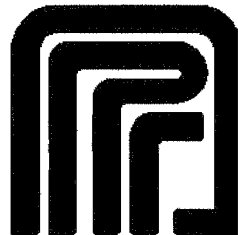


**GREATER ALBANY PUBLIC
SCHOOL DISTRICT NO. 8J
LINN COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2007



**Pauly, Rogers and Co., P.C.
12700 SW 72nd Ave.
Tigard, OR 97223**

**GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON**

2006-07

FINANCIAL REPORT

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GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

BOARD OF EDUCATION

TERM EXPIRES

Don Bacher, Board Chair

June 30, 2009

Liisa Reid, Board Vice Chair

June 30, 2007

Frank Bricker

June 30, 2007

Sandi Gordon

June 30, 2009

Tom Sramek

June, 30 2009

All Board members receive mail at address below.

ADMINISTRATION

Pat Bedore, Superintendent
Russell Allen, Business Manager

718 7th Avenue SW
Albany, Oregon 97321

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GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

TABLE OF CONTENTS

| | <u>PAGE NUMBER</u> |
|---|------------------------|
| INDEPENDENT AUDITORS' REPORT | 1 |
| MANAGEMENT'S DISCUSSION AND ANALYSIS | 3 |
| BASIC FINANCIAL STATEMENTS: | |
| Statement of Net Assets | 4 |
| Statement of Activities | 5 |
| Balance Sheet - Governmental Funds | 6 |
| Reconciliation of Governmental Funds | |
| Balance Sheet to Statement of Net Assets | 7 |
| Statement of Revenues, Expenditures and Changes | |
| In Fund Balances – Governmental Funds | 8 |
| Reconciliation of the Statement of Revenues, Expenditures | |
| And Changes in Fund Balances of Governmental Funds | 9 |
| Statement of Proprietary Net Assets | 10 |
| Statement of Revenues, Expenditures and Changes | |
| In Proprietary Net Assets | 11 |
| Statement of Cash Flows – Proprietary Net Assets | 12 |
| Notes to Basic Financial Statements | 13 |
| REQUIRED SUPPLEMENTARY DATA | |
| General Fund: | |
| Schedule of Revenues, Expenditures and Changes in Fund | |
| Balance - Budget and Actual | 26 |
| Grant Funds: | |
| Schedule of Revenues, Expenditures and Changes in Fund | |
| Balance - Budget and Actual | 27 |
| Capital Improvement Fund #3: | |
| Schedule of Revenues, Expenditures and Changes in Fund | |
| Balance - Budget and Actual | 28 |
| SUPPLEMENTARY DATA | |
| Nonmajor Governmental Funds: | |
| Combining Balance Sheet – Nonmajor Governmental Funds | 29 |
| Schedule of Revenues, Expenditures and Changes in | |
| Fund Balance - Budget and Actual- Nonmajor Governmental Funds | 30 |
| Combining Schedule of Revenues, Expenditures and Changes in | |
| Fund Balances – Budget and Actual: | |
| Student Activity Fund | 31 |
| Bus Replacement Fund | 32 |
| Energy Conservation Fund | 33 |

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

TABLE OF CONTENTS (CONTINUED)

| | <u>PAGE NUMBER</u> |
|---|------------------------|
| Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual: | |
| E-Rate Fund | 34 |
| School Lunch Fund | 35 |
| Debt Service Fund: | 36 |
| PERS Refinance Fund: | 37 |
| Capital Improvement Fund #1: | 38 |
| Capital Improvement Fund #2: | 39 |
| Schedule of Changes in Proprietary Net Assets Fund Balances – Budget and Actual | 40 |
| Other Financial Schedules: | |
| Schedule of Revenue by Function - All Funds | 41 |
| Schedule of Expenditures by Function/Object | |
| General Fund | 42 |
| Special Revenue Funds | 43 |
| Debt Service Funds | 44 |
| Capital Construction Funds | 45 |
| Internal Service Fund | 46 |
| Schedule of Property Tax Transactions and Balances of Taxes Uncollected - General Fund | 47 |
| Schedule of Property Tax Transactions and Balances of Taxes Uncollected – Debt Service Fund | 48 |
| Supplemental Information – As required by the Oregon Department of Education | 49 |
| AUDITORS’ COMMENTS AND DISCLOSURES | 50 |
| GRANT COMPLIANCE REVIEW | |
| Schedule of Expenditures of Federal Awards | 53 |
| Report on Internal Control Structure over Financial Reporting | 54 |
| Report on Compliance with Requirements Applicable to Major Programs and Internal Control Structure | 56 |
| Schedule of Prior and Current Year Findings and Questioned Costs Relative to Federal Awards | 58 |



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
• (503) 620-2632 • FAX (503) 684-7523

November 21, 2007

To the Board of Education
Greater Albany Public School District
Linn County, Oregon

INDEPENDENT AUDITORS' REPORT

We have audited the basic financial statements of the Greater Albany Public School District, as of and for the year ended June 30, 2007, as listed in the table of contents. These financial statements are the responsibility of The District's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Greater Albany Public School District, at June 30, 2007 and the results of operations for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our reports dated November 21, 2007 on our consideration of Greater Albany Public School District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. Those reports are an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The Management's Discussion, as listed on the table of contents, is not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Greater Albany Public School District's basic financial statements. The Supplementary Information, including budgetary comparison schedules (which are required supplementary information for major governmental funds) as listed in the Table of Contents, is presented for purposes of additional analysis and are not a required part of the basic financial statements. The Schedule of Expenditures of Federal Awards, as listed in the table of contents, 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 not a required part of the basic financial statements. The Supplementary Information and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated, in all material respects, in relation to the basic financial statements taken as a whole, except as noted below.

The Schedule of Revenues by Function, Schedules of Expenditures by Function/Object and Supplemental Information on pages 41 through 46 and 49 are presented for purposes of additional analysis as required by Oregon Department of Education, however, we did not audit the information and express no opinion on it.

Pauly, Rogers and Co. P.C.
PAULY, ROGERS AND CO., P.C.

**GREATER ALBANY PUBLIC SCHOOL DISTRICT 8J
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)**

Our discussion and analysis of Greater Albany Public School District's financial performance provides an overview of the District's financial activities for the fiscal year ended June 30, 2007. Please read it in conjunction with the District's Financial Statements, which follows this MD&A.

FINANCIAL HIGHLIGHTS

- At June 30, 2007, the District's assets exceeded its liabilities by \$13,790,459.
- The District decreased their net assets by \$3,519,523, during 2006-07.

OVERVIEW OF THE FINANCIAL STATEMENTS

The annual report consists of a series of financial statements that show information for the District as a whole, its funds, and its fiduciary responsibilities. The Statement of Net Assets and the Statement of Activities provides information about the activities of the District as a whole and presents a longer-term view of the District's finances. Our fund financial statements are included later in the financial report. For our governmental activities, these statements tell how we financed our services in the short-term as well as what remains for future spending. Fund statements also may give you some insights into the District's overall financial health. Fund financial statements also report the District's operations in more detail than the government-wide financial statements by providing information about the District's most significant fund, the general fund.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements present information on the District's finances in a manner similar to private sector businesses. One of the most important questions asked about the District is, "Is the District as a whole better off or worse off financially as a result of the year's activities?" The Statement of Net Assets and Statement of Activities report information on the District as a whole and its activities in a way that helps answer this question. We prepare these statements to include all assets and liabilities, using the accrual basis of accounting. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

The Statement of Net Assets shows the District's assets and liabilities, with the difference between the two reported as net assets. All capital assets and long-term liabilities, and general government functions, are shown in the Statement of Net Assets.

The Statement of Activities shows revenues, expenses, and the change in net assets for the District as a whole. Revenues and expenses attributable to specific functions are segregated from general revenues, to display the extent to which general revenues support each function.

FUND FINANCIAL STATEMENTS

Governmental funds account for the same functions as are reported as governmental activities in the government-wide financial statements. The governmental fund reporting focuses on how money flows in and out of funds and the balances left at year end that are available for spending. They are reported using the accounting method called "modified accrual" accounting, which measures cash and all other financial assets that can be readily converted to cash. This information is essential for preparation of and compliance with annual budgets. We describe the relationship (or differences) between governmental activities (reported in the Statement of Net Assets and the Statement of Activities) and governmental funds in reconciliations following the government statements. The notes to the financial statements provide additional information that is essential to a complete understanding of the data provided in the financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Total assets, liabilities and net assets were as follows:

| | <u>2007</u> | <u>2006</u> | <u>% Change</u> |
|--|----------------------|----------------------|-----------------|
| Assets | | | |
| Current and other assets | \$ 117,695,234 | \$ 59,947,146 | 96.3% |
| Capital assets (net) | 18,005,166 | 18,152,617 | -0.8% |
| Total assets | <u>135,700,400</u> | <u>78,099,763</u> | <u>73.8%</u> |
| Liabilities | | | |
| Other liabilities | 13,057,231 | 10,444,737 | 25.0% |
| Long-term liabilities | <u>108,852,710</u> | <u>50,354,044</u> | <u>116.2%</u> |
| Total liabilities | <u>121,909,941</u> | <u>60,798,781</u> | <u>100.5%</u> |
| Net Assets | | | |
| Investment in capital assets, net of related debt | 12,660,563 | 13,692,573 | -7.5% |
| Restricted for Capital Projects | 1,494,389 | 1,423,528 | 5.0% |
| Restricted for Debt Service | 1,014,701 | 1,059,148 | -4.2% |
| Unrestricted | (1,379,194) | 1,134,733 | -221.5% |
| Total net assets | <u>\$ 13,790,459</u> | <u>\$ 17,309,982</u> | <u>-20.3%</u> |

The District's revenues and expenses for the two years, were as follows:

| | <u>2007</u> | <u>2006</u> | <u>% Change</u> |
|---|----------------------|----------------------|-----------------|
| Revenues | | | |
| Charges for Services | \$ 967,294 | \$ 944,340 | 2.4% |
| Operating Grants | 7,575,782 | 5,505,155 | 37.6% |
| General Revenues | | | |
| Property Taxes | 17,204,580 | 17,170,726 | 0.2% |
| Unrestricted Federal Income | 972,036 | 976,649 | -0.5% |
| Unrestricted State and Local Support | 42,836,866 | 42,668,019 | 0.4% |
| Gain/Loss on Disposal of Capital Assets | 22 | 236,846 | 100.0% |
| Total Revenues | <u>69,556,580</u> | <u>67,501,735</u> | <u>3.0%</u> |
| Expenses | | | |
| Instruction | 41,250,186 | 39,672,482 | 4.0% |
| Support Services | 22,830,550 | 22,696,235 | 0.6% |
| Community Services | 3,008,013 | 2,951,767 | 1.9% |
| Facilities Acquisition and Construction | 3,379,931 | 1,780,537 | |
| Interest on Long-Term Debt | 2,607,427 | 2,655,706 | -1.8% |
| Total Expenses | <u>73,076,107</u> | <u>69,756,727</u> | <u>4.8%</u> |
| Change in Net Assets | (3,519,527) | (2,254,992) | 56.1% |
| Beginning Net Assets | 17,309,982 | 19,564,974 | -11.5% |
| Ending Net Assets | <u>\$ 13,790,455</u> | <u>\$ 17,309,982</u> | <u>-20.3%</u> |

FUND FINANCIAL ANALYSIS

The focus of the governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Unreserved fund balance measures the District's net resources available for appropriation in the next fiscal year. As of June 30, 2007, total fund balance of the governmental funds was \$68,427,815. These amounts are available to use, in accordance with applicable restrictions on the nature of the expenditures.

