCKEE . . . . . Board Member  
23350 SE McKee Road, Amity, OR 97101

**ADMINISTRATION**

REG McSHANE . . . . . Superintendent  
807 Trade Street, Amity, OR 97101

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

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**AUDIT REPORT**

**JUNE 30, 2011**

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## INDEPENDENT AUDITOR'S REPORT

Board of Directors  
Amity School District #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 #4J as of and for the year ended June 30, 2011 which collectively comprise the District's basic financial statements, as listed in the table of contents. These financial statements are the responsibility of the Amity School District #4J's management. My responsibility is to express opinions on these financial statements based on my audit.

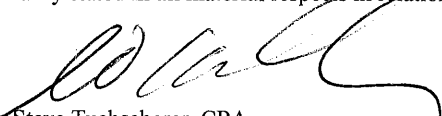
I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my 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 #4J, as of June 30, 2011, and the respective changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with Government Auditing Standards, I have also issued my report dated October 5, 2011, on my consideration of the Amity School District #4J's internal control over financial reporting and on my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be considered in assessing the results of my audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages 2 through 8 and 32 through 36 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. I have applied certain limited procedures to the management's discussion and analysis in accordance with the auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assistance. The budgetary comparison information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, are fairly stated in all material respects in relation to the financial statements taken as a whole.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Amity School District #4J's financial statements as a whole. The combining and individual non-major fund financial statements and additional supporting schedules are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying 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 financial statements. The combining and individual non-major fund financial statements, additional supporting schedules, 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

  
Steve Tuchscherer, CPA  
October 5, 2011

**MANAGEMENT'S DISCUSSION**

**AND ANALYSIS**

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2011**  
**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, 2011. 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, 2011 are as follows:

- The District's net assets decreased by \$60,799 which represents an 8.31 percent decrease from the previous year.
- General revenues accounted for \$6,881,681 in revenue, or 85.25 percent of all revenues. Program specific revenues in the form of charges for services, and grants and donations accounted for \$1,190,443 or 14.75 percent of total revenues of \$8,072,124.
- The District had \$8,132,923 in expenses related to governmental activities; which was greater than total revenues, resulting in a decrease in net assets of \$60,799. Total expenses increased \$38,433 over the previous year.
- Total assets of governmental activities decreased by \$652,766. The decrease resulted primarily from a decrease of \$317,353 in capital assets, net of accumulated depreciation and a \$255,331 decrease in prepaid expense – pension obligation, net of accumulated amortization. Those decreases were partially offset by a \$85,980 increase in property taxes receivable.
- Total liabilities decreased by \$591,967, largely due to a decrease in general obligation and PERS bonds of more than \$540,000, and a decrease in QZAB note payables of \$69,261.
- Among the governmental funds, the general fund had \$5,672,000 in receipts, which primarily consisted of state school support funds and property taxes. Actual revenues in the general fund were \$204,176 more than budgeted. Revenue from state school support fund was \$267,629 less than the budgeted amount. General Fund expenditures totaled \$6,453,725 including \$55,000 in budgeted interfund transfers out and \$69,261 in budgeted debt service payments. The General Fund's fund balance increased \$59,585 to \$900,895.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

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

*Government-wide Financial Statements*

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



**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2011**  
**Unaudited**

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The second government-wide statement is the *Statement of Activities* which reports how the District's net assets 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 assets and changes in net assets 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, 2011**  
**Unaudited**

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*Other Information*

In addition to the basic financial statements and accompanying notes, this report also presents, as required supplementary information schedules of revenues, expenditures, and changes in fund balance–budget vs actual for the General Fund, the IDEA Grant Fund, the Title 1 Fund, and the QZAB 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 vs actual for the QZAB Loan Fund, the Debt Service Fund 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 Assets provides the perspective of the District as a whole. Net assets may serve over time as a useful indicator of a government's financial position.

The District's net assets at fiscal year-end are \$670,499. This is a \$60,799 decrease from last year's net assets and represents a 8.31 percent decrease from the previous year.

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

**Summary of Net Assets**

	Governmental Activities		
	June 30, 2011	June 30, 2010	Percentage Change
<b>Assets</b>			
Current and Other Assets	\$ 6,902,037	\$ 7,237,450	-4.63%
Capital Assets	5,925,087	6,242,440	-5.08%
Total Assets	12,827,124	13,479,890	-4.84%
<b>Liabilities</b>			
Long-Term Liabilities	11,382,983	12,070,075	-5.69%
Other Liabilities	773,642	678,517	14.02%
Total Liabilities	12,156,625	12,748,592	-4.64%
<b>Net Assets</b>			
Invested in Capital Assets			
Net of Debt	817,127	687,523	18.85%
Restricted	185,834	344,925	-46.12%
Unrestricted	(332,462)	(301,150)	10.40%
Total Net Assets	\$ 670,499	\$ 731,298	-8.31%

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2011**  
**Unaudited**

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

**Changes in Net Assets**

	<u>Governmental Activities</u>		
	<u>2010-11</u>	<u>2009-10</u>	<u>Percentage Change</u>
<b>Revenues</b>			
Program Revenues			
Charges for Services	\$ 338,549	\$ 345,647	-2.1%
Operating Grants and Contributions	851,894	884,794	-3.7%
General Revenues			
Property Taxes	1,979,453	1,819,317	8.8%
State Basic School Support	4,621,965	4,709,654	-1.9%
Other	280,263	152,453	83.8%
Total Revenues	<u>8,072,124</u>	<u>7,911,865</u>	2.0%
<b>Program Expenses</b>			
Instruction	4,583,880	4,510,158	1.6%
Support Services	2,727,021	2,771,901	-1.6%
Community Services	307,546	300,042	2.5%
Interest on Long-Term Debt	514,476	512,389	0.4%
Total Program Expenses	<u>8,132,923</u>	<u>8,094,490</u>	0.5%
Change in Net Assets before Special Items	(60,799)	(182,626)	-66.7%
Special Items	-		
<b>Change in Net Assets</b>	<u><u>\$ (60,799)</u></u>	<u><u>\$ (182,626)</u></u>	-66.7%

The largest governmental activities program is instruction, which comprises 56.4 percent of expenses. Interest expense was 6.3 percent of total expenses.

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

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2011**  
**Unaudited**

**Governmental Activities**

	<u>2010-11</u>		<u>2009-10</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	\$ 4,583,880	\$ 3,717,502	\$4,510,158	\$ 3,576,493
Support Services				
Students	376,475	374,266	369,951	369,894
Instructional Staff	212,609	169,351	199,658	155,187
General Administration	166,452	145,608	175,560	167,694
School Administration	484,730	484,730	494,569	494,569
Business Services	211,348	211,239	220,455	219,164
Operation & Maintenance of Plant Services	736,340	736,340	747,924	747,924
Student Transportation Services	387,693	387,693	376,193	376,193
Staff Services	26,934	26,934	35,933	35,933
Technology Services	124,440	124,440	151,658	151,658
Community Services	307,546	49,901	300,042	56,951
Interest on Long-Term Debt	514,476	514,476	512,389	512,389
Total Program Expenses	<u>\$ 8,132,923</u>	<u>\$ 6,942,480</u>	<u>\$8,094,490</u>	<u>\$ 6,864,049</u>

The dependence on property tax and state basic support revenues is apparent. Over 85.4 percent of instruction activities are supported through property tax and state basic support. For all governmental activities general revenue support was 84.8 percent. Unrestricted state basic school support payments are by far the primary support of Amity School District No. 4J students.

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

*Governmental Funds*

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

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$2,404,129, a decrease of \$139,285. The fund balances 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 increase in fund balance in the General Fund for the fiscal year was \$59,585.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2011**  
**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 \$6,309,134 during the fiscal year. Actual General Fund receipts of \$6,513,310 exceeded the budgeted revenues by \$204,102, or 3.24 percent. In the General Fund, District spending was less than budgeted amounts in nearly all function areas. Total appropriations budgeted in the General Fund were \$7,104,134 while actual General Fund expenditures of \$6,453,725 resulted in a difference of \$650,409 or 9.16 percent of the budgeted total.

The IDEA Grant Fund actual revenues of \$174,919 were \$124,331 less than budgeted while expenditures of \$174,919 were also \$124,331 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 \$140,644 were \$70,806 less than budgeted while expenditures of \$140,644 were \$70,806 less than the budgeted amount. The fund began the year with a \$0 balance and ended the year with a \$0 balance.

The QZAB Fund actual revenues of \$692 were \$19,308 less than budgeted while expenditures of \$173,117 were \$101,080 less than the budgeted amount. The fund began the year with a \$241,350 balance and ended the year with a \$68,925 balance.

The Debt Service Fund actual revenues received were \$19,813 more than budgeted while expenditures equaled the budgeted amount of \$607,950. The fund began the year with a \$25,609 balance and ended the year with a \$30,422 balance.

The PERS Bond Service Fund actual revenues received were \$43,424 more than budgeted while expenditures equaled the budgeted amount. The fund began the year with a \$557,695 balance and ended the year with a \$508,403 balance.

**Capital Assets and Debt Administration**

**Capital Assets**

As of June 30, 2011, the District had invested \$9,760,458 in capital assets, including school buildings, athletic facilities, land, vehicles, computers and other equipment and furnishings. This amount represents no increase prior to depreciation.

Total depreciation expense for the year was \$317,353. Additional information on the District's capital assets can be found in Note 4 in the notes to the basic financial statements section of this report.

**Long-Term Debt**

At June 30, 2011, the District had general obligation bonds payable due of \$11,105,031. The entire balance is backed by the full faith and credit of the District. Debt payments reduced the bonds payable debt by \$540,188 during the fiscal year. Interest of \$514,978 was paid on the bonded debt. The District had Qualified Zone Academy Bonds (QZAB) payable of \$805,170. 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 of 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.

As of June 30, 2011, the District had paid off its capital lease payable that was \$7,696 at the beginning of the year.

**AMITY SCHOOL DISTRICT NO. 4J**  
**Management's Discussion and Analysis (MD&A)**  
**For the Fiscal Year Ended June 30, 2011**  
**Unaudited**

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

The primary factors considered in developing the budget for next year were the District's increased student population, resulting in a 1.4 percent increase in state school fund allocations, an increase in PERS costs, and an uncertain economy overall.

Budgeted expenditures in the General Fund increased 2.17 percent to \$7,258,816 for fiscal year 2011-2012. Anticipated revenue increases in property taxes, ESD turnovers, state government funding and an increase in the estimated beginning fund balance account the majority of the .

The majority of appropriation increases used to balance the 2011-2012 budget were in employee benefit costs and increasing contingency appropriations. No new programs were added to the 2011-2012 budget, while a reduction in staff of 1 FTE position was budgeted.

The State's budget for the 2011-2013 biennium is expected to meet the District's 2011-2012 budgeted state basic school support revenues. However, the district continues to review the status of the various issues impacting its funding while scrutinizing all expenditures in order to minimize the negative impact of this financial uncertainty.

**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 ASSETS

June 30, 2011

	<u>Governmental Activities</u>	
<b>ASSETS:</b>		
Current Assets:		
Cash and Investments	\$ 1,728,790	
Property Taxes Receivable	259,507	
Accounts Receivable	149,177	
Due From Other Governments	133,528	
Prepaid Loan Fees, net of accumulated amortization	283,112	
Inventory-Food, Supplies & Commodities	7,301	
Total Current Assets		\$ 2,561,415
Capital Assets:		
Land	221,099	
Land Improvements	689,461	
Buildings & Improvements	8,294,416	
Vehicles	259,119	
Equipment	296,363	
Less: Accumulated Depreciation	(3,835,371)	
Total Capital Assets, Net of Depreciation		5,925,087
Other Assets:		
Prepaid Expense - Pension Obligation	6,618,174	
Less: Accumulated Amortization	\$ (2,277,552)	
Total Other Assets, Net of Amortization		4,340,622
<b>Total Assets</b>		<b>\$ 12,827,124</b>
<b>LIABILITIES:</b>		
Current Liabilities:		
Accounts Payable	\$ 32,707	
Interest Payable	8,616	
Current Portion of Long-Term Liabilities:		
Accrued Vacation Benefits	21,700	
Early Retirement Benefits	-	
Capital Leases Payable	-	
QZAB Note Payable	138,522	
General Obligations Bonds	400,000	
Limited Tax PERS Bonds	172,097	
Total Current Liabilities		\$ 773,642
Long-Term Liabilities:		
Noncurrent Portion of Long-Term Liabilities:		
Early Retirement Benefits	\$ 69,029	
General Obligations Bonds	5,110,000	
Limited Tax PERS Bonds	5,422,934	
QZAB Note Payable	666,648	
Net OPEB Obligation	114,372	
Total Long-Term Liabilities		11,382,983
<b>Total Liabilities</b>		<b>\$ 12,156,625</b>
<b>NET ASSETS:</b>		
Invested in capital assets, net of related debt	\$ 817,127	
Restricted for Campus Activities	91,414	
Restricted for Other Purposes	68,925	
Restricted for Food Service Program	25,495	
Unrestricted	(332,462)	
<b>Total Net Assets</b>		<b>\$ 670,499</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, 2011

	<u>(Expenses)</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
		<u>Charges</u> <u>for</u> <u>Services</u>	<u>Operating</u> <u>Grants and</u> <u>Contributions</u>	<u>Capital</u> <u>Grants and</u> <u>Contributions</u>	<u>Revenue and</u> <u>Change in</u> <u>Net Assets</u>
<b><u>GOVERNMENTAL ACTIVITIES:</u></b>					
Instruction					
Regular Instruction	\$ 3,472,945	\$ 266,557	\$ 329,260	\$ -	\$ (2,877,128)
Special Programs	1,109,922	-	270,561	-	(839,361)
Summer School Programs	1,013	-	-	-	(1,013)
Total Instruction	4,583,880	266,557	599,821	-	(3,717,502)
Support Services					
Students	376,475	-	2,209	-	(374,266)
Instructional Staff	212,609	-	43,258	-	(169,351)
General Administration	166,452	-	20,844	-	(145,608)
School Administration	484,730	-	-	-	(484,730)
Business Services	211,348	-	109	-	(211,239)
Operation & Maintenance of Plant Services	736,340	-	-	-	(736,340)
Student Transportation Services	387,693	-	-	-	(387,693)
Staff Services	26,934	-	-	-	(26,934)
Technology Services	124,440	-	-	-	(124,440)
Total Support Services	2,727,021	-	66,420	-	(2,660,601)
Community Services	307,546	71,992	185,653	-	(49,901)
Interest on Long-Term Debt	514,476	-	-	-	(514,476)
<b>Total Governmental Activities</b>	<b>\$ 8,132,923</b>	<b>\$ 338,549</b>	<b>\$ 851,894</b>	<b>\$ -</b>	<b>\$ (6,942,480)</b>