Summary of ending fund balances for the major governmental funds for 2007 and 2006 are as follows:

| | <u>ENDING FUND BALANCE</u> | | <u>CHANGE</u> |
|-----------------------------|----------------------------|----------------------|----------------------|
| | <u>2007</u> | <u>2006</u> | |
| General Fund | \$ 6,426,715 | \$ 8,475,276 | \$ (2,048,561) |
| Grants Fund | 503,941 | 819,340 | (315,399) |
| Capital Improvement Fund #3 | 57,617,006 | - | 57,617,006 |
| Other Governmental | 3,880,153 | 3,836,765 | 43,388 |
| | <u>\$ 68,427,815</u> | <u>\$ 13,131,381</u> | <u>\$ 55,296,434</u> |

CAPITAL ASSETS

The District had \$18,005,166 invested in a broad range of capital assets, net of depreciation, at June 30, 2007. Please refer to the notes to basic financial statements for more detailed information regarding capital assets.

DEBT ADMINISTRATION

As of June 30, 2007 the District had \$108,852,710 in long-term debt. Please refer to the notes to the basic financial statements for more detailed information regarding long-term debt.

NEW GENERAL OBLIGATION BONDS

In November 2006, district voters passed a \$55M general obligation bond. The bond is providing critical upgrades in every district school, creating increased classroom space where it is needed most, and soon, the bond will build a new school east of I-5. The School Board hopes to open the new school in the fall of 2009, serving grades three through eight with an enrollment capacity of 800 students. The new school will be a sister school to Clover Ridge Elementary, the only other district school geographically located east of the freeway. With the opening of the new school, Clover Ridge will become a school serving students in Kindergarten through second grade.

2007-2008 BUDGET

The School District's budget continues to grow as a result of steady increasing enrollment. There were 9,169 students enrolled in the School District on October 1, 2007. This represents an increase of 197 students from the previous year and a combined growth of 652 students in the past three years. The district has grown by 1,112 students in the past six years alone, an increase of 14%.

The State School Fund (made up of local and state funding sources) accounts for nearly 90% of the general fund revenue for the school district. Statewide, this formula revenue for school district operations is approximately 11.6% higher in 2007-09 than in the prior biennium. In addition, the 2007 Legislature appropriated \$260 million to the School Improvement Fund. This fund is primarily for school district use to make improvements to meet quality education goals and is accounted for as a separate fund in the budget. This overall level of funding has allowed for modest increases in programs within the General Fund while expanding targeted programs (such as literacy) funded from the School Improvement Fund.

REQUESTS FOR INFORMATION

Our financial report is designed to provide our taxpayers, parents, teachers, students, investors and creditors with an overview of the District's finances. If you have any questions about this report or need any clarification of information please contact the Business Office at the Greater Albany Public School District offices, located at 718 7th Avenue SW, Albany, Oregon 97321.

Signature: 

Title: Dir. of Business

Signature: Martha Highfill

Title: Controller

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**STATEMENT OF NET ASSETS
June 30, 2007**

| | <u>Governmental Activities</u> |
|---|------------------------------------|
| Assets | |
| Cash and cash equivalents | \$ 75,866,938 |
| Accounts Receivable | 1,751,117 |
| Property Taxes Receivable | 1,220,927 |
| Prepaid Pension Asset | 38,801,792 |
| Supply Inventory | 54,460 |
| Capital assets, net | <u>18,005,166</u> |
| Total Assets | <u>135,700,400</u> |
| Liabilities | |
| Accounts payable | 1,942,896 |
| Payroll Liabilities | 5,615,085 |
| Unearned Revenue | 1,560,850 |
| Accrued Interest Payable | 2,516 |
| Accrued Vacation | 154,545 |
| Early Retirement Payable | 3,781,339 |
| Long-term liabilities: | |
| Due within one year | 4,367,168 |
| Due in more than one year | <u>104,485,542</u> |
| Total liabilities | <u>121,909,941</u> |
| Net assets | |
| Invested in capital assets, net of related debt | 12,660,563 |
| Restricted for: | |
| Capital Projects | 1,494,389 |
| Debt Service | 1,014,701 |
| Unrestricted | <u>(1,379,194)</u> |
| Total net assets | <u>\$ 13,790,459</u> |

See accompanying notes to basic financial statements.

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**STATEMENT OF ACTIVITIES
Year Ended June 30, 2007**

| <u>Functions/Programs</u> | <u>Expenses</u> | <u>Program Revenues</u> | | <u>Net (Expense) Revenue and Changes in Net Assets</u> |
|---|----------------------|---------------------------------|---|--|
| | | <u>Charges for Services</u> | <u>Operating Grants and Contributions</u> | <u>Governmental Activities</u> |
| Instruction | \$ 41,250,186 | \$ - | \$ 3,433,478 | \$ (37,816,708) |
| Support Services | 22,830,550 | - | 2,497,992 | (20,332,558) |
| Enterprise and Community Services | 3,008,013 | 967,294 | 1,644,312 | (396,407) |
| Facilities Acquisition and Construction | 3,379,931 | - | - | (3,379,931) |
| Interest on long-term debt | 2,607,427 | - | - | (2,607,427) |
| Total governmental activities | <u>\$ 73,076,107</u> | <u>\$ 967,294</u> | <u>\$ 7,575,782</u> | <u>\$ (64,533,031)</u> |
| General Revenues | | | | |
| | | | | 17,204,580 |
| | | | | 39,182,906 |
| | | | | 3,653,964 |
| | | | | 972,036 |
| | | | | <u>22</u> |
| | | | | <u>61,013,508</u> |
| | | | | (3,519,523) |
| | | | | <u>17,309,982</u> |
| | | | | <u>\$ 13,790,459</u> |

See accompanying notes to basic financial statements.

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2007**

| | GENERAL | GRANT FUNDS | CAPITAL IMPROVEMENT FUND #3 | OTHER GOVERNMENTAL | TOTALS |
|--|----------------------|-------------------|-----------------------------------|-----------------------|----------------------|
| ASSETS: | | | | | |
| Cash and Investments | \$ 14,669,854 | \$ 100 | \$ 57,623,107 | \$ 3,232,371 | \$ 75,525,432 |
| Receivables: | | | | | |
| Taxes | 1,134,219 | 0 | 0 | 86,708 | 1,220,927 |
| Accounts | 271,206 | 820,967 | 0 | 658,410 | 1,750,583 |
| Inventories | 54,460 | 0 | 0 | 0 | 54,460 |
| Prepays | 0 | 0 | 0 | 0 | 0 |
| Due From Other Funds | 290,677 | 0 | 0 | 0 | 290,677 |
| | <u>16,420,416</u> | <u>821,067</u> | <u>57,623,107</u> | <u>3,977,489</u> | <u>78,842,079</u> |
| Total Assets | <u>\$ 16,420,416</u> | <u>\$ 821,067</u> | <u>\$ 57,623,107</u> | <u>\$ 3,977,489</u> | <u>\$ 78,842,079</u> |
| LIABILITIES AND FUND BALANCE: | | | | | |
| Liabilities: | | | | | |
| Due To Other Funds | \$ 0 | \$ 290,677 | \$ 0 | \$ 0 | \$ 290,677 |
| Deposits Payable | 0 | 0 | 0 | 24,964 | 24,964 |
| Accounts Payable and Payroll Liabilities | 7,526,916 | 0 | 6,101 | 0 | 7,533,017 |
| Deferred Revenue | 2,466,785 | 26,449 | 0 | 72,372 | 2,565,606 |
| | <u>9,993,701</u> | <u>317,126</u> | <u>6,101</u> | <u>97,336</u> | <u>10,414,264</u> |
| Total Liabilities | <u>9,993,701</u> | <u>317,126</u> | <u>6,101</u> | <u>97,336</u> | <u>10,414,264</u> |
| Fund Balance: | | | | | |
| Reserved for: | | | | | |
| Capital Projects | 0 | 0 | 57,617,006 | 1,494,405 | 59,111,411 |
| Debt Service | 0 | 0 | 0 | 1,014,701 | 1,014,701 |
| Unreserved reported in: | | | | | |
| General Fund | 6,426,715 | 0 | 0 | 0 | 6,426,715 |
| Grants Fund | 0 | 503,941 | 0 | 0 | 503,941 |
| Other Governmental | 0 | 0 | 0 | 1,371,047 | 1,371,047 |
| | <u>6,426,715</u> | <u>503,941</u> | <u>57,617,006</u> | <u>3,880,153</u> | <u>68,427,815</u> |
| Total Fund Balance | <u>6,426,715</u> | <u>503,941</u> | <u>57,617,006</u> | <u>3,880,153</u> | <u>68,427,815</u> |
| Total Liabilities and Fund Balance | <u>\$ 16,420,416</u> | <u>\$ 821,067</u> | <u>\$ 57,623,107</u> | <u>\$ 3,977,489</u> | <u>\$ 78,842,079</u> |

See accompanying notes to basic financial statements.

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**Reconciliation of Governmental Funds
Balance Sheet to Statement of Net Assets**

June 30, 2007

Total Fund Balances

Amounts reported for governmental activities in the statement of net assets are different because: \$ 68,427,815

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

Capital Assets, net 18,005,166

Delinquent property taxes receivable will be collected this year, but are not available soon enough to pay for the current period's expenditures, and therefore are deferred in the funds. 1,004,756

The unamortized portion of prepaid pension costs and bond issuance costs is not available to pay for current period expenditures, and therefore is not reported in the governmental funds.

Prepaid pension costs 38,801,792

Internal service funds are used by management to change the costs of unemployment insurance premiums and PERS reserve savings to individual funds. The assets and liabilities of the internal service funds are included in the governmental funds. 342,040

Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest in long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:

| | |
|------------------------------|---------------|
| Accrued Interest Payable | (2,516) |
| Bonds Payable | (105,518,878) |
| Capital Leases | (1,027,597) |
| Accrued Compensated Absences | (154,545) |
| Promissory Notes Payable | (2,306,235) |
| Post Retirement Obligation | (3,781,339) |

Total Net Assets \$ 13,790,459

See accompanying notes to basic financial statements.

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

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

For the Year Ended June 30, 2007

| | GENERAL | GRANT FUNDS | CAPITAL IMPROVEMENT FUND #3 | OTHER GOVERNMENTAL | TOTAL |
|--|---------------------|-------------------|-----------------------------------|-----------------------|----------------------|
| REVENUES: | | | | | |
| From Local Sources | \$ 18,546,793 | \$ 329,104 | \$ 1,362,342 | \$ 6,444,823 | \$ 26,683,062 |
| From Intermediate Sources | 47,839 | 60,969 | 0 | 0 | 108,808 |
| From State Sources | 38,894,792 | 132,434 | 0 | 155,680 | 39,182,906 |
| From Federal Sources | 972,036 | 3,322,610 | 0 | 1,575,702 | 5,870,348 |
| Total Revenues | 58,461,460 | 3,845,117 | 1,362,342 | 8,176,205 | 71,845,124 |
| EXPENDITURES: | | | | | |
| Current: | | | | | |
| Instruction | 37,763,824 | 2,561,293 | 0 | 1,648,618 | 41,973,735 |
| Support Services | 20,967,508 | 1,533,257 | 322,571 | 782,528 | 23,605,864 |
| Enterprise and Community Services | 193,543 | 65,966 | 0 | 2,798,446 | 3,057,955 |
| Facilities Acquisition and Construction | 1,033,147 | 0 | 1,936,643 | 834,639 | 3,804,429 |
| Debt Service | 0 | 0 | 0 | 3,951,601 | 3,951,601 |
| Total Expenditures | 59,958,022 | 4,160,516 | 2,259,214 | 10,015,832 | 76,393,584 |
| Excess of Revenues Over, (Under) | | | | | |
| Expenditures | (1,496,562) | (315,399) | (896,872) | (1,839,627) | -4,548,460 |
| Other Financing Sources, (Uses) | | | | | |
| Loan Proceeds | 0 | 0 | 58,513,878 | 1,331,000 | 59,844,878 |
| Sale of Capital Assets | 16 | 0 | 0 | 0 | 16 |
| Transfer In | 0 | 0 | 0 | 552,015 | 552,015 |
| Transfer Out | (552,015) | 0 | 0 | 0 | (552,015) |
| Total Other Financing Sources, (Uses) | (551,999) | 0 | 58,513,878 | 1,883,015 | 59,844,894 |
| Net Change in Fund Balance | (2,048,561) | (315,399) | 57,617,006 | 43,388 | 55,296,434 |
| Beginning Fund Equity | 8,475,276 | 819,340 | 0 | 3,836,765 | 13,131,381 |
| Ending Fund Equity | \$ 6,426,715 | \$ 503,941 | \$ 57,617,006 | \$ 3,880,153 | \$ 68,427,815 |

See accompanying notes to basic financial statements.

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**Reconciliation of the Statement of Revenues, Expenditures,
and Changes in Fund Balances of Governmental Funds
to the Statement of Activities**

Year Ended June 30, 2007

Net Change in Fund Balance \$ 55,296,434

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

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

| | | |
|--------------------------|-----------|-----------|
| Capitalized Expenditures | 747,069 | |
| Depreciation expense | (894,526) | |
| Gain on Disposal | 6 | (147,451) |

Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Assets, however, issuing long-term debt increases liabilities. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Assets. This is the amount by which proceeds exceeded repayments:

| | | |
|------------------|--|--------------|
| New Debt Issued | | (59,844,878) |
| Principal Repaid | | 1,337,212 |
| Accrued Interest | | 6,962 |

Governmental funds report the effect of issuance costs, premiums and discounts when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities.

| | | |
|---------------------------------------|--|-------------|
| Amortization of Prepaid Pension Asset | | (1,763,718) |
|---------------------------------------|--|-------------|

Some expenses reported in the Statement of Activities do not require the use of current financial resources and there fore are not reported as expenditures in the governmental funds.

| | | |
|----------------------|--|-----------|
| Compensated Absences | | (18,924) |
| Early Retirement | | 1,623,328 |

Internal Service Funds are used by management to charge the costs of unemployment insurance premiums and PERS reserve savings to individual funds. This activity is consolidated with the governmental funds in the Statement of Activities.

(63,618)

Because some property taxes will not be collected for several months after the District's fiscal year ends, they are not considered as "available" revenues in the governmental funds, and are instead recorded as deferred revenue. They are, however, recorded as revenues in the Statement of Activities.

55,130

| | | |
|----------------------|--|----------------|
| Change in Net Assets | | \$ (3,519,523) |
|----------------------|--|----------------|

See accompanying notes to basic financial statements.

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

STATEMENT OF PROPRIETARY NET ASSETS

June 30, 2007

INSURANCE RESERVE FUND

ASSETS:

| | | |
|----------------------|----|-----------------------|
| Cash and Investments | \$ | 341,506 |
| Accounts Receivable | | <u>534</u> |
| Total Assets | \$ | <u><u>342,040</u></u> |

LIABILITIES AND FUND BALANCE:

Fund Balance:

| | | |
|---------------------------------------|----|-----------------------|
| Total Fund Balance | \$ | <u>342,040</u> |
| Total Liabilities and Fund Balance | \$ | <u><u>342,040</u></u> |

See accompanying notes to basic financial statements.

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN PROPRIETARY NET ASSETS
For the Year Ended June 30, 2007

INSURANCE RESERVE FUND

| | <u>Governmental Activities - Internal Service</u> |
|-----------------------------------|---|
| OPERATING REVENUE | |
| Local Revenue | \$ 4,512 |
| OPERATING EXPENSES | |
| Instruction | 6,893 |
| Support Services | 76,153 |
| Enterprise and Community Services | 4,153 |
| Total Operating Expenses | <u>87,199</u> |
| Operating Income (Loss) | (82,687) |
| Nonoperating Revenues | |
| Earnings on Investments | <u>19,069</u> |
| Change in Net Assets | (63,618) |
| Total Net Assets, Beginning | <u>405,658</u> |
| Total Net Assets, Ending | <u><u>\$ 342,040</u></u> |

See accompanying notes to basic financial statements.

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**STATEMENT OF CASH FLOWS
PROPRIETARY NET ASSETS
For the Year Ended June 30, 2007**

INSURANCE RESERVE FUND

| | <u>Governmental Activities - Internal Service</u> |
|--|---|
| CASH FLOWS FROM OPERATING ACTIVITIES | |
| Receipts from Customers and Users | \$ 4,512 |
| Payments to Employees | (86,913) |
| Payments to Suppliers | <u>0</u> |
| Net Cash Used by Operating Activities | <u>(82,401)</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | |
| Interest Received | <u>19,069</u> |
| Net Cash from Investing Activities | <u>19,069</u> |
| Net Increase in Cash and Cash Equivalents | (63,332) |
| CASH AND CASH EQUIVALENTS, JULY 1, 2006 | <u>404,838</u> |
| CASH AND CASH EQUIVALENTS, JUNE 30, 2007 | <u><u>\$ 341,506</u></u> |
| Reconciliation of Operating Income to Net Cash Provided By Operating Activities | |
| Operating Income | \$ (82,687) |
| Adjustments to Reconcile Operating Income to Net Cash | |
| Increase in Accounts Receivable | <u>286</u> |
| Net Cash Used by Operating Activities | <u><u>\$ (82,401)</u></u> |

See accompanying notes to basic financial statements.

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GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the district have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) 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 district's accounting policies are described below.

REPORTING DISTRICT

The Greater Albany Public School District functions as an operational education organization consisting of nineteen elementary, secondary, and high schools. The District was organized under provisions of Oregon Statutes Chapter 332 for the purpose of operating elementary and secondary schools. The Greater Albany Public School District's Board of Education is the basic level of government, which has financial accountability and control over all activities within District boundaries. As required by generally accepted accounting principles, these financial statements present Greater Albany Public School District (the primary government) and would include any component units. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 39, are separate organizations that are included in the District's reporting District because of the significance of their operational or financial relationships with the District. There are no component units.

BASIS OF PRESENTATION - FUND ACCOUNTING

GOVERNMENT-WIDE FINANCIAL STATEMENTS (GWFS)

The Statement of Net Assets and Statements of Activities displays information about the reporting government as a whole.

The Statement of Net Assets and the Statement of Activities were prepared using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses, assets, and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place.

Program Revenues included in the Statement of Activities derive directly from the program itself or from parties outside the District's taxpayers or citizenry, as a whole; program revenues reduce the cost of the function to be financed from general revenues.

All direct expenses are reported by function in the Statement of Activities. Direct expenses are those that are clearly identifiable with a function. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities. In the process of aggregating data for the Statement of Net Assets and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

FUND FINANCIAL STATEMENTS

The accounts are organized and operated on the basis of funds. A fund is a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

GOVERNMENTAL FUND TYPES

Governmental funds are used to account for general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are “measurable and available”). “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions, and certain compensated absences and claims and judgments which are recognized as expenditures because they will be liquidated with expendable financial resources.

Revenues susceptible to accrual are interest, state, county and local shared revenue and federal and state grants. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met.

The following major governmental funds are reported:

GENERAL FUND

This fund accounts for all financial resources and expenditures except those required to be accounted for in another fund. The principal revenue sources are property taxes and an apportionment from the State of Oregon School Support Fund.

GRANT FUNDS

The Grants Fund includes Title I, Title VI, and other federally financed special project funds. The principal sources of revenue are grants from the federal and Oregon governmental agencies. The primary uses of revenue are salaries and supplies specifically requested with application for grant.

CAPITAL IMPROVEMENT FUND #3

This fund holds the proceeds from the 2006 General Obligation Bonds. The projects to be undertaken with the proceeds from this bond issuance will be paid for out of this fund.

Additionally, the following funds are reported:

OTHER GOVERNMENTAL FUNDS

The Other Governmental Funds account for the aggregate of all non-major governmental funds.

INTERNAL SERVICE FUND

Insurance Reserve Fund – This fund’s primary source of revenue are interest and interfund transfers. Expenditures are for employee claims and insurance deductibles.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

MEASUREMENT FOCUS AND BASIS OF ACCOUNTING

Government-wide and proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements, and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. All revenues reported in the governmental funds are considered to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

Private sector standards of accounting and reporting issued prior to December 1, 1989, generally are followed in the government-wide financial statements to the extent that these standards do not conflict or contradict the guidance of the Governmental Accounting Standards Board.

BUDGETS

A budget is prepared and legally adopted for each governmental fund type on the modified accrual basis of accounting in the main program categories required by Oregon Local Budget Law. The budgets for all budgeted funds are adopted on a basis consistent with generally accepted accounting principles in the United States of America except the property taxes received after year-end not considered budgetary resources in the funds, inventory is expended when purchased, capital outlay is recorded as an expenditure rather than capitalized, and depreciation is not recorded on capital assets. A budget is not prepared for the agency funds as allowed by Oregon law.