### GENERAL REVENUES:

Local Sources	
Property Taxes, levied for general purposes	1,343,371
Property Taxes, levied for debt service purposes	636,082
Interest and Investment Earnings	15,701
Miscellaneous	94,168
County School Fund	109,954
State School Support available for general purposes	4,621,965
Common School Fund	60,440
Subtotal - General Revenues	6,881,681
Change in Net Assets	(60,799)
Net Assets, July 1, 2010	731,298
<b>Net Assets, June 30, 2011</b>	<b>\$ 670,499</b>

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

# **Fund Financial Statements**

## **Governmental Funds**

**AMITY SCHOOL DISTRICT NO. 4J**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**June 30, 2011**

	<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	\$ 624,616	\$ -	\$ -	\$ 15,253	\$ 508,403	\$ 580,518	\$ 1,728,790
Accounts Receivable	149,177	-	-	-	-	-	149,177
Property Taxes Receivable	175,678	-	-	83,829	-	-	259,507
Due From Other Funds	125,826	-	-	-	-	-	125,826
Due from Other Governments	-	61,809	43,918	-	-	27,801	133,528
Inventory-Food, Supplies & Commodities	-	-	-	-	-	7,301	7,301
<b>Total Assets</b>	<b>\$ 1,075,297</b>	<b>\$ 61,809</b>	<b>\$ 43,918</b>	<b>\$ 99,082</b>	<b>\$ 508,403</b>	<b>\$ 615,620</b>	<b>\$ 2,404,129</b>
<b><u>LIABILITIES AND FUND EQUITY:</u></b>							
<b>LIABILITIES:</b>							
Account Payables	\$ 30,457	\$ -	\$ -	\$ -	\$ -	\$ 2,250	\$ 32,707
Due to Other Funds	-	61,809	43,918	-	-	20,099	125,826
Deferred Revenues	143,945	-	-	68,660	-	-	212,605
<b>Total Liabilities</b>	<b>174,402</b>	<b>61,809</b>	<b>43,918</b>	<b>68,660</b>	<b>-</b>	<b>22,349</b>	<b>371,138</b>
<b>FUND EQUITY:</b>							
<b>Fund Balances:</b>							
Non-spendable	-	-	-	-	-	7,301	7,301
<b>Restricted for:</b>							
Capital Construction & Building Maintenance	-	-	-	-	-	68,925	68,925
Debt Service	-	-	-	30,422	-	-	30,422
<b>Committed for:</b>							
Educational Programs	-	-	-	-	-	69,092	69,092
Community Projects	-	-	-	-	-	14,627	14,627
Student Body Activities	-	-	-	-	-	91,415	91,415
Food Service Programs	-	-	-	-	-	5,452	5,452
Equipment Acquisition	-	-	-	-	-	139,949	139,949
Capital Construction & Building Maintenance	-	-	-	-	-	109,913	109,913
Employee Benefits Programs	-	-	-	-	-	86,597	86,597
Debt Service	-	-	-	-	508,403	-	508,403
Unassigned	900,895	-	-	-	-	-	900,895
<b>Total Fund Balances</b>	<b>900,895</b>	<b>-</b>	<b>-</b>	<b>30,422</b>	<b>508,403</b>	<b>593,271</b>	<b>2,032,991</b>
<b>Total Liabilities &amp; Fund Equity</b>	<b>\$ 1,075,297</b>	<b>\$ 61,809</b>	<b>\$ 43,918</b>	<b>\$ 99,082</b>	<b>\$ 508,403</b>	<b>\$ 615,620</b>	<b>\$ 2,404,129</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 ASSETS**

**June 30, 2011**

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**Total Fund Balances - Governmental Funds** \$ 2,032,991

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

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

The cost of the assets is -	\$ 9,760,458	
The accumulated depreciation is -	<u>(3,835,371)</u>	
Net Value of Assets		5,925,087

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

The original prepaid amount is -	6,618,174	
The accumulated amortization is -	<u>(2,277,552)</u>	
Net Value of Prepaid Expense		4,340,622

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 -		283,112
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Accrued interest payable is not included as a liability in the governmental funds. (8,616)

Property taxes receivable that will not be available to pay for current-period expenditures are deferred in the governmental funds. 212,605

Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the governmental funds.

Long-term liabilities at year-end consist of :

Accrued Vacation Benefits	21,700	
Early Retirement Benefits	69,029	
Capital Leases	-	
Limited Tax PERS Bonds	5,595,031	
General Obligation Bonds	5,510,000	
Net OPEB Obligation	114,372	
QZAB Note Payable	<u>805,170</u>	
Total Long-Term Liabilities		<u>(12,115,302)</u>

**Net Assets of Governmental Activities** **\$ 670,499**

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, 2011**

	<b>General Fund #100</b>	<b>IDEA Grant Fund #200</b>	<b>Title 1 Fund #201</b>	<b>Debt Service Fund #300</b>	<b>PERS Bond Debt Service Fund #302</b>	<b>Other Govern- mental Funds</b>	<b>Total Govern- mental Funds</b>
<b>REVENUES:</b>							
Basic School Support Fund	\$ 4,605,800	\$ -	\$ -	\$ -	\$ -	\$ 16,165	\$ 4,621,965
Ad Valorem Taxes-Current Year	1,222,872	-	-	581,690	-	-	1,804,562
Ad Valorem Taxes-Prior Year	62,444	-	-	29,891	-	-	92,335
Services Provided to Other Funds	-	-	-	-	395,398	-	395,398
Fees and Charges	18,145	-	-	-	-	295,179	313,324
Admission to Co-Curricular Activities	25,225	-	-	-	-	-	25,225
Interest on Investments	10,214	-	-	1,182	2,526	1,779	15,701
Miscellaneous Local Revenues	73,080	-	-	-	-	21,088	94,168
County School Fund	109,954	-	-	-	-	-	109,954
Common School Fund	60,440	-	-	-	-	-	60,440
State Grants-In-Aid	62,088	-	-	-	-	659	62,747
Federal Reimbursement Grants	263,048	174,919	140,644	-	-	210,536	789,147
<b>Total Revenues</b>	<b>6,513,310</b>	<b>174,919</b>	<b>140,644</b>	<b>612,763</b>	<b>397,924</b>	<b>545,406</b>	<b>8,384,966</b>
<b>EXPENDITURES:</b>							
Instruction							
Regular Instruction	2,970,713	-	-	-	-	283,179	3,253,892
Special Programs	853,351	165,321	104,285	-	-	955	1,123,912
Summer School Programs	1,013	-	-	-	-	-	1,013
Supporting Services							
Students	383,258	2,209	-	-	-	-	385,467
Instructional Staff	152,979	7,389	35,869	-	-	20,844	217,081
General Administration	166,536	-	-	-	-	-	166,536
School Administration	497,651	-	-	-	-	-	497,651
Business Services	145,007	-	-	-	-	26,025	171,032
Operation & Maint. of Plant Services	659,919	-	-	-	-	79,395	739,314
Student Transportation Services	363,074	-	-	-	-	-	363,074
Information and Staff Services	18,904	-	-	-	-	-	18,904
Technology Services	101,806	-	-	-	-	24,911	126,717
Supplemental Retirement	15,253	-	-	-	-	-	15,253
Community Services	-	-	490	-	-	311,339	311,829
Facilities Acquisition and Construction	-	-	-	-	-	-	-
Debt Service	69,261	-	-	607,950	447,215	8,150	1,132,576
<b>Total Expenditures</b>	<b>6,398,725</b>	<b>174,919</b>	<b>140,644</b>	<b>607,950</b>	<b>447,215</b>	<b>754,798</b>	<b>8,524,251</b>
Excess (Deficiency) of Revenues							
Over Expenditures	114,585	-	-	4,813	(49,291)	(209,392)	(139,285)
<b>OTHER FINANCING SOURCES (USES):</b>							
Interfund Transfers In	-	-	-	-	-	55,000	55,000
Loan Proceeds In	-	-	-	-	-	-	-
Interfund Transfers Out	(55,000)	-	-	-	-	-	(55,000)
Proceeds from Sale of Assets	-	-	-	-	-	-	-
<b>Net Change in Fund Balances</b>	<b>59,585</b>	<b>-</b>	<b>-</b>	<b>4,813</b>	<b>(49,291)</b>	<b>(154,392)</b>	<b>(139,285)</b>
FUND BALANCES, July 1, 2010	841,310	-	-	25,609	557,694	740,362	2,164,975
<b>FUND BALANCES, June 30, 2011</b>	<b>\$ 900,895</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,422</b>	<b>\$ 508,403</b>	<b>\$ 585,970</b>	<b>\$ 2,025,690</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, 2011

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Net changes in fund balances - total governmental funds \$ (139,285)

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	\$ -	
Less current year depreciation	<u>(317,353)</u>	(317,353)

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>82,555</u>	82,555
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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>926</u>	926
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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>955</u>	955
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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	(23,527)	
Vacation Payable	<u>(21,700)</u>	(45,227)

Repayment of long-term debt principal amounts are expenditures in the governmental funds, but the repayment reduces long-term debt liabilities in the Statement of Net Assets.

Retirement of principal is as follows:

Vacation Payable	9,896	
Early Retirement Benefits	15,253	
Capital Leases Payable	7,696	
General Obligations Bonds	370,000	
Limited Tax PERS Bonds	170,188	
QZAB Note Payable	<u>69,261</u>	<u>642,294</u>

<b>Changes in net assets of governmental assets</b>		<b><u>\$ (60,799)</u></b>
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The accompanying notes to the basic financial statements are an integral part of this statement.

**Notes to the Basic**

**Financial Statements**



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

**JUNE 30, 2011**

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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 assets 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, 2011**

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

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

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

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

The District reports the following major governmental funds:

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

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

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

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

QZAB Loan Fund - Revenues accounted for in the QZAB Loan Fund are proceeds from the Qualified Zone Academic Bond (QZAB) sold during the 2003-2004 fiscal year and interest earned on the remaining available funds. Expenditures accounted for in this fund were designated in the QZAB agreement to include the purchase of building and grounds upgrades and various technology assets.

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, 2011**

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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 assets 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 a potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when the revenue recognition is met or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

D. Budgeting

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

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

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

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

**JUNE 30, 2011**

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

E. Cash and Investments

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

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

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

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

F. Property Taxes

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

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

G. Receivables

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

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

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

**JUNE 30, 2011**

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

G. Receivables (Cont.)

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

H. Prepaid Expenses

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

I. Inventory

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

J. Capital Assets

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

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

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

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

**JUNE 30, 2011**

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

J. Capital Assets (Cont.)

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

K. Compensated Absences and Accrued Liabilities:

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

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

L. Deferred Revenues:

Amounts received for reimbursement-type grants in excess of District expenditures related that grant are reported in the liability section of the government-wide statements as deferred revenues, and are consequently not reported as revenues. In the governmental funds, deferred revenues are offset by reserves in the fund balance section of fund financial statements.

M. Long-Term Obligations

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

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

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

**JUNE 30, 2011**

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

N. Equity Classifications:

*Government-wide Statements*

Equity is classified as net assets, which represents the difference between assets and liabilities. Net assets are 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 assets - Consists of net assets 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 assets - All other net assets 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 assets are available.

*Fund Financial Statements*

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

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

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

**JUNE 30, 2011**

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

N. Equity Classifications:

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

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

O. Inter-Fund Transactions

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

P. Use of Estimates

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

**2. CASH AND INVESTMENTS:**

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

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

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



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

**JUNE 30, 2011**

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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, 2011 the reported amount of the District's deposits was \$4,314 and the bank balance was \$552,036. 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, 2011, the District's investment in the Oregon State Treasurer's Local Government Investment Pool (LGIP) was unrated.

At June 30, 2011, 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)	\$ 1,724,114	N/A
Federal Agency Notes	363	N/A
Total Investments	<u>\$ 1,724,477</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, 2011**

**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	\$ 175,678	\$ -	\$ -	\$ 83,829	\$ -	\$ 259,507
Accounts Receivable	149,177	-	-	-	-	149,177
Due from Other Funds	-	-	-	-	-	-
Due from Other Governments	-	61,809	43,918	-	27,801	133,528
<b>Total</b>	<b>\$ 324,855</b>	<b>\$ 61,809</b>	<b>\$ 43,918</b>	<b>\$ 83,829</b>	<b>\$ 27,801</b>	<b>\$ 542,212</b>

**4. CAPITAL ASSETS:**

The following is a summary of capital asset activity for the fiscal year ended June 30, 2011:

Governmental Activities	June 30, 2010	Additions	Deletions	June 30, 2011
<b>Assets not being depreciated:</b>				
Land	\$ 221,099	\$ -	\$ -	\$ 221,099
Total Non-Depreciable Assets	221,099	-	-	221,099
<b>Assets being depreciated:</b>				
Land Improvements	689,461	-	-	689,461
Buildings & Improvements	8,294,416	-	-	8,294,416
Vehicles	259,119	-	-	259,119
Equipment	296,363	-	-	296,363
Total Depreciable Assets	9,539,359	-	-	9,539,359
<b>Less: Accumulated Depreciation</b>				
Land Improvements	389,712	27,698	-	417,410
Buildings & Improvements	2,694,909	256,879	-	2,951,788
Vehicles	200,605	17,577	-	218,182
Equipment	232,792	15,199	-	247,991
Total Accumulated Depreciation	3,518,018	317,353	-	3,835,371
Net Value of Capital Assets Being Depreciated	6,021,341	(317,353)	-	5,703,988
Total Governmental Activities--				
Net Value of Capital Assets	<u>\$ 6,242,440</u>	<u>\$ (317,353)</u>	<u>\$ -</u>	<u>\$ 5,925,087</u>

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

Instruction - Regular Programs	\$ 291,773
Instruction - Special Programs	2,290
Support Services--Business Services	1,500
Support Services--Operation & Maintenance	4,903
Support Services--Student Transportation	16,887
Total depreciation expense - governmental activities	<u>\$ 317,353</u>