The budget process begins early in each fiscal year with the establishment of the budget committee. Recommendations are developed through late winter with the budget committee approving the budget in early spring. Public notices of the budget hearing are generally published in spring with a public hearing being held approximately three weeks later. The Board may amend the budget prior to adoption. However, budgeted expenditures for each fund may not be increased by more than ten percent without re-publication. The budget is then adopted, appropriations are made, and the tax levy declared no later than June 30th.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Expenditure budgets are appropriated at the following levels for each fund: Instruction, Support Services, Enterprise & Community Services, Facilities Acquisition and Construction, Other Uses - Debt Service and Interfund Transfers, and Operating Contingency.

Expenditures can not legally exceed the adopted appropriation levels except in the case of grants which could not be estimated at the time of budget adoption. Appropriations lapse at the fiscal year-end. Management may amend line items in the budget without Board approval as long as appropriation levels (the legal level of control) are not changed. Supplemental appropriations may occur if the Board approves them due to unforeseen circumstances which could not be determined at the time the budget was adopted.

Budget amounts shown in the basic financial statements reflect the original budgeted appropriation amounts. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2007, except for the Lunch Fund, which over-expended Enterprise and Community Services by \$70,196 and Capital Improvements Fund #3 which over-expended Facilities Acquisition and Construction by \$2,259,214.

PROPERTY TAXES RECEIVABLE

Uncollected real and personal property taxes are reflected on the statement of net assets and the balance sheet as receivables. Uncollected taxes are deemed to be substantially collectible or recoverable through liens. All property taxes receivable are due from property owners within the District.

Under state law, county governments are responsible for extending authorized property tax levies, computing tax rates, billing and collecting all property taxes, and making periodic distributions of collections to entities levying taxes. Property taxes become a lien against the property when levied on July 1 of each year and are payable in three installments due on November 15, February 15 and May 15. Property tax collections are distributed monthly except for November, when such distributions are made weekly.

GRANTS

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Cash received from grantor agencies in excess of related grant expenditures are recorded as unearned revenue on the statement of net assets and the balance sheet.

SUPPLY INVENTORIES

Supply inventories purchased are valued at the lower of invoice cost (first-in, first-out) or market. Supply inventories are recorded as expenditures when used, rather than when purchased.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

RETIREMENT PLAN

Substantially all employees are participants in PERS. Contributions to PERS are made on a current basis as required by the plan and are charged to expenditures as funded. The Board of Directors, through contract negotiations, authorized the District to offer early retirement benefits to all non-temporary employees. Expenditures are recorded in the governmental funds as the incentive payments and related insurance premiums are incurred. The present value of future incentive payments and estimate insurance benefits is recorded in the Statement of Net Assets.

CAPITAL ASSETS

Capital assets are recorded at original cost or estimated original cost. Donated capital assets are recorded at their estimated fair market value on the date donated. Capital assets are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Interest incurred during construction is not capitalized. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

| | |
|----------------------------|----------------|
| Buildings and improvements | 10 to 50 years |
| Vehicles and Equipment | 5 to 30 years |

USE OF ESTIMATES

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

LONG-TERM OBLIGATIONS

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and amortized over the life of the related debt. As permitted by GASB Statement No. 34 the cost of bond issuance is amortized prospectively from the date of adoption of GASB Statement No. 34.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

NET ASSETS

Net assets comprise the various net earnings from operations, non-operating revenues, expenses and contributions of capital. Net assets are classified in the following three categories:

Invested in capital assets, net of related debt – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There are assets restricted for debt service and capital projects.

Unrestricted net assets – consists of all other assets that are not included in the other categories previously mentioned.

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. The total bank balance per the bank statements was \$272. All of these deposits were covered by federal depository insurance. For deposits in excess of federal depository insurance, Oregon Revised Statutes require the depositor institution to maintain on deposit with the collateral pool manager securities having a value not less than 25% of the outstanding certificates of participation issued by the pool manager. All bank balances in excess of federal depository insurance, if any, are collateralized by securities held by an District other than the financial institution as an agent of the bank. This collateral is held in the name of the bank(s). State statutes govern cash management policies, because the District does not have an official investment policy. Statutes authorize investing in banker's acceptances, time certificates of deposit, repurchase agreements, obligations of the United States and its agencies and instrumentalities, and the Oregon State Treasurer's Local Government Investment Pool.

INVESTMENTS

The State Treasurer's Local Government Investment Pool is not registered with the U.S. Securities and Exchange Commission as an investment company. The Oregon Revised Statutes and the Oregon Investment Council govern the State's investment policies. The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. These funds must be invested, and the investments managed, as a prudent investor would, exercising reasonable care, skill and caution. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund was in compliance with all portfolio guidelines at June 30, 2007.

Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized. There is no material difference between the fair value of the District's position in the State Treasurer's Local Government Investment Pool and the value of the pool shares at June 30, 2007. There were no known violations of legal or contractual provisions for deposits and investments during the fiscal year.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

Cash and Investments at June 30, 2007, (recorded at fair value) consisted of:

| | |
|---------------------------------------|---------------|
| Deposits With Financial Institutions: | 2007 |
| Petty Cash | \$ 20,330 |
| Demand Deposits: | |
| Checking | (896,978) |
| Money Market | 52,053 |
| Cash with Fiscal Agents | 420,604 |
| Investments | 76,270,929 |
| Total | \$ 75,866,938 |

There were the following investments and maturities:

| Investment Type | Fair Value | Investment Maturities (in months) | | |
|-----------------------------------|---------------|-----------------------------------|---------------|--------------|
| | | Less than 3 | 3-18 | 18-59 |
| State Treasurer's Investment Pool | \$ 25,114,291 | \$ 25,114,291 | \$ - | \$ - |
| U.S. Government Bonds | 51,156,638 | 9,031,803 | 36,302,008 | 5,822,827 |
| Total | \$ 76,270,929 | \$ 34,146,094 | \$ 36,302,008 | \$ 5,822,827 |

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. The District does not have any investments that have a maturity date.

Credit Risk

Oregon Revised Statutes does not limit investments as to credit rating for securities purchased from US Government Agencies or USGSE. The State Investment Pool is not rated.

Concentration of Credit Risk

At June 30, 2007, 3% of total investments were in the State Treasurer's Investment Pool, and 67% in U.S. Government Bonds. State statutes do not limit the percentage of investments in either of these instruments. Oregon Revised Statutes require no more than 25 percent of the moneys of local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2007, there was compliance with all percentage restrictions.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. ACCOUNTS/GRANTS RECEIVABLE

Special revenue fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs.

4. CAPITAL ASSETS

The changes in capital assets for the year ended June 30, 2007 are as follows:

| | Capital Assets 7/1/2006 | Additions | Deletions | Capital Assets 6/30/2007 |
|--------------------------|----------------------------|----------------|------------------|-----------------------------|
| Land (non depreciable) | \$ 1,557,919 | \$ - | \$ - | \$ 1,557,919 |
| Buildings | 38,742,939 | - | - | 38,742,939 |
| Site Improvements | 1,163,141 | 21,038 | - | 1,184,179 |
| Equipment & Vehicles | 4,025,631 | 726,031 | (200,730) | 4,550,932 |
| | <u>45,489,630</u> | <u>747,069</u> | <u>(200,730)</u> | <u>46,035,969</u> |
| Accumulated Depreciation | (27,337,013) | (894,526) | 200,736 | (28,030,803) |
| Totals | <u>\$ 18,152,617</u> | | | <u>\$ 18,005,166</u> |

Accumulated Depreciation

Depreciation was allocated to the functions as followed:

| | |
|-----------------------------------|-------------------|
| Instruction | \$ 626,168 |
| Support Services | 223,632 |
| Enterprise and Community Services | <u>44,726</u> |
| Total | <u>\$ 894,526</u> |

5. RETIREMENT PLAN

Contributions are made to the Oregon Public Employees Retirement Fund (OPERF), a cost-sharing multiple-employer defined benefit pension plan administered by the Oregon Public Employees Retirement System (PERS). PERS provides 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 (ORS) Chapter 238. ORS 238.620 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. That report can be obtained by writing to PERS, P.O. Box 23700, Tigard, OR 97281-3700 or by calling 1-503-598-7377.

Members of PERS are required to contribute 6% of their salary covered under the plan. The District is required by ORS 238.225 to contribute at an actuarially determined rate. The employer contribution rate effective July 1, 2005 was 6.72%. The contributions to the plan for the years ending June 30, 2007, 2006 and 2005 were \$2,573,241, \$2,386,420, and \$1,020,928, respectively, and were equal to the required contributions for each year.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. RETIREMENT PLAN (CONTINUED)

Members of PERS are required to contribute 6% of their salary covered under the plan. The District is required by ORS 238.225 to contribute at an actuarially determined rate. The rate effective July 1, 2005 is 6.72% of salary covered under the plan for Tier 1 and Tier 2 employees and 7.23% for employees covered under the Oregon Public Services Retirement Plan (OPSRP). In June, 2004 the District participated in the Oregon school Boards Association limited tax pension obligation bond issues to finance a portion of the estimated unfunded PERS actuarial liability (the "UAL"). \$45,885,000 was borrowed, reducing the rate paid to PERS to 2.78% on Tier 1 and Tier 2 employees. The contribution requirements for plan members are established by ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

6. LONG-TERM DEBT

BONDS PAYABLE:

General Obligation Bonds

General obligation bonds are issued to provide funds for the acquisition and construction of major capital facilities. The original amount of general obligation bonds issued in prior years is \$15,210,000.

On December 20, 2006, the General Obligation Bonds, Series 2006 was issued for \$55,000,000, with interest rates ranging from 3.85-5.0%.

Pension Obligation Bonds

In 2004 \$45,885,000 of limited tax pension obligation bonds were issued to finance its unfunded actuarially accrued liability (UAL) with the State of Oregon Public Employees Retirement System (PERS). The issuance of the bonds was considered an advance refunding of the UAL. The actual savings realized over the life of the bonds is uncertain because of the various legislative changes and legal issues pending with the PERS system which could impact the future required contribution rate.