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

**JUNE 30, 2011**

**5. LONG-TERM DEBT:**

A summary of debt transactions for the year ended June 30, 2011 is as follows:

	Outstanding Balance <u>June 1, 2010</u>	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance <u>June 30, 2011</u>	Amounts Due Within <u>One Year</u>
<b>General Obligation and Limited Tax Bonded Debt:</b>					
General Obligation Bonds Series 2002 for real property additions and improvements and refunding of Series 1992 GO Bonds, US Bank, NA, trustee					
Original Balance \$7,400,000					
Dated April 1, 2003					
Interest Rate - 3.25% to 5.25%					
Principal	\$ 710,000	\$ -	\$ 340,000	\$ 370,000	\$ 370,000
Interest	-	31,950	31,950	-	16,650
Totals	<u>\$ 710,000</u>	<u>\$ 31,950</u>	<u>\$ 371,950</u>	<u>\$ 370,000</u>	<u>\$ 386,650</u>
General Obligation Refunding Bonds Series 2005 for partial refunding of Series 2002 General Obligation Bonds, US Bank, NA, trustee					
Original Balance \$5,380,000					
Dated October 6, 2005					
Interest Rate - 3.50% to 5.00%					
Principal	\$ 5,170,000	\$ -	\$ 30,000	\$ 5,140,000	\$ 30,000
Interest	-	206,000	206,000	-	204,950
Totals	<u>\$ 5,170,000</u>	<u>\$ 206,000</u>	<u>\$ 236,000</u>	<u>\$ 5,140,000</u>	<u>\$ 234,950</u>
Oregon School Boards Association Limited Tax Pension Obligation Bonds Series 2004, Wells Fargo Bank Northwest, NA, trustee					
Original Balance \$6,618,714					
Dated April 21, 2004					
Interest Rate - 1.50% to 6.27%					
Principal	\$ 5,765,219	\$ -	\$ 170,188	\$ 5,595,031	\$ 172,097
Interest	-	277,028	277,028	-	295,118
Totals	<u>\$ 5,765,219</u>	<u>\$ 277,028</u>	<u>\$ 447,216</u>	<u>\$ 5,595,031</u>	<u>\$ 467,215</u>
<b>Capitalized Lease:</b>					
Deere Credit, Inc. for purchase of tractor and loader					
Original Balance \$36,451					
Dated December 15, 2007					
Interest Rate - 5.75%					
Principal	\$ 7,696	\$ -	\$ 7,696	\$ -	\$ -
Interest	-	454	454	-	-
Totals	<u>\$ 7,696</u>	<u>\$ 454</u>	<u>\$ 8,150</u>	<u>\$ -</u>	<u>\$ -</u>
<b>Installment Notes:</b>					
Qualified Zone Academy Bond held by Bank of America for qualified building improvements and equipment purchases					
Original Balance 1,290,000					
Dated February 1, 2004					
Interest Rate - 0%					
Principal	\$ 874,431	\$ -	\$ 69,261	\$ 805,170	\$ 69,261
Interest	-	-	-	-	-
Totals	<u>\$ 874,431</u>	<u>\$ -</u>	<u>\$ 69,261</u>	<u>\$ 805,170</u>	<u>\$ 69,261</u>
<b>Accumulated Unpaid Vacation:</b>					
Certain district employees earn vacation at rates determined by the length of employment					
	<u>\$ 9,896</u>	<u>\$ 21,700</u>	<u>\$ 9,896</u>	<u>\$ 21,700</u>	<u>\$ -</u>
<b>Early Retirement Benefits:</b>					
Certain employees have negotiated or are eligible for ongoing post-employment benefits					
	<u>\$ 84,282</u>	<u>\$ -</u>	<u>\$ 15,253</u>	<u>\$ 69,029</u>	<u>\$ 16,016</u>
<b>TOTAL DEBT AGREEMENTS:</b>	Principal	\$ 12,621,524	\$ 21,700	\$ 642,294	\$ 12,000,930
	Interest	<u>-</u>	<u>515,432</u>	<u>515,432</u>	<u>-</u>
		<u>\$ 12,621,524</u>	<u>\$ 537,132</u>	<u>\$ 1,157,726</u>	<u>\$ 12,016,946</u>

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

**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>				
	2012	572,097	516,718	1,088,815
	2013	535,693	520,423	1,056,116
	2014	567,613	530,453	1,098,066
	2015	599,771	538,795	1,138,566
	2016	633,436	544,129	1,177,565
	2017-2021	3,689,402	2,909,475	6,598,877
	2022-2026	3,192,019	2,208,117	4,915,007
	2027-2028	1,315,000	98,832	1,413,832
	Totals	<u>\$ 11,105,031</u>	<u>\$ 7,866,942</u>	<u>\$ 18,486,844</u>
<b><u>Installment Notes:</u></b>				
	2019	<u>\$ 1,012,953</u>	<u>\$ -</u>	<u>\$ 1,012,953</u>
<b><u>Early Retirement Benefit:</u></b>				
	2012	\$ 16,016	\$ -	\$ 16,016
	2013	16,816	-	16,816
	2014	17,657	-	17,657
	2015	18,540	-	18,540
	Totals	<u>\$ 69,029</u>	<u>\$ -</u>	<u>\$ 69,029</u>

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

**6. PENSION PLAN:**

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

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

**JUNE 30, 2011**

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

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

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

**Funding Policy** - Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The District is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF and the OPSRP rates in effect for the year ended June 30, 2011 were 0.29% and 0.19% respectively. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature. The District is currently paying the member required contributions in accordance with collective bargaining agreements and conditions of employment for District employees meeting certain eligibility guidelines.

**Annual Pension Cost** - The District's contributions to PERS for the years ending June 30, 2009, 2010 and 2011 were \$226,213 and \$200,041 and \$192,983 respectively, which equaled the required contribution for the year. During 2002-03, the District issued limited tax pension bonds, the proceeds of which were used to finance a portion of its estimated unfunded actuarial liability (See Note #5).

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

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

**Plan Description**

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

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.35% 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, 2011, was \$52,551, which equaled the required contributions for the year.

Annual OPEB Cost and Net OPEB Obligation

The District's annual other post-employment benefit cost (expense) is calculated based on the annual required contribution of the employer, an amount actuarially determined in accordance within the parameters of GASB 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years. The following table shows the components of the District's annual OPEB cost for the fiscal year ending June 30, 2011, the amount actually contributed to the plans, and changes in the District's net OPEB obligation:

Annual required contribution	\$ 93,340
Interest on net OPEB obligation	4,315
Adjustment to the annual required contribution	<u>21,576</u>
Annual OPEB cost (expense)	119,231
Contributions made	<u>52,551</u>
Increase in net OPEB obligation	23,528
Net OPEB obligation, beginning of year	<u>90,844</u>
Net OPEB obligation, end of year	<u><u>\$ 114,372</u></u>

*Early Retirement Benefit*

The District provides an early-retirement benefit option to certain employees who elect this option. Those employees receive a monthly stipend. For the fiscal year ending June 30, 2011 zero employees elected to receive the stipend option. In addition, a retired superintendent receives medical insurance benefits in accordance with his final contract until his eligibility for Medicare.

For government-wide statements, the potential liability created by the union negotiated contractual obligation and other contractual obligation described above is recorded in the amount of \$69,029 as a liability and expenditure for the District when the liability is incurred. For fund financial statements, expenditures for post retirement benefits are recognized when paid. During the 2010-11 fiscal year, \$15,253 in health insurance benefits were expended by the District for other post employment benefits.

**AMITY SCHOOL DISTRICT NO. 4J**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2011**

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**8. CONTINGENT LIABILITIES:**

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

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

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

During the year the District received USDA commodities. Fair market value of the amount of commodities used during the 2010-11 fiscal year is \$15,509. The amount is reflected as federal revenue received and as a food expenditure in the Food Service Fund in the financial statements. Fair market value is determined by the Oregon Department of Education.

**10. RISK MANAGEMENT:**

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

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

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

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

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

JUNE 30, 2011

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

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

Interfund balances at June 30, 2011 consisted of the following individual fund receivables and payables:

	Due From Other Funds	Due To Other Funds
General Fund #100	\$125,826	
Special Revenue Funds:		
IDEA Fund #200		\$ 61,809
Title 1 Fund #201		\$ 43,918
Federal Miscellaneous Fund #204		11,756
Food Service Fund #280		8,343
Total	\$125,826	\$125,826

Interfund transfers for the year ended June 30, 2011 were as follows:

	Transfers Out	Transfers In
General Fund #100	\$ 55,000	
Food Service Fund #280		\$ 40,000
Capital Improvement Fund #430		15,000
Total	\$ 55,000	\$ 55,000

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 represents the District's election to provide General Fund support towards capital improvement activities.



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

**JUNE 30, 2011**

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**12. FUND BALANCE COMPARISONS:**

<u>Fund</u>	<u>Actual</u> <u>June 30, 2011</u>	<u>Budgeted</u> <u>July 1, 2011</u>
General Fund #100	\$ 900,895	\$ 818,000
IDEA Grant Fund # 200	-	-
Title 1 Fund # 201	-	-
Federal Miscellaneous Grants Fund # 204	-	-
State Miscellaneous Grants Fund # 205	-	-
Community Projects Fund # 250	14,627	16,000
Student Body Fund # 270	91,415	100,000
Food Service Fund # 280	5,452	6,965
Vehicle Replacement Fund # 292	49,290	49,290
Technology Replacement Fund # 293	90,659	90,659
QZAB Fund # 296	68,925	69,122
Unemployment Fund # 298	86,597	86,625
Scholarship Fund # 299	69,092	72,891
Debt Service Fund # 300	30,422	1,262
PERS Bond Debt Fund # 302	508,403	496,474
Capital Improvement Fund #430	\$ 109,913	\$ 109,913

**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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u> <u>(See Note 1)</u>	<u>Variance</u> <u>with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Ad Valorem Taxes-Current Year	1,139,200	1,139,200	1,222,872	83,672
Ad Valorem Taxes-Prior Year	35,000	35,000	62,444	27,444
Land Sales - Delinquent Taxes	-	-	19	19
Penalties & Interest on Taxes	100	100	1	(99)
Interest on Investments	15,000	15,000	10,214	(4,786)
Admission to Co-Curricular	20,000	20,000	25,225	5,225
Fees	25,000	25,000	18,145	(6,855)
Rental on Buildings	6,250	6,250	6,725	475
Contributions from Private Sources	-	-	4,000	4,000
Services Provided Charter Schools	-	-	36,631	36,631
Recovery of Prior Years' Expenditures	-	-	5,683	5,683
Miscellaneous	20,000	20,000	19,835	(165)
Fingerprint Fees	300	300	186	(114)
<b>Total Local Revenues</b>	<b>1,260,850</b>	<b>1,260,850</b>	<b>1,411,980</b>	<b>151,130</b>
Revenues from Intermediate Sources:				
County School Fund	9,000	9,000	6,105	(2,895)
ESD Apportionment	-	-	101,297	101,297
Other Intermediate Sources	1,300	1,300	2,552	1,252
<b>Total Intermediate Revenues</b>	<b>10,300</b>	<b>10,300</b>	<b>109,954</b>	<b>99,654</b>
Revenues from State Sources:				
Basic School Support Fund	4,873,429	4,873,429	4,605,800	(267,629)
Common School Fund	64,555	64,555	60,440	(4,115)
Other Unrestricted Grants-in-Aid	-	-	41,076	41,076
Other Restricted Grants-in-Aid	-	-	21,012	21,012
<b>Total State Revenues</b>	<b>4,937,984</b>	<b>4,937,984</b>	<b>4,728,328</b>	<b>(209,656)</b>
Revenues from Federal Sources:				
ARRA - Education Jobs	100,000	100,000	169,583	69,583
ARRA - State Fiscal Stabilization Fund	-	-	93,461	93,461
Federal Forest Fees	-	-	4	4
<b>Total Federal Revenues</b>	<b>100,000</b>	<b>100,000</b>	<b>263,048</b>	<b>163,048</b>
<b>Total Revenues</b>	<b>6,309,134</b>	<b>6,309,134</b>	<b>6,513,310</b>	<b>204,176</b>
<b>Total Expenditures</b>	<b>7,104,134</b>	<b>7,104,134</b>	<b>6,453,725</b>	<b>(650,409)</b>
Excess of Revenues Over (Under) Expenditures	(795,000)	(795,000)	59,585	854,585
<b>Fund Balance - July 1, 2010</b>	<b>795,000</b>	<b>795,000</b>	<b>841,310</b>	<b>46,310</b>
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 900,895</b>	<b>\$ 900,895</b>

**AMITY SCHOOL DISTRICT NO. 4J**

**SCHEDULE OF EXPENDITURES**

**GENERAL FUND #100**

**For the Fiscal Year Ended June 30, 2011**

	Actual Amounts (Budgetary Basis - See Note 1)							Budgeted Amounts		Variance with Final Budget Positive (Negative)
	Salaries	Employee	Purchased	Supplies and	Other	Transfers	Total	Original	Final	
	100	200	300	400	600	700				
<b>INSTRUCTION:</b>										
Regular Programs:										
#1111 Primary, K-3	\$ 456,271	\$ 225,809	\$ 3,894	\$ 17,797	\$ -	\$ -	\$ 703,771	\$ 721,378	\$ 721,378	\$ (17,607)
#1112 Intermediate	267,242	133,279	4,027	7,561	-	-	412,109	423,588	423,588	(11,479)
#1113 Elementary Extracurricular	6,282	1,565	-	-	-	-	7,847	7,055	7,055	792
#1121 Middle School	434,100	203,360	4,591	10,934	-	-	652,985	771,749	771,749	(118,764)
#1122 Middle School Extracurricular	13,322	3,091	6,604	1,776	-	-	24,793	25,131	25,131	(338)
#1131 High School	647,488	310,592	34,106	19,484	262	-	1,011,932	1,052,699	1,052,699	(40,767)
#1132 High School Extracurricular	82,465	26,429	26,812	16,949	4,621	-	157,276	140,713	140,713	16,563
Special Programs:										
#1210 Talented & Gifted	477	116	-	-	-	-	593	9,142	9,142	(8,549)
#1220 Restrict. Prgrms f/ Stdnts w/Disablt.	-	-	-	-	-	-	-	25,000	25,000	(25,000)
#1225 Restrict. Prgrms f/ Stdnts w/Disablt. - Out of Dis	-	-	3,546	-	-	-	3,546	23,500	23,500	(19,954)
#1250 Resources Room	219,331	127,610	1,906	4,228	50	-	353,125	384,209	384,209	(31,084)
#1260 Early Intervention	-	-	-	-	-	-	-	-	-	-
#1280 Alternative Education	-	-	409,311	-	-	-	409,311	299,500	299,500	109,811
#1290 English as Second Language	59,373	27,178	201	24	-	-	86,776	94,700	94,700	(7,924)
#1292 Teen Parent Program	-	-	-	-	-	-	-	812	812	(812)
#1294 Youth Corrections Education	-	-	-	-	-	-	-	8,000	8,000	(8,000)
#1430 High School Summer Programs	812	201	-	-	-	-	1,013	-	-	1,013
<b>Total Instruction</b>	<b>2,187,163</b>	<b>1,059,230</b>	<b>494,998</b>	<b>78,753</b>	<b>4,933</b>	<b>-</b>	<b>3,825,077</b>	<b>3,987,176</b>	<b>3,987,176</b>	<b>(162,099)</b>
<b>SUPPORT SERVICES:</b>										
Students:										
#2110 Attendance and Social Work Svcs	55,065	38,123	16,594	-	-	-	109,782	89,814	89,814	19,968
#2120 Guidance Services	90,777	50,242	1,543	2,620	550	-	145,732	172,612	172,612	(26,880)
#2130 Health Services	-	-	1,785	2,997	-	-	4,782	4,022	4,022	760
#2140 Psychological Services	-	-	10,693	-	-	-	10,693	4,550	4,550	6,143
#2150 Speech, Pathlgy & Audiology Svcs	-	-	20,605	-	-	-	20,605	25,507	25,507	(4,902)
#2190 Service Direction Services	63,137	28,527	-	-	-	-	91,664	92,503	92,503	(839)
Instructional Staff:										
#2210 Improvement of Instruct. Svcs	-	-	-	-	-	-	-	2,570	2,570	(2,570)
#2220 Education Media Services	74,085	51,409	1,005	6,431	125	-	133,055	143,241	143,241	(10,186)
#2230 Assessment and Testing	5,560	3,000	-	1,092	1,442	-	11,094	14,309	14,309	(3,215)
#2240 Instructional Staff Development	416	7,447	967	-	-	-	8,830	16,040	16,040	(7,210)
General Administration:										
#2310 Board of Education Services	-	-	20,485	4,443	8,222	-	33,150	47,066	47,066	(13,916)
#2320 Executive Administrative Services	101,169	28,871	1,361	953	1,032	-	133,386	138,767	138,767	(5,381)
School Administration:										
#2410 Office of the Principal Services	329,914	162,441	636	2,380	2,280	-	497,651	516,440	516,440	(18,789)
Business:										
#2520 Fiscal Services	84,788	32,825	24,184	2,602	608	-	145,007	156,749	156,749	(11,742)
#2540 Operation and Maintenance of Plant Services										
Care & Upkeep of Buildings	159,143	110,596	231,221	19,897	39,702	-	560,559	688,505	688,505	(127,946)
Care & Upkeep of Grounds	5,968	3,760	17,155	3,944	-	-	30,827	35,984	35,984	(5,157)
District-Wide Maintenance	36,020	22,620	6,549	3,344	-	-	68,533	74,206	74,206	(5,673)
Security Services	-	-	-	-	-	-	-	-	-	-
Other Operation & Maintenance of Plant Services	-	-	-	-	-	-	-	2,310	2,310	(2,310)
#2550 Student Transportation Services										
Service Direction	5,698	1,527	-	-	-	-	7,225	7,692	7,692	(467)
Vehicle Operations Services	2,095	512	264,426	8,608	1,493	-	277,134	262,674	262,674	14,460
Special Education Transportation Svcs	-	-	60,426	-	-	-	60,426	97,000	97,000	(36,574)
Other Student Transportation Services	11,529	6,760	-	-	-	-	18,289	18,569	18,569	(280)
Central Activities:										
#2630 Information Services	11,683	4,884	1,496	133	-	-	18,196	22,952	22,952	(4,756)
#2640 Staff Services	-	-	408	-	300	-	708	3,950	3,950	(3,242)
#2660 Technology Services	58,118	26,856	12,963	3,719	150	-	101,806	104,364	104,364	(2,558)
#2700 Supplemental Retirement Program	-	15,253	-	-	-	-	15,253	-	-	15,253
<b>Total Support Services</b>	<b>1,095,165</b>	<b>595,653</b>	<b>694,502</b>	<b>63,163</b>	<b>55,904</b>	<b>-</b>	<b>2,504,387</b>	<b>2,742,396</b>	<b>2,742,396</b>	<b>(238,009)</b>
<b>Facilities Acquisition and Construction</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Debt Service</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>69,261</b>	<b>-</b>	<b>69,261</b>	<b>69,562</b>	<b>69,562</b>	<b>(301)</b>
<b>Interfund Transfers</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>55,000</b>	<b>55,000</b>	<b>45,000</b>	<b>55,000</b>	<b>-</b>
<b>Contingency</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>260,000</b>	<b>250,000</b>	<b>(250,000)</b>
<b>Total General Fund Expenditures</b>	<b>\$ 3,282,328</b>	<b>\$ 1,654,883</b>	<b>\$ 1,189,500</b>	<b>\$ 141,916</b>	<b>\$ 130,098</b>	<b>\$ 55,000</b>	<b>\$ 6,453,725</b>	<b>\$ 7,104,134</b>	<b>\$ 7,104,134</b>	<b>\$ (650,409)</b>

# AMITY SCHOOL DISTRICT NO. 4J

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

### IDEA GRANT FUND #200

For the Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from Federal Sources:				
IDEA Grant	\$ 150,000	\$ 150,000	\$ 101,354	\$ (48,646)
IDEA Supplemental Grant	4,000	4,000	3,649	(351)
IDEA - ARRA	145,000	145,000	69,745	(75,255)
Other Grants-In-Aid	250	250	171	(79)
<b>Total Federal Revenues</b>	<b>299,250</b>	<b>299,250</b>	<b>174,919</b>	<b>(124,331)</b>
<b>Total Revenues</b>	<b>299,250</b>	<b>299,250</b>	<b>174,919</b>	<b>(124,331)</b>
<b>EXPENDITURES:</b>				
Instruction:				
#1112 Intermediate Programs				
Salaries	-	-	13,727	13,727
Employee Benefits	-	-	7,124	7,124
#1255 Resource Rooms				
Salaries	183,442	173,442	93,309	(80,133)
Employee Benefits	111,558	111,558	49,220	(62,338)
#1256 Resource Rooms				
Salaries	3,250	3,250	1,584	(1,666)
Employee Benefits	350	350	274	(76)
Purchased Services	500	500	46	(454)
Supplies and Materials	150	150	37	(113)
<b>Total Instruction</b>	<b>299,250</b>	<b>289,250</b>	<b>165,321</b>	<b>(123,929)</b>
Support Services				
#2190 Service Direction, Student Support Services				
Salaries	-	1,850	1,736	(114)
Employee Benefits	-	540	473	(67)
#2240 Instructional Staff Development				
Salaries	-	6,161	5,946	(215)
Employee Benefits	-	1,409	1,404	(5)
Purchased Services	-	40	39	(1)
<b>Total Support Services</b>	<b>-</b>	<b>10,000</b>	<b>9,598</b>	<b>(402)</b>
<b>Total Expenditures</b>	<b>299,250</b>	<b>299,250</b>	<b>174,919</b>	<b>(124,331)</b>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<b>Fund Balance - July 1, 2010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - June 30, 2011</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, 2011

	Budgeted Amounts		Actual	Variance
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	with Final Budget Positive (Negative)
<b><u>REVENUES:</u></b>				
Revenues from Federal Sources:				
Title 1 Grant	\$ 98,000	\$ 98,000	\$ 88,640	\$ (9,360)
Title 1 - ARRA	33,050	33,050	52,004	18,954
Restricted from Federal thru State	80,400	80,400	-	(80,400)
Total Federal Revenues	211,450	211,450	140,644	(70,806)
<b>Total Revenues</b>	<b>211,450</b>	<b>211,450</b>	<b>140,644</b>	<b>(70,806)</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1272 Title 1				
Salaries	54,533	53,533	40,256	(13,277)
Employee Benefits	43,467	43,467	30,664	(12,803)
Purchased Services	-	-	18,369	18,369
Supplies and Materials	42,650	42,650	14,996	(27,654)
Total Instruction	140,650	139,650	104,285	(35,365)
Support Services:				
#2110 Attendance and Social Work Services				
Supplies and Materials			-	-
#2240 Instructional Staff Development				
Salaries	36,500	36,500	14,598	(21,902)
Employee Benefits	9,438	9,438	3,389	(6,049)
Purchased Services	24,000	24,000	17,331	(6,669)
Supplies and Materials	862	862	551	(311)
Total Support Services	70,800	70,800	35,869	(34,931)
Enterprise and Community Services:				
#3330 Civic Services				
Supplies and Materials	-	1,000	490	(510)
Total Enterprise and Community Services	-	1,000	490	(510)
<b>Total Expenditures</b>	<b>211,450</b>	<b>211,450</b>	<b>140,644</b>	<b>(70,806)</b>
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<b>Fund Balance - July 1, 2010</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Fund Balance - June 30, 2011</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

### QZAB FUND #296

For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Interest on Investments	\$ 20,000	\$ 20,000	\$ 692	\$ (19,308)
<b>Total Local Revenues</b>	<b>20,000</b>	<b>20,000</b>	<b>692</b>	<b>(19,308)</b>
<b>Total Revenues</b>	<b>20,000</b>	<b>20,000</b>	<b>692</b>	<b>(19,308)</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1111 Primary, K-3 Programs				
Supplies & Materials	12,000	12,925	12,338	(587)
#1121 Middle School Programs				
Supplies & Materials	20,000	20,925	20,758	(167)
#1131 High School Programs				
Supplies & Materials	31,000	37,150	37,101	(49)
<b>Total Instruction</b>	<b>63,000</b>	<b>71,000</b>	<b>70,197</b>	<b>(803)</b>
Support Services:				
#2542 Care & Upkeep of Buildings				
Purchased Services	191,000	183,000	63,698	(119,302)
Supplies & Materials	-	-	9,603	9,603
#2543 Care & Upkeep of Grounds				
Purchased Services	-	-	6,094	6,094
#2660 Technology Services				
Supplies & Materials	21,000	21,000	23,525	2,525
<b>Total Support Services</b>	<b>212,000</b>	<b>204,000</b>	<b>102,920</b>	<b>(101,080)</b>
<b>Total Expenditures</b>	<b>275,000</b>	<b>275,000</b>	<b>173,117</b>	<b>(101,883)</b>
Excess of Revenues Over (Under) Expenditures	(255,000)	(255,000)	(172,425)	82,575
<b>Fund Balance - July 1, 2010</b>	<b>255,000</b>	<b>255,000</b>	<b>241,350</b>	<b>(13,650)</b>
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 68,925</b>	<b>\$ 68,925</b>

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

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

**Additional Supporting Schedules**



## **Non-Major Governmental Funds**

# AMITY SCHOOL DISTRICT NO. 4J

## COMBINING BALANCE SHEET

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

June 30, 2011

	Non-Major Funds - By Fund Type		Totals (Memorandum Only)
	Special Revenue	Capital Projects	2011
<b><u>ASSETS:</u></b>			
Cash and Investments	\$ 470,605	\$ 109,913	\$ 580,518
Taxes Receivable	-	-	-
Prepaid Expenses	-	-	-
Intergovernmental Receivable	27,801	-	27,801
Inventories	7,301	-	7,301
<b>Total Assets</b>	<b>\$ 505,707</b>	<b>\$ 109,913</b>	<b>\$ 615,620</b>
<b><u>LIABILITIES AND FUND EQUITY:</u></b>			
<b>Liabilities:</b>			
Current Liabilities:			
Accounts Payable	\$ 2,250	\$ -	\$ 2,250
Due to Other Funds	20,099	-	20,099
Deferred Revenue	-	-	-
<b>Total Liabilities</b>	<b>22,349</b>	<b>-</b>	<b>22,349</b>
<b>Fund Equity:</b>			
Fund Balance:			
Non-spendable	7,301	-	7,301
Restricted for:			
Educational Programs	-	-	-
Capital Construction & Building Maintenance	68,925	-	68,925
Committed for:			
Educational Programs	69,092	-	69,092
Community Projects	14,627	-	14,627
Student Body Activities	91,415	-	91,415
Food Service Programs	5,452	-	5,452
Equipment Acquisition	139,949	-	139,949
Capital Construction & Building Maintenance	-	109,913	109,913
Employee Benefits Programs	86,597	-	86,597
<b>Total Fund Equity</b>	<b>483,358</b>	<b>109,913</b>	<b>593,271</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$ 505,707</b>	<b>\$ 109,913</b>	<b>\$ 615,620</b>

# AMITY SCHOOL DISTRICT NO. 4J

## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances ALL NON-MAJOR GOVERNMENTAL FUNDS For the Fiscal Year Ended June 30, 2011

	<u>Special Revenue</u>	<u>Capital Projects</u>	<u>Totals (Memorandum Only)</u>
<b><u>REVENUES:</u></b>			
Revenues from:			
Basic School Support Fund	\$ 16,165	\$ -	\$ 16,165
Fees and Charges	295,179	-	295,179
Interest on Investments	1,779	-	1,779
Miscellaneous Local Revenues	21,088	-	21,088
State Grants-In-Aid	659	-	659
Federal Reimbursement Grants	210,536	-	210,536
<b>Total Revenues</b>	<b>545,406</b>	<b>-</b>	<b>545,406</b>
<b><u>EXPENDITURES:</u></b>			
Instruction			
Regular Instruction	283,179	-	283,179
Special Programs	955	-	955
Support Services			
Instructional Staff	20,844	-	20,844
Business Services	26,025	-	26,025
Operation & Maint. of Plant Services	79,395	-	79,395
Technology Services	24,911	-	24,911
Enterprise and Community Services	311,339	-	311,339
Debt Service	8,150	-	8,150
<b>Total Expenditures</b>	<b>754,798</b>	<b>-</b>	<b>754,798</b>
Excess of Revenues Over (Under)			
Expenditures	(209,392)	-	(209,392)
<b><u>OTHER FINANCING SOURCES (USES):</u></b>			
Loan Proceeds In			-
Operating Transfers In	40,000	15,000	55,000
<b>Total Other Financing Sources (Uses)</b>	<b>40,000</b>	<b>15,000</b>	<b>55,000</b>
Excess of Revenues Over (Under) Expenditures and Other Financing Sources (Uses)	(169,392)	15,000	(154,392)
Fund Balance - July 1, 2010	645,449	94,913	740,362
<b>Fund Balance - June 30, 2011</b>	<b>\$ 476,057</b>	<b>\$ 109,913</b>	<b>\$ 585,970</b>