Changes in bonds outstanding are as follows:

| <u>Issue Date</u> | <u>Interest Rates</u> | <u>Original Issue</u> | <u>Outstanding July 1, 2006</u> | <u>Issued</u> | <u>Matured And Redeemed</u> | <u>Outstanding June 30, 2007</u> |
|-------------------|-----------------------|-----------------------|---------------------------------|----------------------|-----------------------------|----------------------------------|
| Series 1996 | 4.75-5.35 | \$ 15,210,000 | \$ 2,175,000 | \$ - | \$ 1,055,000 | \$ 1,120,000 |
| Series 2004 | 3.25-5.528 | 45,885,000 | 45,885,000 | - | - | 45,885,000 |
| Series 2006 | 3.85-5.00 | 55,000,000 | - | 55,000,000 | - | 55,000,000 |
| | | | <u>\$48,060,000</u> | <u>\$ 55,000,000</u> | <u>\$ 1,055,000</u> | <u>\$ 102,005,000</u> |

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. LONG-TERM DEBT (CONTINUED)

Future maturities of bonds are payable as follows:

| Fiscal Year Ending June 30, | Principal | Interest |
|--------------------------------|--------------------|-------------------|
| 2008 | \$ 3,995,000 | \$ 6,229,521 |
| 2009 | 4,305,000 | 4,840,363 |
| 2010 | 4,885,000 | 4,669,131 |
| 2011 | 5,515,000 | 4,472,141 |
| 2012 | 6,040,000 | 4,249,321 |
| 2013-2017 | 39,825,000 | 16,503,870 |
| 2018-2022 | 12,600,000 | 9,078,325 |
| 2023-2027 | 22,010,000 | 4,682,216 |
| 2028 | 2,830,000 | 156,442 |
| Total | 102,005,000 | \$ 54,881,330 |
| Premium | 3,513,878 | |
| Total | \$ 105,518,878 | |

Qualified Zone Academy Bonds (QZAB) Series 2004 and Series 2007

The District issued \$1,451,595 of Qualified Zone Academy Bonds in previous years, and an additional \$1,000,000 during 2006-07. There are annual payments totaling \$96,773 through July 1, 2020 on the first bond issue, and payments of \$62,500 through 2023 on the second bond issue.

NOTES PAYABLE:

1993 Financing Agreement

In 1993, a Bancroft note payable for \$168,482 to the City of Albany was incurred. The principal payments on the note are due semi-annually, in varying amounts, through 2013, with an interest rate of 6.05%.

Future maturities of notes payable and QZAB are as follows:

| | 1993 Note | QZAB | Total |
|-----------|------------|---------------|---------------|
| 2007-08 | \$ 7,248 | \$ 159,273 | \$ 166,521 |
| 2008-09 | 7,702 | 159,273 | 166,975 |
| 2009-10 | 8,185 | 159,273 | 167,458 |
| 2010-11 | 8,697 | 159,273 | 167,970 |
| 2011-12 | 9,240 | 159,273 | 168,513 |
| 2012-17 | 7,114 | 796,365 | 803,479 |
| 2017-22 | - | 602,819 | 602,819 |
| 2022-23 | - | 62,500 | 62,500 |
| Total | 48,186 | 2,258,049 | 2,306,235 |

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. LONG-TERM DEBT (CONTINUED)

CAPITAL LEASES

Various lease agreements have been entered into with interest rates varying from 3.0% to 5.3%. These agreements qualify as capital leases for accounting purposes and have been recorded at the present value of the future minimum lease payments as of the inception date in the Statement of Net Assets.

| Year Ending June 30, | CAPITAL LEASES | | |
|-------------------------|---------------------|-------------------|---------------------|
| | Principal | Interest | Total |
| 2008 | \$ 205,647 | \$ 43,244 | \$ 248,891 |
| 2009 | 172,909 | 34,202 | 207,111 |
| 2010 | 182,491 | 24,620 | 207,111 |
| 2011 | 188,406 | 18,705 | 207,111 |
| 2012 | 134,629 | 11,056 | 145,685 |
| 2013-17 | 143,514 | 7,235 | 150,749 |
| | <u>\$ 1,027,596</u> | <u>\$ 139,062</u> | <u>\$ 1,166,658</u> |

Total long-term liability activity for the year ended June 30, 2007 was as follows:

| | Beginning Balance | Additons | Reductions | Ending Balance | Due Within One Year |
|------------------------------|----------------------|----------------------|---------------------|-----------------------|------------------------|
| Bonds Payable | \$ 48,060,000 | \$ 58,513,878 | \$ 1,055,000 | \$ 105,518,878 | \$ 3,995,000 |
| Qualified Zone Academy Bonds | 1,354,822 | 1,000,000 | 96,773 | 2,258,049 | 159,273 |
| Capital Leases | 872,725 | 331,000 | 176,128 | 1,027,597 | 205,647 |
| Notes Payable | 57,497 | - | 9,311 | 48,186 | 7,248 |
| Total Long-term Liabilities | <u>\$ 50,345,044</u> | <u>\$ 59,844,878</u> | <u>\$ 1,337,212</u> | <u>\$ 108,852,710</u> | <u>\$ 4,367,168</u> |

7. COMMITMENTS AND CONTINGENCIES

The District participates in a number of federally assisted grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The federal audits for these programs for the year ended June 30, 2007 have not been conducted. Accordingly, compliance with grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the District expects such amounts to be immaterial.

The District receives a substantial portion of its operating funding from the State of Oregon. State funding is determined through state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate they can cause the District to either have increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on the District's operations can not be determined.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. PROPERTY TAX LIMITATIONS

The State of Oregon imposes a constitutional limit on property taxes for schools and nonschool government operations. School operations include community colleges, local school districts, and education service districts. The limitation provides that property taxes for school operations are limited to \$5.00 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The result of this requirement has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The State further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10% and limiting future tax value growth of each property to no more than 3% per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The State Constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the State to minimize the impact to school districts from the impact of the tax cuts.

9. PREPAID PERS LIABILITY

As a result of the issuance of the 2004 Limited Tax Pension Obligation Bonds, a Prepaid PERS Liability is reported in the Statement of Net Assets. The prepaid liability is equal to the initial \$46,612,192 payment made to PERS from the bond proceeds, less accumulated amortization. Annual amortization is being calculated on a straight-line basis over the life of the pension obligation bonds.

10. EARLY RETIREMENT PLAN

There is an early retirement plan for qualified employees. Expenditures are recorded as the incentive payments and related insurance premiums are incurred. In order to qualify for the plan, an employee must be eligible for retirement under PERS. Eligible employees will be paid for a specified time. The amount of compensation per month is equal to 1% of the contractual yearly salary the retiree would have received if fully employed with the District, along with related insurance premiums. Early retirement program costs are recorded as expenditures and funded on a pay as you go basis. The actuarial present value of vested and non-vested accumulated benefits is not available. At June 30, 2007, the estimated liability is \$3,781,339.

11. INTERGOVERNMENTAL AGENCY

In 1993 an intergovernmental agreement was entered into to build, operate, and maintain the Linn Regional Fueling Facility (LRFF) along with Linn Count, the City of Albany, Linn-Benton Community College, and Linn-Benton-Lincoln Education Service District. The agreement specified that the land and improvements constituting the regional fueling facility shall be owned by Linn County and that the capital costs of designing and building the facility will be repaid by all parties through surcharges and capital cost payments. The capital cost payments will end when the total capital cost of the facility has been reached.

After Five years of participation in the agreement, a party becomes vested as a capital cost shareholder. If, after the five-year point, a party withdraws from the agreement, the other parties agree to pay the withdrawing party an amount equal to 80% of that party's total capital cost payments. Operation and maintenance costs are shared by the parties proportionately in accordance with each party's usage of the facility. These costs are covered through surcharges and fees set by the Linn Regional Fueling Facility Board.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. INTERGOVERNMENTAL AGENCY (Continued)

The District does not have an equity interest in the Facility, and therefore does not report an equity interest in the basic financial statements. At June 30, 2007, the Linn Regional Fueling Facility's equity balance as reported in its audited financial statement totaled \$482,650. A copy of the Linn Regional Fueling Facility's audit report may be obtained from Linn County.

12. SELF-INSURANCE

The District is self-insured for public liability and property damage claims on the first \$250,000 of any accident and for the amount, if any, in excess of stated policy limits. The District carries liability insurance for amounts not otherwise self-insured. Estimated losses on claims are charged to expense in the period the loss is determinable.

The District also provides self-insurance for benefits to unemployed former employees through participation in a risk pool. One percent of payroll is contributed to the pool. Contributions in excess of actual unemployment benefits paid are held in the Insurance Reserve Fund.

13. DEFERRED COMPENSATION PLAN

A deferred compensation plan is available to employees wherein they may execute an individual agreement with The District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation, or retirement. The deferred compensation plan is one which is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of The District.

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GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY DATA

Combining, Individual Fund, Account Groups
And Other Financial Schedules

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**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

GENERAL FUND

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE POSITIVE (NEGATIVE) |
|--|---------------------|---------------------|---------------------|------------------------------------|
| REVENUES: | | | | |
| Local Sources | \$ 16,250,000 | \$ 16,250,000 | \$ 18,546,793 | \$ 2,296,793 |
| Intermediate Sources | 30,000 | 30,000 | 47,839 | 17,839 |
| State Sources | 39,758,766 | 39,758,766 | 38,894,792 | (863,974) |
| Federal Sources | 925,000 | 925,000 | 972,036 | 47,036 |
| Total Revenues | 56,963,766 | 56,963,766 | 58,461,460 | 1,497,694 |
| EXPENDITURES: | | | | |
| Instruction | 38,304,586 | 37,954,586 (1) | 37,763,824 | 190,762 |
| Support Services | 20,848,570 | 21,198,570 (1) | 20,967,508 | 231,062 |
| Enterprise and Community Services | 202,844 | 202,844 (1) | 193,543 | 9,301 |
| Facilities Acquisition & Construction | 2,053,385 | 2,053,385 (1) | 1,033,147 | 1,020,238 |
| Contingencies | 2,046,082 | 2,046,082 (1) | - | - |
| Total Expenditures | 63,455,467 | 63,455,467 | 59,958,022 | 431,125 |
| Excess of Revenues Over (Under) Expenditures | (6,491,701) | (6,491,701) | (1,496,562) | 1,066,569 |
| OTHER FINANCING SOURCES (USES) | | | | |
| Sale of Assets | 5,000 | 5,000 | 16 | (4,984) |
| Transfers Out | (559,500) | (559,500) (1) | (552,015) | 7,485 |
| Total Other Financing Sources (Uses) | (554,500) | (554,500) | (551,999) | 2,501 |
| Net Change in Fund Balance | (7,046,201) | (7,046,201) | (2,048,561) | 4,997,640 |
| Beginning Fund Balance | 8,046,201 | 8,046,201 | 8,475,276 | 429,075 |
| Ending Fund Balance | \$ 1,000,000 | \$ 1,000,000 | \$ 6,426,715 | \$ 5,426,715 |