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

**AMITY SCHOOL DISTRICT NO. 4J**

**COMBINING BALANCE SHEET**

**NON-MAJOR SPECIAL REVENUE FUNDS**

**June 30, 2011**

	Federal Misc. Grants Fund #204	y Projects Fund #250	Student Body Fund #270	Food Service Fund #280	Vehicle Replacement Fund #292	Technology Replacement Fund #293	QZAB Fund #296	Unemploy- ment Fund #298	p Fund #299	Total
<b><u>ASSETS:</u></b>										
Cash and Investments	\$ -	\$ 14,627	\$91,415	\$ -	\$ 49,290	\$ 90,659	\$68,925	\$ 86,597	\$ 69,092	\$470,605
Intergovernmental Receivable	14,006	-	-	13,795	-	-	-	-	-	27,801
Inventories-Food, Supplies and Commodities	-	-	-	7,301	-	-	-	-	-	7,301
<b>Total Assets</b>	<b>\$14,006</b>	<b>\$ 14,627</b>	<b>\$91,415</b>	<b>\$21,096</b>	<b>\$ 49,290</b>	<b>\$ 90,659</b>	<b>\$68,925</b>	<b>\$ 86,597</b>	<b>\$ 69,092</b>	<b>\$505,707</b>

**LIABILITIES & FUND EQUITY:**

LIABILITIES:

Accounts Payable	\$ 2,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,250
Due to Other Funds	11,756	-	-	8,343	-	-	-	-	-	20,099
<b>Total Liabilities</b>	<b>14,006</b>	<b>-</b>	<b>-</b>	<b>8,343</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>22,349</b>

FUND EQUITY:

Fund Balance:

Non-spendable	-	-	-	7,301	-	-	-	-	-	7,301
Restricted for:										
Educational Programs	-	-	-	-	-	-	-	-	-	-
Capital Construction & Building Maint.	-	-	-	-	-	-	68,925	-	-	68,925
Committed for:										
Educational Programs	-	-	-	-	-	-	-	-	69,092	69,092
Community Projects	-	14,627	-	-	-	-	-	-	-	14,627
Student Body Activities	-	-	91,415	-	-	-	-	-	-	91,415
Food Service Programs	-	-	-	5,452	-	-	-	-	-	5,452
Equipment Acquisition	-	-	-	-	49,290	90,659	-	-	-	139,949
Employee Benefits Programs	-	-	-	-	-	-	-	86,597	-	86,597
<b>Total Fund Balance</b>	<b>-</b>	<b>14,627</b>	<b>91,415</b>	<b>12,753</b>	<b>49,290</b>	<b>90,659</b>	<b>68,925</b>	<b>86,597</b>	<b>69,092</b>	<b>483,358</b>
<b>Total Liabilities and Fund Equity</b>	<b>\$14,006</b>	<b>\$ 14,627</b>	<b>\$91,415</b>	<b>\$21,096</b>	<b>\$ 49,290</b>	<b>\$ 90,659</b>	<b>\$68,925</b>	<b>\$ 86,597</b>	<b>\$ 69,092</b>	<b>\$505,707</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, 2011**

	<b>Federal Misc. Grants Fund #204</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>QZAB Fund #296</b>	<b>Unem- ployment Fund #298</b>	<b>Scholarship Fund #299</b>	<b>Totals</b>
<b>REVENUES:</b>										
Basic School Support Fund	\$ -	\$ -	\$ -	\$ 2,660	\$ 13,505	\$ -		\$ -	\$ -	\$ 16,165
Fees and Charges	-	7,333	223,187	64,659	-	-		-	-	295,179
Interest on Investments	-	-	-	42	-	-	692	613	432	1,779
Miscellaneous Local Revenues	-	-	-	4,912	-	16,176		-	-	21,088
State Grants-In-Aid	-	-	-	659	-	-		-	-	659
Federal Reimbursement Grants	26,032	-	-	184,504	-	-		-	-	210,536
<b>Total Revenues</b>	<b>26,032</b>	<b>7,333</b>	<b>223,187</b>	<b>257,436</b>	<b>13,505</b>	<b>16,176</b>	<b>692</b>	<b>613</b>	<b>432</b>	<b>545,406</b>
<b>EXPENDITURES:</b>										
Instruction										
Regular Instruction	4,124	-	208,858	-	-	-	70,197	-	-	283,179
Special Programs	955	-	-	-	-	-	-	-	-	955
Support Services										
Instructional Staff	20,844	-	-	-	-	-	-	-	-	20,844
Business Services	109	-	-	-	-	-	-	25,916	-	26,025
Operation & Maint. of Plant Services	-	-	-	-	-	-	79,395	-	-	79,395
Technology Services	-	-	-	-	-	1,386	23,525	-	-	24,911
Enterprise & Community Svcs	-	11,408	-	298,431	-	-	-	-	1,500	311,339
Debt Service	-	-	-	-	8,150	-	-	-	-	8,150
<b>Total Expenditures</b>	<b>26,032</b>	<b>11,408</b>	<b>208,858</b>	<b>298,431</b>	<b>8,150</b>	<b>1,386</b>	<b>173,117</b>	<b>25,916</b>	<b>1,500</b>	<b>754,798</b>
Excess of Revenues Over (Under) Expenditures	-	(4,075)	14,329	(40,995)	5,355	14,790	(172,425)	(25,303)	(1,068)	(209,392)
<b>OTHER FINANCING SOURCES (USES):</b>										
Operating Transfers In	-	-	-	40,000	-	-	-	-	-	40,000
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,000</b>
Net Changes in Fund Balance	-	(4,075)	14,329	(995)	5,355	14,790	(172,425)	(25,303)	(1,068)	(169,392)
Fund Balance - July 1, 2010	-	18,702	77,086	6,447	43,935	75,869	241,350	111,900	70,160	645,449
<b>Fund Balance- June 30, 2011</b>	<b>\$ -</b>	<b>\$ 14,627</b>	<b>\$ 91,415</b>	<b>\$ 5,452</b>	<b>\$ 49,290</b>	<b>\$ 90,659</b>	<b>\$ 68,925</b>	<b>\$ 86,597</b>	<b>\$ 69,092</b>	<b>\$ 476,057</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, 2011**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Federal Sources:				
Title IIa Improving Teacher Quality Grant	\$ 55,000	\$ 55,000	\$ 20,141	\$ (34,859)
Title IIIa English Language No Child Left Behind	10,000	10,000	955	(9,045)
Title V Innovative Education Grant	40,000	40,000	-	(40,000)
Vocational Education Carl Perkins Grant	7,000	7,000	4,124	(2,876)
Title X Innovative Program	2,699	2,699	616	(2,083)
Migrant Education Grant	30,000	30,000	-	(30,000)
Other Restricted Federal Grant	-	-	196	196
<b>Total Federal Revenues</b>	<b>144,699</b>	<b>144,699</b>	<b>26,032</b>	<b>(118,667)</b>
<b>Total Revenues</b>	<b>144,699</b>	<b>144,699</b>	<b>26,032</b>	<b>(118,667)</b>
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1111 Primary, K-3 - Title IIa				
Salaries	20,000	20,000	-	(20,000)
Employee Benefits	10,000	10,000	-	(10,000)
#1112 Intermediate Programs - Title IIa				
Salaries	-	-	-	-
Employee Benefits	-	-	-	-
#1131 High School Programs - Perkins Vocational Ed				
Supplies and Materials	-	-	4,124	4,124
#1291 English Second Language Program				
Salaries	4,300	4,300	525	(3,775)
Employee Benefits	1,560	1,560	124	(1,436)
Purchased Services	2,640	2,640	159	(2,481)
Supplies and Materials	1,500	1,500	147	(1,353)
#1293 Migrant Education Program				
Supplies and Materials	10,000	10,000	-	(10,000)
<b>Total Instruction</b>	<b>50,000</b>	<b>50,000</b>	<b>5,079</b>	<b>(44,921)</b>
Support Services:				
#2110 Attendance Services				
Supplies and Materials	1,151	1,151	508	(643)
Capital Outlay	7,000	7,000	-	(7,000)
#2213 Social Work Services - Safe and Drug Free Schools				
Purchased Services	20,000	20,000	-	(20,000)
#2240 Instructional Staff Development - Title IIa				
Salaries	65,000	65,000	13,599	(51,401)
Employee Benefits			3,473	3,473
Purchased Services			3,068	3,068
#2241 Instructional Staff Development - TNT				
Salaries			175	175
Employee Benefits	-	-	21	21
#2520 Title X				
Fiscal Services - Purchased Services	2,699	2,699	109	(2,590)
<b>Total Support Services</b>	<b>95,850</b>	<b>95,850</b>	<b>20,953</b>	<b>(74,897)</b>
<b>Total Expenditures</b>	<b>145,850</b>	<b>145,850</b>	<b>26,032</b>	<b>(119,818)</b>
Excess of Revenues Over (Under) Expenditures	(1,151)	(1,151)	-	1,151
<b>Fund Balance - July 1, 2010</b>	<b>1,151</b>	<b>1,151</b>	<b>-</b>	<b>(1,151)</b>
<b>Fund Balance - June 30, 2011</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, 2011**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from State Sources:				
Other Restricted Grants	\$ 60,000	\$ 60,000	\$ -	\$ (60,000)
Total State Revenues	60,000	60,000	-	(60,000)
<b>Total Revenues</b>	60,000	60,000	-	(60,000)
<b><u>EXPENDITURES:</u></b>				
Support Services:				
#2113 Social Work Services				
Salaries	55,200	55,200	-	(55,200)
Employee Benefits	4,800	4,800	-	(4,800)
Total Support Services	60,000	60,000	-	(60,000)
<b>Total Expenditures</b>	60,000	60,000	-	(60,000)
Excess of Revenues Over (Under) Expenditures	-	-	-	-
<b>Fund Balance - July 1, 2010</b>	-	-	-	-
<b>Fund Balance - June 30, 2011</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, 2011**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Tuition - Bridge Program	\$ 12,000	\$ 12,000	\$ 7,333	\$ (4,667)
<b>Total Local Revenues</b>	<b>12,000</b>	<b>12,000</b>	<b>7,333</b>	<b>(4,667)</b>
<b>Total Revenues</b>	<b>12,000</b>	<b>12,000</b>	<b>7,333</b>	<b>(4,667)</b>
<b><u>EXPENDITURES:</u></b>				
Enterprise and Community Services:				
#3503 Custody and Care of Children Services				
Salaries	20,574	20,574	8,335	(12,239)
Employee Benefits	8,126	8,126	3,073	(5,053)
Purchased Services	3,000	3,000	-	(3,000)
Supplies and Materials	300	300	-	(300)
<b>Total Enterprise and Community Services</b>	<b>32,000</b>	<b>32,000</b>	<b>11,408</b>	<b>(20,592)</b>
<b>Total Expenditures</b>	<b>32,000</b>	<b>32,000</b>	<b>11,408</b>	<b>(20,592)</b>
Excess of Revenues Over (Under) Expenditures	(20,000)	(20,000)	(4,075)	15,925
<b>Fund Balance - July 1, 2010</b>	<b>20,000</b>	<b>20,000</b>	<b>18,702</b>	<b>(1,298)</b>
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,627</b>	<b>\$ 14,627</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, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Interest on Investments	\$ 5,000	\$ 5,000	\$ -	\$ (5,000)
Other Curricular Activities	250,000	250,000	223,187	(26,813)
Total Revenues from Local Sources	255,000	255,000	223,187	(31,813)
<b>Total Revenues</b>	255,000	255,000	223,187	(31,813)
<b><u>EXPENDITURES:</u></b>				
Instruction:				
#1113 Primary Extracurricular - Materials and Supplies	55,000	55,000	26,377	(28,623)
#1122 Middle School Extracurricular - Materials and Supplies	75,000	75,000	26,446	(48,554)
#1132 High School Extracurricular - Materials and Supplies	230,000	230,000	156,035	(73,965)
Total Instruction	360,000	360,000	208,858	(151,142)
<b>Total Expenditures</b>	360,000	360,000	208,858	(151,142)
Excess of Revenues Over (Under) Expenditures	(105,000)	(105,000)	14,329	119,329
Fund Balance - July 1, 2010	105,000	105,000	77,086	(27,914)
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,415</b>	<b>\$ 91,415</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, 2011**

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Interest on Investments	\$ 350	\$ 350	\$ 42	\$ (308)
Breakfast Sales	6,000	6,000	3,003	(2,997)
Lunch Sales	90,253	90,253	55,410	(34,843)
Daily Sales - Non-reimbursable	15,000	15,000	6,246	(8,754)
Special Functions	2,500	2,500	4,912	2,412
Miscellaneous Revenue	2,000	2,000	-	(2,000)
<b>Total Local Revenues</b>	<b>116,103</b>	<b>116,103</b>	<b>69,613</b>	<b>(46,490)</b>
Revenues from State Sources:				
Basic School Support Fund	4,500	4,500	2,660	(1,840)
Reduced Price Meal Reimbursement	-	-	659	659
<b>Total State Revenues</b>	<b>4,500</b>	<b>4,500</b>	<b>3,319</b>	<b>(1,181)</b>
Revenues from Federal Sources:				
Summer Food Service			-	-
School Nutrition Reimbursements - Lunch & Breakfast	200,000	200,000	168,995	(31,005)
Restricted Rev From the Fed Gov through other agencies	8,000	8,000	-	(8,000)
Commodities	20,000	20,000	15,509	(4,491)
<b>Total Federal Revenues</b>	<b>228,000</b>	<b>228,000</b>	<b>184,504</b>	<b>(43,496)</b>
<b>Total Revenues</b>	<b>348,603</b>	<b>348,603</b>	<b>257,436</b>	<b>(91,167)</b>
<b><u>EXPENDITURES:</u></b>				
Enterprise and Community Services:				
#3120 Food Services:				
Salaries	71,242	71,242	68,126	(3,116)
Employee Benefits	54,868	54,868	58,661	3,793
Purchased Services	10,840	10,840	4,161	(6,679)
Supplies and Materials	211,100	211,100	147,786	(63,314)
Other Objects	4,500	4,500	2,428	(2,072)
#3122 CACFP:				
Salaries	2,650	2,650	-	(2,650)
Employee Benefits	2,350	2,350	-	(2,350)
Supplies and Materials	3,000	3,000	-	(3,000)
#3190 Other Food Services:				
Salaries	9,667	9,667	9,260	(407)
Employee Benefits	8,386	8,386	8,009	(377)
<b>Total Enterprise and Community Services</b>	<b>378,603</b>	<b>378,603</b>	<b>298,431</b>	<b>(80,172)</b>
<b>Total Expenditures</b>	<b>378,603</b>	<b>378,603</b>	<b>298,431</b>	<b>(80,172)</b>
Excess of Revenues Over (Under) Expenditures	(30,000)	(30,000)	(40,995)	(10,995)
<b><u>OTHER FINANCING SOURCES:</u></b>				
Interfund Transfer In	30,000	40,000	40,000	-
<b>Total Other Financing Sources</b>	<b>30,000</b>	<b>40,000</b>	<b>40,000</b>	<b>-</b>
Net Change in Fund Balance	-	10,000	(995)	(10,995)
Fund Balance - July 1, 2010	-	-	6,447	6,447
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ 10,000</b>	<b>\$ 5,452</b>	<b>\$ (4,548)</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, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b>REVENUES:</b>				
Revenues from State Sources:				
SSF Transportation	14,065	14,065	13,505	(560)
Total State Revenues	14,065	14,065	13,505	(560)
<b>Total Revenues</b>	14,065	14,065	13,505	(560)
<b>EXPENDITURES:</b>				
Support Services:				
#2543 Care & Upkeep of Grounds Services				
Capital Outlay	9,000	9,000	-	(9,000)
#2550 Transportation Services				
Capital Outlay	40,850	40,850	-	(40,850)
Total Support Services	49,850	49,850	-	(49,850)
Other Uses:				
#5110 Debt Service				
#610 Lease Payment Principal	8,150	8,150	7,696	(454)
#620 Lease Payment Interest	-	-	454	454
Total Other Uses	8,150	8,150	8,150	-
<b>Total Expenditures</b>	58,000	58,000	8,150	(49,850)
Excess of Revenues Over (Under) Expenditures	(43,935)	(43,935)	5,355	49,290
Fund Balance - July 1, 2010	43,935	43,935	43,935	-
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 49,290</b>	<b>\$ 49,290</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, 2011**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
E-Rate Revenue	\$ 17,131	\$ 17,131	\$ 16,176	\$ (955)
Total Revenues from Local Sources	17,131	17,131	16,176	(955)
<b>Total Revenues</b>	17,131	17,131	16,176	(955)
<b><u>EXPENDITURES:</u></b>				
Support Services:				
#2660 Technology Services				
Purchased Services	93,000	93,000	1,386	(91,614)
Total Support Services	93,000	93,000	1,386	(91,614)
<b>Total Expenditures</b>	93,000	93,000	1,386	(91,614)
Excess of Revenues Over (Under) Expenditures	(75,869)	(75,869)	14,790	90,659
Fund Balance - July 1, 2010	75,869	75,869	75,869	-
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 90,659</b>	<b>\$ 90,659</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, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Interest on Investments	\$ 3,000	\$ 3,000	\$ 613	\$ (2,387)
Total Revenues from Local Sources	3,000	3,000	613	(2,387)
<b>Total Revenues</b>	<b>3,000</b>	<b>3,000</b>	<b>613</b>	<b>(2,387)</b>
<b><u>EXPENDITURES:</u></b>				
Support Services:				
#2520 Fiscal Services -				
Employee Benefits	113,000	113,000	25,794	(87,206)
Purchased Services	-	-	122	122
Total Support Services	113,000	113,000	25,916	(87,084)
<b>Total Expenditures</b>	<b>113,000</b>	<b>113,000</b>	<b>25,916</b>	<b>(87,084)</b>
Excess of Revenues Over (Under) Expenditures	(110,000)	(110,000)	(25,303)	84,697
Fund Balance - July 1, 2010	110,000	110,000	111,900	1,900
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 86,597</b>	<b>\$ 86,597</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, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis) (See Note 1)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Locals Sources:				
Interest on Investments	\$ 1,500	\$ 1,500	\$ 432	\$ (1,068)
Total Local Revenues	1,500	1,500	432	(1,068)
<b>Total Revenues</b>	1,500	1,500	432	(1,068)
<b><u>EXPENDITURES:</u></b>				
Enterprise and Community Services				
#3390 Other Community Services - Purchased Services	3,000	3,000	1,500	(1,500)
Total Enterprise and Community Services	3,000	3,000	1,500	(1,500)
Other Uses				
#6000 Contingency	68,665	68,665	-	(68,665)
<b>Total Expenditures</b>	71,665	71,665	1,500	(70,165)
Excess of Revenues Over (Under) Expenditures	(70,165)	(70,165)	(1,068)	69,097
Fund Balance - July 1, 2010	70,165	70,165	70,160	(5)
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 69,092</b>	<b>\$ 69,092</b>

## **Debt Service Funds**



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

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

### **DEBT SERVICE FUND #300 (A Major Fund)**

**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual Amounts (Budgetary Basis) (See Note 1)</u>	<u>Variance with Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Current Year's Taxes	\$ 575,850	\$ 575,850	\$ 581,690	\$ 5,840
Prior Year's Taxes	14,000	14,000	29,891	15,891
Penalties and Interest on Local Taxes	100	100	36	(64)
Interest on Investments	3,000	3,000	1,146	(1,854)
<b>Total Revenues</b>	<b>592,950</b>	<b>592,950</b>	<b>612,763</b>	<b>19,813</b>
<b><u>EXPENDITURES:</u></b>				
Other Uses:				
#5110 Debt Service:				
#610 Principal Redemption	370,000	370,000	370,000	-
#620 Interest Expense	237,950	237,950	237,950	-
<b>Total Other Uses</b>	<b>607,950</b>	<b>607,950</b>	<b>607,950</b>	<b>-</b>
<b>Total Expenditures</b>	<b>607,950</b>	<b>607,950</b>	<b>607,950</b>	<b>-</b>
Excess of Revenues Over (Under) Expenditures	(15,000)	(15,000)	4,813	19,813
<b>Fund Balance - July 1, 2010</b>	<b>15,000</b>	<b>15,000</b>	<b>25,609</b>	<b>(19,813)</b>
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 30,422</b>	<b>\$ -</b>

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

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

### **PERS BOND DEBT SERVICE FUND #302 (A Major Fund)**

**For the Fiscal Year Ended June 30, 2011**

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary</u> <u>Basis)</u> <u>(See Note 1)</u>	<u>Variance</u> <u>with</u> <u>Final Budget</u> <u>Positive</u> <u>(Negative)</u>
	<u>Original</u>	<u>Final</u>		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Services Provided Other Funds	\$ 350,000	\$ 350,000	\$ 395,398	\$ 45,398
Interest Income	4,500	4,500	2,526	(1,974)
<b>Total Revenues</b>	<b>354,500</b>	<b>354,500</b>	<b>397,924</b>	<b>43,424</b>
<b><u>EXPENDITURES:</u></b>				
Other Uses:				
#5110 Debt Service:				
#610 Principal Redemption	447,216	447,216	170,187	(277,029)
#620 Interest Expense			277,028	277,028
Total Other Uses	447,216	447,216	447,215	(1)
#6000 Contingency	-	-	-	-
<b>Total Expenditures</b>	<b>447,216</b>	<b>447,216</b>	<b>447,215</b>	<b>(1)</b>
Excess of Revenues Over (Under) Expenditures	(92,716)	(92,716)	(49,291)	43,425
<b>Fund Balance - July 1, 2010</b>	<b>564,218</b>	<b>564,218</b>	<b>557,694</b>	<b>(6,524)</b>
<b>Fund Balance - June 30, 2011</b>	<b>\$ 471,502</b>	<b>\$ 471,502</b>	<b>\$ 508,403</b>	<b>\$ 36,901</b>

## **Capital Projects Funds**

# AMITY SCHOOL DISTRICT NO. 4J

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

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

For the Fiscal Year Ended June 30, 2011

	Budgeted Amounts		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Positive (Negative)
	Original	Final		
<b><u>REVENUES:</u></b>				
Revenues from Local Sources:				
Interest on Investments	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	-	-	-	-
<b><u>EXPENDITURES:</u></b>				
Support Services:				
#2542 Care & Upkeep of Building Services				
Supplies & Materials	110,000	110,000	-	(110,000)
<b>Total Support Services</b>	110,000	110,000	-	(110,000)
<b>Total Expenditures</b>	110,000	110,000	-	(110,000)
Excess of Revenues Over (Under) Expenditures	(110,000)	(110,000)	-	110,000
<b><u>OTHER FINANCING SOURCES:</u></b>				
Interfund Transfer In	15,000	15,000	15,000	-
<b>Total Other Financing Sources</b>	15,000	15,000	15,000	-
Excess of Revenues Over (Under) Expenditures and Other Financing Sources	(95,000)	(95,000)	15,000	110,000
Fund Balance - July 1, 2010	95,000	95,000	94,913	(87)
<b>Fund Balance - June 30, 2011</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 109,913</b>	<b>\$ 109,913</b>

## **Additional Supporting Schedules**

**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF TRANSACTIONS BY ACTIVITY**  
**STUDENT BODY FUNDS**

**For the Fiscal Year Ended June 30, 2011**

	July 1, 2010	Revenues	Expenditures	Transfers In/(Out)	June 30, 2011
<b>AMITY HIGH SCHOOL STUDENT BODY:</b>					
Ag Shop	\$ 912	\$ 1	\$ 980	\$ 156	\$ 89
Annual	985	9,742	9,219	-	1,508
Art	149	-	53	-	95
Athletics/General	691	1,884	2,353	275	496
Band & Choir	348	1,494	1,762	-	81
Baseball	321	3,253	2,914	(365)	295
Basketball/Boys	331	3,530	1,053	(14)	2,794
Basketball/Girls	636	3,215	2,961	54	944
Class of 2010	1,352	-	-	(1,352)	-
Class of 2011	2,414	954	2,468	(34)	865
Class of 2012	1,632	9,641	7,265	392	4,399
Class of 2013	-	3,105	1,422	33	1,716
Class of 2014	-	139	-	-	139
Computer Club	76	-	-	-	76
Cross Country	58	-	-	-	58
Daffodil Festival	10,500	15,521	16,890	17	9,148
Dance Team	712	8,583	7,787	(100)	1,407
Doernbecher	8	2,645	2,499	-	154
Drama Club	73	1,063	334	(700)	102
ELL	347	-	-	-	347
Environmental Club	248	-	-	-	248
Equestrian Team	2,009	4,146	4,641	-	1,514
FBLA	27	-	-	-	27
FFA	867	8,895	8,664	-	1,098
Football	2,246	10,825	8,497	-	4,574
FTA	6	-	-	-	6
Greenhouse	6,977	12,391	12,831	(6)	6,532
Golf	10	-	-	-	10
International Club	107	-	-	-	107
Leadership	762	1,264	1,495	1,361	1,891
Library Account	568	8	-	-	576
Locks (Lost Lock Replace)	141	93	-	-	233
National Honor Society	30	4,517	4,485	-	62
Office/Staff	1	170	104	(63)	5
Over/Under account	-	-	7	-	(7)
OV & Tech	169	808	714	-	263
Overpayments	15	730	655	50	140
Overpayment Transfer	-	50	-	(50)	-
P.E. Fee	100	-	-	-	100
Rally	887	13,646	11,609	100	3,024
Shakespeare Festival	1	5,084	5,444	608	249
Sigma Club	43	-	-	-	43
Soccer	10	822	703	-	129
Softball	1,484	979	979	-	1,484
Sports Participation Fee	-	17,475	17,400	(75)	-
Student Body	722	8,029	7,387	295	1,659
Student Store	1,129	1,875	1,984	-	1,020
Textbook (Lost Book) Account	1,511	433	136	-	1,807
Track	355	1,252	778	-	829
Volleyball	750	5,594	5,548	13	809
Wrestling	1,151	2,429	1,868	(596)	1,117
<b>Total Amity High School</b>	<b>\$ 43,867</b>	<b>\$ 166,285</b>	<b>\$ 155,889</b>	<b>\$ -</b>	<b>\$ 54,263</b>

Continued on following page

**AMITY SCHOOL DISTRICT NO. 4J**

**SCHEDULE OF TRANSACTIONS BY ACTIVITY (Continued)**

**STUDENT BODY FUNDS**

**For the Fiscal Year Ended June 30, 2011**

	July 1, 2010	Revenues	Expenditures	Transfers In/(Out)	June 30, 2011
<b>AMITY MIDDLE SCHOOL STUDENT BODY:</b>					
Book Fee	\$ 413	\$ 1,546	\$ 1,310	\$ -	\$ 649
Field Trips		1,818	1,293		525
Leadership Class	494	-	-	-	494
Library Account	604	5	270	-	338
Magazine Fundraiser Account	892	8,202	8,034	-	1,060
Office/Staff	527	850	1,385	-	(8)
Overpayments	50	-	50	-	-
P.E. Fee	10	830	825	-	15
Sports Participation Fee	-	6,050	6,050	-	-
Student Body	1,050	7,120	6,454	-	1,716
Student Store	2,009	1,063	776	-	2,296
<b>Total Amity Middle School</b>	<b>\$ 6,047</b>	<b>\$ 27,484</b>	<b>\$ 26,446</b>	<b>\$ -</b>	<b>\$ 7,085</b>
<b>AMITY ELEMENTARY SCHOOL:</b>					
Annual	\$ 1,345	\$ 1,479	\$ 1,176		\$ 1,649
Art	149	100	5		244
Field Day	1,964	1,601	1,316		2,249
Greenhouse	525	-	110		415
Incentive Learning	719	-	88		631
Library	469	3,695	1,660		2,504
New Teachers	-	150	50		100
Office/Staff	1,232	1,201	2,334		99
Outdoor School	4,203	13,371	13,663	653	4,564
Schoolwide Awards Program	9,093	1,306	513	(653)	9,232
Special Evening Acts	38	700	-	-	738
Student Body	5,060	3,138	3,582		4,616
Student Store	604	-	405		198
Textbook (Lost Book)	5	-	-		5
The Mason's Fund	385	250	50		585
Wreath	1,379	2,185	1,325		2,239
<b>Total Amity Elementary School</b>	<b>\$ 27,171</b>	<b>\$ 29,175</b>	<b>\$ 26,279</b>	<b>\$ -</b>	<b>\$ 30,067</b>
<b>TOTAL STUDENT BODY FUNDS</b>	<b>\$ 77,085</b>	<b>\$ 222,944</b>	<b>\$ 208,614</b>	<b>\$ -</b>	<b>\$ 91,415</b>