(1) Appropriation level

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

| | <u>GRANT FUNDS</u> | | | VARIANCE POSITIVE (NEGATIVE) |
|---------------------------------|--------------------|------------------|-------------------|------------------------------------|
| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | |
| REVENUES: | | | | |
| From Local Sources: | \$ 440,000 | \$ 440,000 | \$ 329,104 | \$ (110,896) |
| From Intermediate Sources: | 75,000 | 75,000 | 60,969 | (14,031) |
| From State Sources: | 200,000 | 200,000 | 132,434 | (67,566) |
| From Federal Sources: | 4,435,080 | 4,435,080 | 3,322,610 | (1,112,470) |
| Total Revenue | <u>5,150,080</u> | <u>5,150,080</u> | <u>3,845,117</u> | <u>(1,304,963)</u> |
| EXPENDITURES: | | | | |
| Instruction | 3,433,478 | 3,433,478 (1) | 2,561,293 | 872,185 |
| Support Services | 2,497,992 | 2,497,992 (1) | 1,533,257 | 964,735 |
| Enterprise & Community Services | 68,610 | 68,610 (1) | 65,966 | 2,644 |
| Contingency | 450,000 | 450,000 (1) | 0 | 450,000 |
| Total Expenditures | <u>6,450,080</u> | <u>6,450,080</u> | <u>4,160,516</u> | <u>2,289,564</u> |
| Net Change in Fund Balance | (1,300,000) | (1,300,000) | (315,399) | 984,601 |
| Beginning Fund Balance | <u>1,300,000</u> | <u>1,300,000</u> | <u>819,340</u> | <u>(480,660)</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 503,941</u> | <u>\$ 503,941</u> |

(1) Appropriation Level

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

SUPPLEMENTARY DATA

Combining, Individual Fund, Account Groups
And Other Financial Schedules

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**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

CAPITAL IMPROVEMENT FUND #3

| | <u>ORIGINAL BUDGET</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|---|----------------------------|-------------------------|----------------------|---|
| REVENUES: | | | | |
| Total Local Revenue: | \$ 0 | \$ 0 | \$ 1,362,342 | \$ 1,362,342 |
| Total Revenue | <u>0</u> | <u>0</u> | <u>1,362,342</u> | <u>1,362,342</u> |
| EXPENDITURES: | | | | |
| Support Services | 0 | 0 (1) | 322,571 | (322,571) |
| Facilities Acquisition and Construction | <u>0</u> | <u>0 (1)</u> | <u>1,936,643</u> | <u>(1,936,643)</u> |
| Total Expenditures | <u>0</u> | <u>0</u> | <u>2,259,214</u> | <u>(2,259,214)</u> |
| OTHER FINANCING SOURCES (USES) | | | | |
| Bond Proceeds | 0 | 0 | 55,000,000 | 55,000,000 |
| Bond Premium | <u>0</u> | <u>0</u> | <u>3,513,878</u> | <u>3,513,878</u> |
| Total Other Financing Sources (Uses) | <u>0</u> | <u>0</u> | <u>58,513,878</u> | <u>58,513,878</u> |
| Net Change in Fund Balance | 0 | 0 | 57,617,006 | 57,617,006 |
| Beginning Fund Balance | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 57,617,006</u> | <u>\$ 57,617,006</u> |

(1) Appropriation Level

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS

June 30, 2007

| | STUDENT ACTIVITY FUND | ENERGY CONSERVATION FUND | E-RATE FUNDING FUND | SCHOOL LUNCH FUND | DEBT SERVICE FUND |
|---|-----------------------------|--------------------------------|---------------------------|-------------------------|-------------------------|
| ASSETS: | | | | | |
| Cash and Investments | \$ 478,982 | \$ 123,878 | \$ 109,774 | \$ 24,967 | \$ 80,712 |
| Accounts Receivable | 22,397 | 325,573 | 0 | 310,440 | 86,708 |
| Total Assets | <u>\$ 501,379</u> | <u>\$ 449,451</u> | <u>\$ 109,774</u> | <u>\$ 335,407</u> | <u>\$ 167,420</u> |
| LIABILITIES AND FUND BALANCES: | | | | | |
| Liabilities: | | | | | |
| Deposits Payable | \$ 0 | \$ 0 | \$ 0 | \$ 24,964 | \$ 0 |
| Deferred Revenue | 0 | 0 | 0 | 0 | 72,372 |
| Total Liabilities | 0 | 0 | 0 | 24,964 | 72,372 |
| Fund Balances: | | | | | |
| Unreserved Designated for Subsequent Years' Expenditures | 501,379 | 449,451 | 109,774 | 310,443 | 95,048 |
| Total Fund Balances | 501,379 | 449,451 | 109,774 | 310,443 | 95,048 |
| Total Liabilities and Fund Balances | <u>\$ 501,379</u> | <u>\$ 449,451</u> | <u>\$ 109,774</u> | <u>\$ 335,407</u> | <u>\$ 167,420</u> |

| <u>PERS DEBT SERVICE</u> | <u>CAPITAL IMPROVEMENT FUND #1</u> | <u>CAPITAL IMPROVEMENT FUND #2</u> | <u>TOTAL</u> |
|----------------------------------|--|--|---------------------|
| \$ 919,653 | \$ 1,494,389 | \$ 16 | \$ 3,232,371 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>745,118</u> |
| <u>\$ 919,653</u> | <u>\$ 1,494,389</u> | <u>\$ 16</u> | <u>\$ 3,977,489</u> |
| \$ 0 | \$ 0 | \$ 0 | \$ 24,964 |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>72,372</u> |
| <u>0</u> | <u>0</u> | <u>0</u> | <u>97,336</u> |
| <u>919,653</u> | <u>1,494,389</u> | <u>16</u> | <u>3,880,153</u> |
| <u>919,653</u> | <u>1,494,389</u> | <u>16</u> | <u>3,880,153</u> |
| <u>\$ 919,653</u> | <u>\$ 1,494,389</u> | <u>\$ 16</u> | <u>\$ 3,977,489</u> |

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2007**

| | STUDENT ACTIVITY FUND | BUS REPLACEMENT FUND | ENERGY CONSERVATION FUND | E-RATE FUNDING FUND | SCHOOL LUNCH FUND |
|--|-----------------------------|----------------------------|--------------------------------|---------------------------|-------------------------|
| REVENUES: | | | | | |
| From Local Sources | \$ 1,665,976 | \$ 179 | \$ 0 | \$ 162,863 | \$ 967,294 |
| From State Sources | 0 | 0 | 155,680 | 0 | 0 |
| From Federal Sources | 0 | 0 | 0 | 0 | 1,575,702 |
| Total Revenues | <u>1,665,976</u> | <u>179</u> | <u>155,680</u> | <u>162,863</u> | <u>2,542,996</u> |
| EXPENDITURES: | | | | | |
| Instruction | 1,648,618 | 0 | 0 | 0 | 0 |
| Support Services | 72,075 | 492,421 | 0 | 217,682 | 0 |
| Enterprise and Community Services | 0 | 0 | 0 | 0 | 2,798,446 |
| Facilities Acquisition and Construction | 0 | 0 | 833,859 | 0 | 0 |
| Debt Service | 0 | 219,213 | 96,773 | 0 | 0 |
| Total Expenditures | <u>1,720,693</u> | <u>711,634</u> | <u>930,632</u> | <u>217,682</u> | <u>2,798,446</u> |
| Excess of Revenues Over, (Under) Expenditures | (54,717) | (711,455) | (774,952) | (54,819) | (255,450) |
| Other Financing Sources, (Uses): | | | | | |
| Transfers In | 977 | 380,455 | 125,000 | 0 | 31,583 |
| Loan Proceeds | 0 | 331,000 | 1,000,000 | 0 | 0 |
| Total Other Financing Sources, (Uses) | <u>977</u> | <u>711,455</u> | <u>1,125,000</u> | <u>0</u> | <u>31,583</u> |
| Net Change in Fund Balance | (53,740) | 0 | 350,048 | (54,819) | (223,867) |
| Beginning Fund Balances | <u>555,119</u> | <u>0</u> | <u>99,403</u> | <u>164,593</u> | <u>534,310</u> |
| Ending Fund Balances | <u>\$ 501,379</u> | <u>\$ 0</u> | <u>\$ 449,451</u> | <u>\$ 109,774</u> | <u>\$ 310,443</u> |

| DEBT SERVICE FUND | PERS REFINANCE FUND | CAPITAL IMPROVEMENT FUND #1 | CAPITAL IMPROVEMENT FUND #2 | TOTAL |
|-------------------------|---------------------------|-----------------------------------|-----------------------------------|---------------------|
| \$ 1,161,028 | \$ 2,415,476 | \$ 72,004 | \$ 3 | \$ 6,444,823 |
| 0 | 0 | 0 | 0 | 155,680 |
| 0 | 0 | 0 | 0 | 1,575,702 |
| <u>1,161,028</u> | <u>2,415,476</u> | <u>72,004</u> | <u>3</u> | <u>8,176,205</u> |
| 0 | 0 | 0 | 0 | 1,648,618 |
| 0 | 0 | 0 | 350 | 782,528 |
| 0 | 0 | 0 | 0 | 2,798,446 |
| 0 | 0 | 780 | 0 | 834,639 |
| <u>1,182,128</u> | <u>2,453,487</u> | <u>0</u> | <u>0</u> | <u>3,951,601</u> |
| <u>1,182,128</u> | <u>2,453,487</u> | <u>780</u> | <u>350</u> | <u>10,015,832</u> |
| (21,100) | (38,011) | 71,224 | (347) | (1,839,627) |
| 14,000 | 0 | 0 | 0 | 552,015 |
| 0 | 0 | 0 | 0 | 1,331,000 |
| <u>14,000</u> | <u>0</u> | <u>0</u> | <u>0</u> | <u>1,883,015</u> |
| (7,100) | (38,011) | 71,224 | (347) | 43,388 |
| <u>102,148</u> | <u>957,664</u> | <u>1,423,165</u> | <u>363</u> | <u>3,836,765</u> |
| <u>\$ 95,048</u> | <u>\$ 919,653</u> | <u>\$ 1,494,389</u> | <u>\$ 16</u> | <u>\$ 3,880,153</u> |

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007

STUDENT ACTIVITY FUND

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE POSITIVE (NEGATIVE) |
|----------------------------------|--------------------|-----------------|--------------|------------------------------------|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Total Local Sources | \$ 1,550,000 | \$ 1,550,000 | \$ 1,665,976 | \$ 115,976 |
| Total Revenues | 1,550,000 | 1,550,000 | 1,665,976 | 115,976 |
| EXPENDITURES: | | | | |
| Instruction | 1,664,800 | 1,664,800 (1) | 1,648,618 | 16,182 |
| Support Services | 75,200 | 75,200 (1) | 72,075 | 3,125 |
| Contingency | 411,500 | 411,500 (1) | 0 | 411,500 |
| Total Expenditures | 2,151,500 | 2,151,500 | 1,720,693 | 430,807 |
| Excess of Revenues Over, (Under) | | | | |
| Expenditures | (601,500) | (601,500) | (54,717) | 546,783 |
| Other Financing Sources, (Uses) | | | | |
| Transfers In | 1,500 | 1,500 | 977 | (523) |
| Net Change in Fund Balance | (600,000) | (600,000) | (53,740) | 546,260 |
| Beginning Fund Balance | 600,000 | 600,000 | 555,119 | (44,881) |
| Ending Fund Balance | \$ 0 | \$ 0 | \$ 501,379 | \$ 501,379 |