**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF PROPERTY TAX TRANSACTIONS**

**For the Fiscal Year Ended June 30, 2011**

	Subject to Measure 5 Limits	Bond Levy Tax, Outside Measure 5 Limits	Total
<b>Yamhill County:</b>			
Assessed Valuation, 2010-11 Tax Roll	\$ 236,279,580	\$ 236,279,580	\$ 236,279,580
General Fund Permanent Rate Levy, Per One Thousand Dollars	4.7796		4.7796
General Obligation Bond Levy Rate, Per One Thousand Dollars		2.2056	2.2056
Amount Levy Rates Will Raise	1,129,322	521,138	1,650,460
Loss Due to Measure 5 Compression	(16,657)	-	(16,657)
Other Adjustments	-	6,204	6,204
Net Tax Levy - Yamhill County	<u>\$ 1,112,665</u>	<u>\$ 527,342</u>	<u>\$ 1,640,007</u>
<b>Polk County:</b>			
Assessed Valuation, 2010-11 Tax Roll	\$ 43,049,773	\$ 43,049,773	\$ 43,049,773
General Fund Permanent Rate Levy, Per One Thousand Dollars	4.7796		4.7796
General Obligation Bond Levy Rate, Per One Thousand Dollars		2.2056	2.2056
Amount Levy Rates Will Raise	205,761	94,951	300,711
Loss Due to Measure 5 Compression	(4,176)	-	(4,176)
Net Tax Levy - Polk County	<u>\$ 201,584</u>	<u>\$ 94,951</u>	<u>\$ 296,535</u>

Tax Year	Uncollected Balance July 1, 2010	Tax Collector's Adjustments Increase (Decrease)	Collections During the Year	Uncollected Balance June 30, 2011
2010-11	\$ 1,936,542	\$ (32,255)	\$ 1,770,400	\$ 133,887
2009-10	94,924	46,377	78,806	62,495
2008-09	46,322	17,711	22,953	41,080
2007-08	18,133	6,052	13,292	10,893
2006-07	5,791	2,977	5,848	2,920
2005-06	1,792	985	1,171	1,606
2004-05 & Prior	6,566	1,064	1,005	6,625
<b>Totals</b>	<u>\$ 2,110,070</u>	<u>\$ 42,911</u>	1,893,475	<u>\$ 259,506</u>
Less 2009-10 Accrual			(43,477)	
Add 2010-11 Accrual			46,899	
<b>Total Property Tax Revenues - Modified Accrual Method</b>			<u>\$ 1,896,897</u>	

Modified Accrual (Budget Basis) Revenues by Fund:	Current	Prior	Total
General Fund	\$ 1,222,872	\$ 62,444	\$ 1,285,316
Debt Service Fund	581,690	29,891	611,581
<b>Total Property Tax Revenues</b>	<u>\$ 1,804,562</u>	<u>\$ 92,335</u>	<u>\$ 1,896,897</u>



**AMITY SCHOOL DISTRICT NO. 4J**

**SCHEDULE OF FUND EXPENDITURES AND APPROPRIATIONS**

**For the Fiscal Year Ended June 30, 2011**

	<u>Expenditures</u>	<u>Appropriations</u>	<u>Over/(Under) Appropriations</u>
<b>GENERAL FUND #100</b>			
Instruction	\$ 3,825,077	\$ 3,987,176	\$ (162,099)
Support Services	2,504,387	2,742,396	(238,009)
Facilities Acquisition, Construction & Improvement	-	-	-
Other Uses	124,261	124,562 *	(301)
Contingency	-	250,000 *	(250,000)
<b>IDEA GRANT FUND #200</b>			
Instruction	165,321	289,250	(123,929)
Support Services	9,598	10,000	(402)
<b>TITLE 1 FUND #201</b>			
Instruction	104,285	139,650	(35,365)
Support Services	35,869	70,800	(34,931)
Enterprise and Community Services	490	1,000	(510)
<b>FEDERAL MISCELLANEOUS GRANTS FUND #204</b>			
Instruction	5,079	50,000	(44,921)
Support Services	20,953	95,850	(74,897)
<b>STATE MISCELLANEOUS GRANTS FUND #205</b>			
Support Services	-	60,000	(60,000)
<b>COMMUNITY PROJECTS FUND #250</b>			
Support Services	-	-	-
Enterprise and Community Services	11,408	32,000	(20,592)
<b>STUDENT BODY FUND #270</b>			
Instruction	208,858	360,000	(151,142)
<b>FOOD SERVICE FUND #280</b>			
Enterprise and Community Services	298,431	378,603	(80,172)
<b>VEHICLE REPLACEMENT FUND #292</b>			
Support Services	-	49,850	(49,850)
Other Uses	8,150	8,150	-
<b>TECHNOLOGY REPLACEMENT FUND #293</b>			
Support Services	1,386	93,000	(91,614)
<b>QZAB Fund #296</b>			
Instruction	70,197	71,000	(803)
Support Services	102,920	204,000	(101,080)
<b>UNEMPLOYMENT FUND #298</b>			
Instruction	-	-	-
Support Services	25,916	113,000	(87,084)
<b>SCHOLARSHIP FUND #299</b>			
Instruction	-	-	-
Enterprise and Community Services	1,500	3,000	(1,500)
Contingency	-	68,665	(68,665)
<b>DEBT SERVICE FUND #300</b>			
Other Uses	607,950	607,950	-
<b>PERS BOND DEBT SERVICE FUND #302</b>			
Support Services	-	-	-
Other Uses	447,215	447,216	(1)
<b>CAPITAL IMPROVEMENT FUND #430</b>			
Support Services	-	110,000	(110,000)
Facilities Acquisition, Construction & Improvement	-	-	-
Other Uses	-	-	-
<b>TOTAL ALL FUNDS</b>	<b>\$ 8,579,251</b>	<b>\$ 10,367,118</b>	<b>\$(1,787,867)</b>
<b>RECAP:</b>			
Original Budget Appropriation		10,367,118	
* Resolution 2010-2011 (7)		-	
** Resolution 2010-2011 (8)		-	
<b>Total Budget Appropriations</b>		<b>\$ 10,367,118</b>	

\*

Appropriations Transfer Resolution 2010-2011 (7) dated June 29, 2011 transferred General Fund contingency appropriations of \$10,000 to interfund transfers (other uses) appropriations in the same fund.

\*\*

Appropriations Transfer Resolution 2010-2011 (8) dated June 29, 2011 transferred IDEA Fund #200 instruction appropriations of \$10,000 to support services appropriations in the same fund. It transferred Title 1 Fund #201 instruction appropriations of \$1,000 to enterprise and community support services appropriations in the same fund. It also transferred QZAB Loan Fund #296 instruction appropriations of \$8,000 to support services appropriations in the same fund.

# AMITY SCHOOL DISTRICT NO. 4J

## SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2011

	Outstanding Balance July 1, 2010	New Issues and Matured	Principal and Retired	Outstanding Balance June 30, 2011	Amount Due Within One Year
General Obligation Bonds Series 2002 for real property additions and improvements and refunding of Series GO Bonds, US Bank, NA, trustee					
Original Balance \$7,400,000					
Dated April 1, 2002					
Interest Rate - 3.25% to 4.5%					
Principal	\$ 710,000	\$ -	\$ 340,000	\$ 370,000	\$ 370,000
Interest	-	31,950	31,950	-	16,650
<b>Totals</b>	<b>\$ 710,000</b>	<b>\$ 31,950</b>	<b>\$ 371,950</b>	<b>\$ 370,000</b>	<b>\$ 386,650</b>
General Obligation Refunding Bonds Series 2005 for refunding of Series 2002 General Obligation Bonds, US Bank, NA, trustee					
Original Balance \$5,380,000					
Dated October 6, 2005					
Interest Rate - 3.50% to 5.00%					
Principal	\$ 5,170,000	\$ -	\$ 30,000	\$ 5,140,000	\$ 30,000
Interest	-	206,000	206,000	-	204,950
<b>Totals</b>	<b>\$ 5,170,000</b>	<b>\$ 206,000</b>	<b>\$ 236,000</b>	<b>\$ 5,140,000</b>	<b>\$ 234,950</b>
Oregon School Boards Association Limited Tax Obligation Bonds Series 2004, Wells Fargo Bank Northwest, NA, trustee					
Original Balance \$6,618,714					
Dated April 21, 2004					
Interest Rate - 1.50% to 6.27%					
Principal	\$ 5,765,219	\$ -	\$ 170,188	\$ 5,595,031	\$ 172,097
Interest	-	277,028	277,028	-	295,118
<b>Totals</b>	<b>\$ 5,765,219</b>	<b>\$ 277,028</b>	<b>\$ 447,216</b>	<b>\$ 5,595,031</b>	<b>\$ 467,215</b>
Deere Credit, Inc. for purchase of tractor and loader					
Original Balance \$36,451					
Dated December 15, 2007					
Interest Rate - 5.75%					
Principal	\$ 7,696	\$ -	\$ 7,696	\$ -	\$ -
Interest	-	454	454	-	-
<b>Totals</b>	<b>\$ 7,696</b>	<b>\$ 454</b>	<b>\$ 8,150</b>	<b>\$ -</b>	<b>\$ -</b>
Qualified Zone Academy Bond held by Bank of America for qualified building improvements and equipment purchases					
Original Balance 1,290,000 Annual Deposit of					
Dated February 1, 2004					
Interest Rate - 0%					
Principal	\$ 874,431	\$ -	\$ 69,261	\$ 805,170	\$ -
Interest	-	-	-	-	-
<b>Totals</b>	<b>\$ 874,431</b>	<b>\$ -</b>	<b>\$ 69,261</b>	<b>\$ 805,170</b>	<b>\$ -</b>
<b>TOTAL DEBT AGREEMENTS:</b>					
Principal	\$ 12,527,346	\$ -	\$ 617,145	\$ 11,910,201	\$ 572,097
Interest	-	515,432	515,432	-	516,718
<b>Totals</b>	<b>\$ 12,527,346</b>	<b>\$ 515,432</b>	<b>\$ 1,132,577</b>	<b>\$ 11,910,201</b>	<b>\$ 1,088,815</b>

**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF FUTURE REQUIREMENTS FOR**  
**RETIREMENT OF LONG-TERM DEBT**  
**For the Fiscal Year Ended June 30, 2011**

	Fiscal Year Ended June 30,	Total	Principal	Interest	Coupon Interest Rate
General Obligation Bonds Series 2002 for real property additions and improvements and refunding of Series 1992 GO Bonds					
- Original Balance \$7,400,000	2012	\$ 386,650	\$ 370,000	\$ 16,650	4.50%
<b>Totals</b>		<b>\$ 386,650</b>	<b>\$ 370,000</b>	<b>\$ 16,650</b>	
General Obligation Refunding Bonds Series 2005 for refunding of Series 2002 GO Bonds					
- Original Balance \$5,380,000	2012	\$ 234,950	\$ 30,000	\$ 204,950	3.50%
	2013	563,900	360,000	203,900	3.63%
	2014	580,850	390,000	190,850	5.00%
	2015	591,350	420,000	171,350	5.00%
	2016	605,350	455,000	150,350	3.60%
	2017	623,970	490,000	133,970	3.70%
	2018	640,840	525,000	115,840	3.75%
	2019	656,152	560,000	96,152	3.80%
	2020	669,872	595,000	74,872	3.85%
	2021	686,965	635,000	51,965	3.90%
	2022	707,200	680,000	27,200	4.00%
<b>Totals</b>		<b>\$ 6,561,399</b>	<b>\$ 5,140,000</b>	<b>\$ 1,421,399</b>	
Oregon School Boards Association Limited Tax Pension Obligation Bonds Series 2004, Wells Fargo Bank Northwest, NA, Trustee					
- Original Balance \$6,618,714	2012	\$ 467,215	\$ 172,097	\$ 295,118	4.96%
	2013	492,216	175,693	316,523	5.15%
	2014	517,216	177,613	339,603	5.33%
	2015	547,216	179,771	367,445	5.54%
	2016	572,215	178,436	393,779	5.71%
	2017	602,216	179,168	423,048	5.83%
	2018	632,215	178,241	453,974	5.96%
	2019	662,215	176,588	485,627	6.07%
	2020	697,216	176,485	520,731	6.15%
	2021	727,216	173,920	553,296	6.22%
	2022	762,216	173,094	589,122	6.26%
	2023	802,215	173,925	628,290	6.27%
	2024	842,216	645,000	197,216	6.27%
	2025	881,028	720,000	161,028	5.68%
	2026	920,132	800,000	120,132	5.68%
	2027	964,692	890,000	74,692	5.68%
	2028	449,140	425,000	24,140	5.68%
<b>Totals</b>		<b>\$ 11,538,795</b>	<b>\$ 5,595,031</b>	<b>\$ 5,943,764</b>	
Qualified Zone Academy Bond (QZAB) held by Bank America. Annual deposit of \$69,261 into Custodian Account at US Bank earning 3% annually is required.					
- Original Balance \$1,290,000	2019	\$ 1,012,953	\$ 1,012,953	\$ -	N/A
<b>Totals</b>		<b>\$ 1,012,953</b>	<b>\$ 1,012,953</b>	<b>\$ -</b>	
<b>Total Future Requirements for Long-Term Debt</b>		<b>\$ 19,499,797</b>	<b>\$ 12,117,984</b>	<b>\$ 7,381,813</b>	

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

**AMITY SCHOOL DISTRICT NO. 4J**  
**AUDITOR'S COMMENTS AND DISCLOSURES**  
**REQUIRED BY STATE REGULATION**  
**As of June 30, 2011**

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

Oregon Administrative Rule (OAR) 162-010-0120 requires certain other financial information considered necessary for full disclosure of the fiscal affairs of Oregon Municipal corporations. That financial information is set forth in OAR 162-010-0130 through 162-010-0190. The basic financial statements, notes to the financial statements, and supplementary information as listed in the table of contents, provide that information.