(1) Appropriation Level

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

BUS REPLACEMENT FUND

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE POSITIVE (NEGATIVE) |
|--|--------------------|--------------------|------------------|------------------------------------|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Interest on Investments | \$ 0 | \$ 0 | \$ 179 | \$ 179 |
| Total Local Revenue: | <u>0</u> | <u>0</u> | <u>179</u> | <u>179</u> |
| Total Revenue | <u>0</u> | <u>0</u> | <u>179</u> | <u>179</u> |
| EXPENDITURES: | | | | |
| Support Services | 515,000 | 515,000 (1) | 492,421 | 22,579 |
| Debt Service | <u>234,000</u> | <u>234,000 (1)</u> | <u>219,213</u> | <u>14,787</u> |
| Total Expenditures | <u>749,000</u> | <u>749,000</u> | <u>711,634</u> | <u>37,366</u> |
| Excess of Revenues Over, (Under) Expenditures | <u>(749,000)</u> | <u>(749,000)</u> | <u>(711,455)</u> | <u>37,545</u> |
| Other Financing Sources, (Uses) | | | | |
| Lease Purchase Proceeds | 375,000 | 375,000 | 331,000 | (44,000) |
| Transfers In | <u>374,000</u> | <u>374,000</u> | <u>380,455</u> | <u>6,455</u> |
| Total Other Financing Sources, (Uses) | <u>749,000</u> | <u>749,000</u> | <u>711,455</u> | <u>(37,545)</u> |
| Net Change in Fund Balance | 0 | 0 | 0 | 0 |
| Beginning Fund Balance | <u>0</u> | <u>0</u> | <u>0</u> | <u>0</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 0</u> |

(1) Appropriation Level

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

ENERGY CONSERVATION FUND

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE POSITIVE (NEGATIVE) |
|--|--------------------|--------------------|-------------------|------------------------------------|
| REVENUES: | | | | |
| From Local Sources: | \$ 2,000 | \$ 2,000 | \$ 0 | \$ (2,000) |
| From State Sources | 225,000 | 225,000 | 155,680 | (69,320) |
| Total Revenue | <u>227,000</u> | <u>227,000</u> | <u>155,680</u> | <u>(71,320)</u> |
| EXPENDITURES: | | | | |
| Debt Service | 220,000 | 220,000 (1) | 96,773 | 123,227 |
| Facilities Acquisition and Construction | 2,232,000 | 2,232,000 (1) | 833,859 | 1,398,141 |
| Total Expenditures | <u>2,452,000</u> | <u>2,452,000</u> | <u>930,632</u> | <u>1,521,368</u> |
| Excess of Revenues Over, (Under) Expenditures | <u>(2,225,000)</u> | <u>(2,225,000)</u> | <u>(774,952)</u> | <u>1,450,048</u> |
| Other Financing Sources, (Uses) | | | | |
| Transfers In | 125,000 | 125,000 | 125,000 | 0 |
| Loan Proceeds | 1,600,000 | 1,600,000 | 1,000,000 | (600,000) |
| Total Other Financing Sources, (Uses) | <u>1,725,000</u> | <u>1,725,000</u> | <u>1,125,000</u> | <u>(600,000)</u> |
| Net Change in Fund Balance | (500,000) | (500,000) | 350,048 | 850,048 |
| Beginning Fund Balance | <u>500,000</u> | <u>500,000</u> | <u>99,403</u> | <u>(400,597)</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 449,451</u> | <u>\$ 449,451</u> |

(1) Appropriation Level

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

E-RATE FUNDING FUND

| | <u>ORIGINAL BUDGET</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|----------------------------|----------------------------|-------------------------|-------------------|---|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Total Local Revenue: | \$ 67,000 | \$ 67,000 | \$ 162,863 | \$ 95,863 |
| Total Revenue | <u>67,000</u> | <u>67,000</u> | <u>162,863</u> | <u>95,863</u> |
| EXPENDITURES: | | | | |
| Support Services | 250,000 | 250,000 (1) | 217,682 | 32,318 |
| Contingency | <u>67,000</u> | <u>67,000 (1)</u> | <u>0</u> | <u>67,000</u> |
| Total Expenditures | <u>317,000</u> | <u>317,000</u> | <u>217,682</u> | <u>99,318</u> |
| Net Change in Fund Balance | (250,000) | (250,000) | (54,819) | 195,181 |
| Beginning Fund Balance | <u>250,000</u> | <u>250,000</u> | <u>164,593</u> | <u>(85,407)</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 109,774</u> | <u>\$ 109,774</u> |

(1) Appropriation Level

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007

| <u>SCHOOL LUNCH FUND</u> | | | | |
|--|----------------------------|-------------------------|-------------------|---|
| | <u>ORIGINAL BUDGET</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
| REVENUES: | | | | |
| From Local Sources: | \$ 908,250 | \$ 908,250 | \$ 967,294 | \$ 59,044 |
| From Federal Sources: | 1,425,000 | 1,425,000 | 1,575,702 | 150,702 |
| Total Revenues | <u>2,333,250</u> | <u>2,333,250</u> | <u>2,542,996</u> | <u>209,746</u> |
| EXPENDITURES: | | | | |
| Enterprise & Community Services | 2,578,250 | 2,728,250 (1) | 2,798,446 | (70,196) |
| Contingency | 150,000 | 0 (1) | 0 | 0 |
| Total Expenditures | <u>2,728,250</u> | <u>2,728,250</u> | <u>2,798,446</u> | <u>(70,196)</u> |
| Excess of Revenues Over, (Under) Expenditures | (395,000) | (395,000) | (255,450) | 139,550 |
| Other Financing Sources, (Uses) Transfers In | 45,000 | 45,000 | 31,583 | (13,417) |
| Net Change in Fund Balance | (350,000) | (350,000) | (223,867) | 126,133 |
| Beginning Fund Balance | <u>350,000</u> | <u>350,000</u> | <u>534,310</u> | <u>184,310</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 310,443</u> | <u>\$ 310,443</u> |
| (1) Appropriation Level | | | | |

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

DEBT SERVICE FUND

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE POSITIVE (NEGATIVE) |
|--|--------------------|----------------------|------------------|------------------------------------|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Property Taxes | \$ 1,136,335 | \$ 1,136,335 | \$ 1,131,887 | \$ 4,448 |
| Earnings on Investments | 10,000 | 10,000 | 29,141 | (19,141) |
| Total Local Revenue: | <u>1,146,335</u> | <u>1,146,335</u> | <u>1,161,028</u> | <u>14,693</u> |
| Total Revenue | <u>1,146,335</u> | <u>1,146,335</u> | <u>1,161,028</u> | <u>14,693</u> |
| EXPENDITURES: | | | | |
| Debt Service | <u>1,183,335</u> | <u>1,183,335</u> (1) | <u>1,182,128</u> | <u>1,207</u> |
| Total Expenditures | <u>1,183,335</u> | <u>1,183,335</u> | <u>1,182,128</u> | <u>1,207</u> |
| Excess of Revenues Over, (Under) Expenditures | (37,000) | (37,000) | (21,100) | 15,900 |
| Other Financing Sources, (Uses) Transfers In | <u>14,000</u> | <u>14,000</u> | <u>14,000</u> | <u>0</u> |
| Net Change in Fund Balance | (23,000) | (23,000) | (7,100) | 15,900 |
| Beginning Fund Balance | <u>23,000</u> | <u>23,000</u> | <u>102,148</u> | <u>79,148</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 95,048</u> | <u>\$ 95,048</u> |

(1) Appropriation Level

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007

PERS REFINANCE FUND

| | <u>ORIGINAL BUDGET</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|----------------------------|----------------------------|--------------------------|--------------------------|---|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Total Local Revenue: | \$ 2,325,000 | \$ 2,325,000 | \$ 2,415,476 | \$ 90,476 |
| Total Revenue | <u>2,325,000</u> | <u>2,325,000</u> | <u>2,415,476</u> | <u>90,476</u> |
| EXPENDITURES: | | | | |
| Debt Service | <u>2,453,487</u> | <u>2,453,487 (1)</u> | <u>2,453,487</u> | <u>0</u> |
| Total Expenditures | <u>2,453,487</u> | <u>2,453,487</u> | <u>2,453,487</u> | <u>0</u> |
| Net Change in Fund Balance | (128,487) | (128,487) | (38,011) | 90,476 |
| Beginning Fund Balance | <u>990,000</u> | <u>990,000</u> | <u>957,664</u> | <u>(32,336)</u> |
| Ending Fund Balance | <u><u>\$ 861,513</u></u> | <u><u>\$ 861,513</u></u> | <u><u>\$ 919,653</u></u> | <u><u>\$ 58,140</u></u> |

(1) Appropriation Level

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

CAPITAL IMPROVEMENT FUND #1

| | <u>ORIGINAL BUDGET</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|---|----------------------------|-------------------------|---------------------|---|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Total Local Revenue: | \$ 25,000 | \$ 25,000 | \$ 72,004 | \$ 47,004 |
| Total Revenue | <u>25,000</u> | <u>25,000</u> | <u>72,004</u> | <u>47,004</u> |
| EXPENDITURES: | | | | |
| Facilities Acquisition and Construction | <u>1,675,000</u> | <u>1,675,000</u> | (1) 780 | <u>1,674,220</u> |
| Total Expenditures | <u>1,675,000</u> | <u>1,675,000</u> | <u>780</u> | <u>1,674,220</u> |
| Excess of Revenues Over, (Under) Expenditures | (1,650,000) | (1,650,000) | 71,224 | 1,721,224 |
| Other Financing Sources, (Uses) Sale of Fixed Assets | <u>350,000</u> | <u>350,000</u> | <u>0</u> | <u>(350,000)</u> |
| Net Change in Fund Balance | (1,300,000) | (1,300,000) | 71,224 | 1,371,224 |
| Beginning Fund Balance | <u>1,300,000</u> | <u>1,300,000</u> | <u>1,423,165</u> | <u>123,165</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 1,494,389</u> | <u>\$ 1,494,389</u> |

(1) Appropriation Level

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF REVENUES EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
For the Year Ended June 30, 2007**

CAPITAL IMPROVEMENT FUND #2

| | ORIGINAL BUDGET | FINAL BUDGET | ACTUAL | VARIANCE POSITIVE (NEGATIVE) |
|----------------------------|--------------------|-----------------|--------|------------------------------------|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Total Local Revenue: | \$ 0 | \$ 0 | \$ 3 | \$ 3 |
| Total Revenue | 0 | 0 | 3 | 3 |
| EXPENDITURES: | | | | |
| Support Services | 350 | 350 (1) | 350 | 0 |
| Total Expenditures | 350 | 350 | 350 | 0 |
| Net Change in Fund Balance | (350) | (350) | (347) | 3 |
| Beginning Fund Balance | 350 | 350 | 363 | 13 |
| Ending Fund Balance | \$ 0 | \$ 0 | \$ 16 | \$ 16 |