Oregon Administrative Rule (OAR) 162-010-0200 requires comments and disclosures relating to our audit of the District's fiscal affairs and compliance with legal requirements as set forth in OAR 162-010-0210 through 162-010-0320. We performed procedures, which may have included samples of transactions, to obtain sufficient audit evidence to support the comments that follow:

**ACCOUNTING RECORDS AND INTERNAL CONTROL:**

The District's accounting records were in satisfactory condition for audit purposes.

As part of my examination of the financial statements, I obtained an understanding of the accounting system and the internal controls incorporated into that system. The purpose of understanding the accounting system and its controls is to assist in planning the nature and scope of my examination. The process involved in obtaining an understanding of the system is more limited than a study and evaluation necessary to express an opinion on the internal control system as a whole. Accordingly, I do not express an opinion on the system of internal control.

As part of my audit of the basic financial statements, and as required by *Governmental Auditing Standards*, I tested on a limited basis internal controls of the District and adjusted the nature and extent of other auditing procedures as deemed necessary. Although the District's system of internal control is somewhat limited by the number of administrative personnel available, my study did not disclose any conditions which I considered to be a deficiency in the internal controls.

Management has been provided with a separate letter containing certain items I noted during the audit.

**COLLATERAL:**

ORS 295 requires deposits with financial institutions in excess of the amount insured by the Federal Deposit Insurance Corporation be held at qualifying institutions under the Public Funds Collateralization Program and that public officials provide the Office of the Oregon State Treasurer with the names of all bank depositories in which the District currently deposits public funds.

The District has complied with the provisions of ORS 295 as it pertains to the collateralization of public funds.

**INDEBTEDNESS:**

The District has not exceeded its legal debt limitation as provided by ORS 328.245. The District was in compliance with all debt covenants and all payments were made on a timely basis.

**AMITY SCHOOL DISTRICT NO. 4J**  
**AUDITOR'S COMMENTS AND DISCLOSURES**  
**REQUIRED BY STATE REGULATION (Continued)**  
**As of June 30, 2011**

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**BUDGET:**

Minutes and resolutions of the Budget Committee and Board of Directors were reviewed for compliance of Oregon Budget Law in preparation, adoption and execution of the current year's budget and preparation and adoption of the ensuing year's budget. I found no instances of non-compliance of Oregon Budget Law by the District for the 2010-11 fiscal year or in preparation and adoption of the 2011-12 budget.

**INVESTMENTS:**

The District is in compliance with legal requirements of ORS 294 pertaining to investment of public funds.

**INSURANCE AND FIDELITY BONDS:**

I have examined the District's fidelity bonds and insurance coverage's at June 30, 2011 and ascertained that such policies appeared to be in force as of that date and appeared to comply with the legal requirements. I recommend periodic review of insurance by qualified individuals, as I do not possess expertise in this area.

**PUBLIC CONTRACTING:**

The District complied with the requirements of ORS 279 by making every effort to construct public improvements at the least cost to the public agency. Adequate bids and quotes were obtained for all required contracts and purchases.

**PROGRAMS FUNDED FROM OUTSIDE SOURCES:**

During the fiscal year, the District complied with all appropriate laws, rules, and regulations pertaining to programs funded by the federal government and the State of Oregon. My examination included procedures required under the Single Audit Act of 1984 and described in the *U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement*. In accordance with *Governmental Auditing Standards*, I issued a report on my consideration of Amity School District's compliance and internal control over financial reporting and my tests of its compliance with certain provisions of laws, regulations, contracts, and grants. Those reports are in the Single Audit Section of these financial statements.

**STATE SCHOOL FUNDS:**

I have examined the District's compliance with respect to calculating and reporting factors used to compute the State School Fund distribution as stated in ORS 327.013 and further defined by Oregon Department of Education rules. My examination included, but was not limited to, assessment of internal controls related to these calculations and reports. I am not aware of any instance of noncompliance with respect to State School Fund calculations or reporting.

**AMITY SCHOOL DISTRICT NO. 4J**  
**AUDITOR'S COMMENTS AND DISCLOSURES**  
**REQUIRED BY STATE REGULATION (Continued)**  
As of June 30, 2011

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**STATEMENT OF ACCOUNTABILITY FOR INDEPENDENTLY ELECTED OFFICIALS:**

This statement is not applicable to the District.

This report is intended solely for the information of the State of Oregon, Secretary of State, Division of Audits and other state agencies and is not intended and should not be used by anyone other than these specified parties.

Steven L. Tuchscherer, CPA  
Steve Tuchscherer, CPA, PC

Roseburg, Oregon  
October 5, 2011

# **SINGLE AUDIT SECTION**



**AMITY SCHOOL DISTRICT NO. 4J**

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

YEAR ENDED June 30, 2011

Federal Grantor/Pass Through Grantor/ Program Title	Fund	Federal CFDA Number	Grant Period	Original Program or Grant Amount	Receivable/ Deferred Revenue June 30, 2010	Cash Received	Expenditures	Receivable/ Deferred Revenue June 30, 2011
<b>Passed Through Oregon Department of Education:</b>								
Title 1-A	Title 1	84.010A	2009-10	\$ 81,915	\$ (41,089)	\$ 41,089	\$ -	\$ -
Title 1-A	Title 1	84.010A	2010-11	90,163	-	59,210	88,641	(29,431)
Title 1 - School Improvement Grant	Title 1	84.377	2009-10	26,950	(4,078)	4,078	-	-
ARRA - Title 1	Title 1	84.389	2009-10	49,744	(10,728)	10,728	-	-
Title 1 - School Improvement Grant	Title 1	84.010A	2010-11	33,600	-	8,106	22,593	(14,487)
ARRA - School Improvement Fund	Title 1	84.389	2009-10	33,050	(3,640)	33,050	29,410	-
<b>Total Title 1</b>				<b>315,422</b>	<b>(59,535)</b>	<b>156,261</b>	<b>140,644</b>	<b>(43,918)</b>
Title 2-A Improving Teacher Quality	Federal Misc.	84.367	2009-10	40,957	(15,334)	15,334	-	-
Title 2-A Improving Teacher Quality	Federal Misc.	84.367	2010-11	40,407	-	10,355	20,141	(9,786)
<b>Total Title 2A - Improving Teacher Quality</b>				<b>81,364</b>	<b>(15,334)</b>	<b>25,689</b>	<b>20,141</b>	<b>(9,786)</b>
IDEA - Special Education Grants to States	IDEA Grant	84.027A	2009-10	148,387	(54,585)	69,701	15,116	-
IDEA - Special Education Grants to States	IDEA Grant	84.027A	2010-11	148,416	-	57,749	86,238	(28,489)
ARRA - IDEA	IDEA Grant	84.391	2009-10	150,052	(65,004)	102,534	69,745	(32,215)
IDEA - Enhancement & Extended Assessment Training	IDEA Grant	84.027A	2009-10	2,060	(1,842)	1,842	-	-
IDEA - Enhancement & Extended Assessment Training	IDEA Grant	84.027A	2010-11	2,122	-	1,017	2,122	(1,105)
IDEA - Redistribution	IDEA Grant	84.027A	2009-10	296	(296)	296	-	-
IDEA - Redistribution	IDEA Grant	84.027A	2010-11	171	-	171	171	-
IDEA - SPR&I	IDEA Grant	84.027A	2009-10	1,527	(246)	246	-	-
IDEA - SPR&I	IDEA Grant	84.027A	2010-11	1,527	-	1,527	1,527	-
<b>Total IDEA</b>				<b>454,558</b>	<b>(121,973)</b>	<b>235,083</b>	<b>174,919</b>	<b>(61,809)</b>
Title X - McKinney Homeless Children and Youth	Federal Misc.	84.387	2009-10	2,120	(533)	1,053	617	(97)
ARRA - State Fiscal Stabilization	* General	84.394	2009-10	226,039	(143,063)	143,063	-	-
ARRA - State Fiscal Stabilization	* General	84.394	2010-11	96,461	-	69,138	93,461	(24,323)
<b>Total ARRA - State Fiscal Stabilization</b>				<b>322,500</b>	<b>(143,063)</b>	<b>212,201</b>	<b>93,461</b>	<b>(24,323)</b>
ARRA - Education Jobs	* General	84.410	2010-11	169,583	-	99,875	169,583	(69,708)
<b>Passed through Education Service District:</b>								
Career and Technical Education -- Basic Grants to States	Federal Misc.	84.048A	2009-10	4,043	(294)	294	-	-
TNT Grant 10-11	Federal Misc.	84.048A	2010-11	196	-	196	196	-
Career and Technical Education -- Basic Grants to States	Federal Misc.	84.048A	2010-11	4,124	-	-	4,124	(4,124)
<b>Total Career and Technical Education -- Basic Grants to States</b>				<b>8,363</b>	<b>(294)</b>	<b>490</b>	<b>4,320</b>	<b>(4,124)</b>
Title IIIa - English Language Acquisition	Federal Misc.	84.365	2009-10	3,743	(2,516)	3,471	955	-
<b>Total U.S. Department of Education</b>				<b>\$ 1,357,653</b>	<b>\$ (343,248)</b>	<b>\$ 734,123</b>	<b>\$ 604,640</b>	<b>\$ (213,765)</b>
<b>U.S. DEPARTMENT OF AGRICULTURE</b>								
<b>Passed Through Oregon Department of Education:</b>								
Commodities	Food Service	10.550	2010-11	\$ 15,509	\$ -	\$ 15,509	\$ 15,509	\$ -
National School Lunch - Breakfast	Food Service	10.553	2010-11	41,669	-	38,331	41,669	(3,338)
National School Lunch - Breakfast	Food Service	10.553	2009-10	31,845	(2,755)	2,755	-	-
National School Lunch - Section 4	Food Service	10.555	2010-11	127,327	-	117,978	127,327	(9,349)
National School Lunch - Section 4	Food Service	10.555	2009-10	111,906	(8,546)	8,546	-	-
Child Food Care Program	Food Service	10.558	2009-10	1,159	(166)	166	-	-
<b>Total National School Lunch Program</b>				<b>329,415</b>	<b>(11,467)</b>	<b>183,285</b>	<b>184,505</b>	<b>(12,687)</b>
<b>Passed Through Yamhill County:</b>								
Federal Forest Fees	General	10.665	2010-11	4	-	4	4	-
<b>Total U.S. Department of Agriculture</b>				<b>329,419</b>	<b>(11,467)</b>	<b>183,289</b>	<b>184,509</b>	<b>(12,687)</b>
<b>TOTALS</b>				<b>\$ 1,687,072</b>	<b>\$ (354,715)</b>	<b>\$ 917,412</b>	<b>\$ 789,149</b>	<b>\$ (226,452)</b>

This schedule is prepared using the modified accrual basis of accounting

**RECONCILIATION TO REVENUE:**

Cash Receipts per Schedule Above	\$ 917,412
Grants Receivable/Deferred Revenue Beginning of Year	(354,715)
Grants Receivable/Deferred Revenue End of Year	226,452
<b>Federal Revenue Recognized per Financial Statements</b>	<b>\$ 789,149</b>

\* major program



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 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, 2011, which collectively comprise the Amity School District No. 4J's basic financial statements and have issued my report thereon dated October 5, 2011. 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.

Internal Control Over Financial Reporting

In planning and performing my audit, I considered Amity School District No. 4J's internal control over financial reporting as a basis for designing my auditing procedures for the purpose of expressing my opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Amity School District No. 4J's internal control over financial reporting. Accordingly, I do not express an opinion on the effectiveness of the Amity School District No. 4J's internal control over financial reporting.

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

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Amity School District No. 4J's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of 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*.

I noted certain matters that I reported to management of Amity School District No. 4J, in a separate letter dated October 5, 2011.

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

Steve Tuchscherer, CPA  
October 5, 2011



REPORT ON COMPLIANCE WITH REQUIREMENTS  
APPLICABLE TO EACH MAJOR PROGRAM AND ON INTERNAL CONTROL  
OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

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

Compliance

I have audited the compliance of Amity School District No. 4J, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2011. 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. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Amity School District No. 4J's management. My responsibility is to express an opinion on Amity School District No. 4J's compliance based on my audit.

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. My audit does not provide a legal determination of Amity School District No. 4J's compliance with those requirements.

In my opinion, Amity School District No. 4J, complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2011.

Internal Control Over Compliance

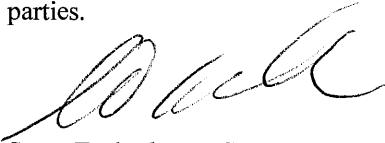
The management of Amity School District No. 4J is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing my audit, I considered Amity School District No. 4J's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance, 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.

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

Amity School District No. 4J's response to the findings identified in my audit are described in the accompanying schedule of findings and questioned costs. I did not audit Amity School District No. 4J's response and, accordingly, I express no opinion on it.

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



Steve Tuchscherer, CPA  
October 5, 2011

**AMITY SCHOOL DISTRICT NO. 4J**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**June 30, 2011**

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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 significant deficiencies in internal control were disclosed by the audit of the financial statements.
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 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 programs tested as a major program were State Fiscal Stabilization (ARRA), CFDA Number(s) 84.394 and ARRA – Education Jobs, CFDA 84.410.
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, 2011.

**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, 2010.

**AMITY SCHOOL DISTRICT NO. 4J**

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

**For the Fiscal Year Ended June 30, 2011**

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**SUPPLEMENTAL INFORMATION, 2009-2010**

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

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

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

	Objects 325 & 326
Function 2540	\$ 127,456
Function 2550	\$ -

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

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

Exclude these functions:

1113,1122 & 1132  
1140  
1300  
1400

Extra-curricular Activities  
Pre-Kindergarten  
Continuing Education  
Summer School

Exclude these functions:

4150 Construction  
2550 Pupil Transportation  
3100 Food Service  
3300 Community Services

\$ -
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