(1) Appropriation Level

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

SCHEDULE OF CHANGES IN PROPRIETARY NET ASSETS
ACTUAL AND BUDGET
For the Year Ended June 30, 2007

INSURANCE RESERVE FUND

| | <u>ORIGINAL BUDGET</u> | <u>FINAL BUDGET</u> | <u>ACTUAL</u> | <u>VARIANCE POSITIVE (NEGATIVE)</u> |
|-----------------------------------|----------------------------|-------------------------|-------------------|---|
| REVENUES: | | | | |
| From Local Sources: | | | | |
| Total Local Revenue: | \$ 8,000 | \$ 8,000 | \$ 23,581 | \$ 15,581 |
| Total Revenue | <u>8,000</u> | <u>8,000</u> | <u>23,581</u> | <u>15,581</u> |
| EXPENDITURES: | | | | |
| Instruction | 27,500 | 27,500 (1) | 6,893 | 20,607 |
| Support Services | 230,299 | 230,299 (1) | 76,153 | 154,146 |
| Enterprise and Community Services | 9,000 | 9,000 (1) | 4,153 | 4,847 |
| Contingency | 91,201 | 91,201 (1) | 0 | 91,201 |
| Total Expenditures | <u>358,000</u> | <u>358,000</u> | <u>87,199</u> | <u>96,048</u> |
| Net Change in Fund Balance | (350,000) | (350,000) | (63,618) | 286,382 |
| Beginning Fund Balance | <u>350,000</u> | <u>350,000</u> | <u>405,658</u> | <u>55,658</u> |
| Ending Fund Balance | <u>\$ 0</u> | <u>\$ 0</u> | <u>\$ 342,040</u> | <u>\$ 342,040</u> |

(1) Appropriation Level

GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF REVENUE BY FUNCTION - ALL FUNDS
FOR THE YEAR ENDED JUNE 30, 2007

| Revenue from Local Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 600 |
|---|---------------------|---------------------|--------------------|---------------------|------------------|
| 1110 Ad Valorem Taxes Levied by District | \$17,147,905 | | \$1,131,886 | | |
| 1310 Regular Day School Tuition | \$35,418 | | | | |
| 1500 Earnings on Investments | \$1,004,489 | \$54,963 | \$77,626 | \$1,434,348 | \$19,069 |
| 1600 Food Service | | \$836,574 | | | |
| 1700 Extracurricular Activities | \$50,178 | \$1,633,772 | | | |
| 1920 Contributions and Donations From Private Sources | \$500 | \$2,500 | | | |
| 1930 Rental or Lease Payments From Private Contractors | \$33,250 | | | | |
| 1960 Recovery of Prior Years' Expenditure | \$35,776 | | | | |
| 1970 Services Provided Other Funds | | | \$2,366,993 | | |
| 1980 Fees Charged to Grants | \$83,103 | | | | |
| 1990 Miscellaneous | \$156,174 | \$597,607 | | | \$4,512 |
| Total Revenue from Local Sources | \$18,546,793 | \$3,125,416 | \$3,576,505 | \$1,434,348 | \$23,581 |
| Revenue from Intermediate Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 600 |
| 2101 County School Funds | \$47,839 | | | | |
| 2200 Restricted Revenue | | \$60,969 | | | |
| Total Revenue from Intermediate Sources | \$47,839 | \$60,969 | \$0 | \$0 | \$0 |
| Revenue from State Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 600 |
| 3101 State School Fund - General Support | \$37,427,169 | | | | |
| 3103 Common School Fund | \$730,668 | | | | |
| 3104 State Managed County Timber | \$187,329 | | | | |
| 3199 Other Unrestricted Grants-in-Aid | \$259,380 | \$155,680 | | | |
| 3299 Other Restricted Grants-in-Aid | \$290,246 | \$132,434 | | | |
| Total Revenue from State Sources | \$38,894,792 | \$288,114 | \$0 | \$0 | \$0 |
| Revenue from Federal Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 600 |
| 4500 Restricted Revenue From the Federal Government Through the State | \$0 | \$4,754,455 | \$0 | \$0 | \$0 |
| 4801 Federal Forest Fees | \$969,017 | \$0 | \$0 | \$0 | \$0 |
| 4899 Other Revenue in Lieu of Taxes | \$3,019 | | | | |
| 4900 Revenue for/on Behalf of the District | | \$143,857 | | | |
| Total Revenue from Federal Sources | \$972,036 | \$4,898,312 | \$0 | \$0 | \$0 |
| Revenue from Other Sources | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 600 |
| 5100 Long Term Debt Financing Sources | | \$1,331,000 | | \$58,513,878 | |
| 5200 Interfund Transfers | | \$538,015 | \$14,000 | | |
| 5300 Sale of or Compensation for Loss of Fixed Assets | \$16 | \$0 | \$0 | \$0 | \$0 |
| 5400 Resources - Beginning Fund Balance | \$8,475,276 | \$2,172,766 | \$1,059,813 | \$1,423,529 | \$405,658 |
| Total Revenue from Other Sources | \$8,475,292 | \$4,041,781 | \$1,073,813 | \$59,937,407 | \$405,658 |
| Grand Totals | \$66,936,752 | \$12,414,592 | \$4,650,318 | \$61,371,755 | \$429,239 |

**GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
FOR THE YEAR ENDED JUNE 30, 2007**

| Fund: 100 - General Fund | | | | | | | | |
|--|---------------------|---------------------|---------------------|--------------------|--------------------|--------------------|-------------------|-------------------|
| | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
| Instruction Expenditures | | | | | | | | |
| 1111 Primary, K-3 | \$8,549,645 | \$5,674,375 | \$2,352,264 | \$87,130 | \$435,876 | | | |
| 1112 Intermediate Programs | \$5,516,768 | \$3,622,947 | \$1,525,508 | \$47,226 | \$321,087 | | | |
| 1113 Elementary Extracurricular | \$0 | | | | | | | |
| 1121 Middle/Junior High Programs | \$6,189,224 | \$4,172,555 | \$1,704,752 | \$17,002 | \$294,915 | | | |
| 1122 Middle/Junior High School Extracurricular | \$0 | | | | | | | |
| 1131 High School Programs | \$7,714,109 | \$5,214,596 | \$2,076,639 | \$81,417 | \$341,457 | | | |
| 1132 High School Extracurricular | \$585,301 | \$430,158 | \$101,031 | \$54,112 | | | | |
| 1140 Pre-Kindergarten Programs | \$0 | | | | | | | |
| 1210 Programs for the Talented and Gifted | \$9,007 | \$4,127 | \$438 | \$3,991 | \$451 | | | |
| 1220 Restrictive Programs for Students with Disabilities | \$4,755,580 | \$2,681,096 | \$1,684,485 | \$372,004 | \$17,995 | | | |
| 1250 Less Restrictive Programs for Students with Disabilities | \$2,763,400 | \$1,841,501 | \$915,218 | \$1,559 | \$5,122 | | | |
| 1260 Early Intervention | \$0 | | | | | | | |
| 1271 Remediation | \$0 | | | | | | | |
| 1272 Title I | \$0 | | | | | | | |
| 1280 Alternative Education | \$704,170 | \$351,770 | \$143,937 | \$171,326 | \$37,137 | | | |
| 1291 English Second Language Programs | \$976,620 | \$661,767 | \$307,149 | \$1,636 | \$6,068 | | | |
| 1292 Teen Parent Program | \$0 | | | | | | | |
| 1293 Migrant Education | \$0 | | | | | | | |
| 1294 Youth Corrections Education | \$0 | | | | | | | |
| 1299 Other Programs | \$0 | | | | | | | |
| 1300 Adult/Continuing Education Programs | \$0 | | | | | | | |
| 1400 Summer School Programs | \$0 | | | | | | | |
| Total Instruction Expenditures | \$37,763,824 | \$24,654,892 | \$10,811,421 | \$837,403 | \$1,460,108 | \$0 | \$0 | \$0 |
| Support Services Expenditures | | | | | | | | |
| 2110 Attendance and Social Work Services | \$214,013 | \$111,234 | \$61,657 | \$40,174 | \$948 | | | |
| 2120 Guidance Services | \$1,442,158 | \$1,012,446 | \$417,634 | \$8,923 | \$3,155 | | | |
| 2130 Health Services | \$22,371 | | | \$20,320 | \$2,051 | | | |
| 2140 Psychological Services | \$44,124 | \$27,380 | \$15,013 | \$76 | \$1,655 | | | |
| 2150 Speech Pathology and Audiology Services | \$701,968 | \$442,531 | \$159,397 | \$90,067 | \$7,903 | | \$2,070 | |
| 2160 Other Student Treatment Services | \$0 | | | | | | | |
| 2190 Service Direction, Student Support Services | \$290,077 | \$201,459 | \$81,192 | \$675 | \$6,216 | | \$535 | |
| 2210 Improvement of Instruction Services | \$294,131 | \$167,731 | \$67,101 | \$20,178 | \$35,826 | | \$3,295 | |
| 2220 Educational Media Services | \$635,750 | \$371,092 | \$165,470 | \$1,152 | \$98,036 | | | |
| 2230 Assessment & Testing | \$102,116 | \$77,470 | \$24,311 | | \$335 | | | |
| 2240 Instructional Staff Development | \$212,212 | \$106,719 | \$17,509 | \$82,207 | \$5,777 | | | |
| 2310 Board of Education Services | \$248,171 | \$542 | \$3,634 | \$175,085 | \$2,724 | | \$66,186 | |
| 2320 Executive Administration Services | \$490,476 | \$353,563 | \$127,185 | \$3,730 | \$4,774 | | \$1,224 | |
| 2410 Office of the Principal Services | \$4,552,990 | \$3,121,402 | \$1,274,072 | \$97,734 | \$40,308 | | \$19,474 | |
| 2490 Other Support Services - School Administration | \$0 | | | | | | | |
| 2510 Direction of Business Support Services | \$197,916 | \$141,682 | \$52,282 | \$1,940 | \$1,637 | | \$375 | |
| 2520 Fiscal Services | \$414,285 | \$243,552 | \$112,415 | \$50,261 | \$8,007 | | \$50 | |
| 2540 Operation and Maintenance of Plant Services | \$5,989,630 | \$1,663,196 | \$833,510 | \$2,793,523 | \$455,997 | \$121,208 | \$122,196 | |
| 2550 Student Transportation Services | \$2,610,467 | \$1,340,311 | \$654,082 | \$32,810 | \$467,042 | \$64,624 | \$51,598 | |
| 2570 Internal Services | \$83,335 | \$43,046 | \$23,076 | \$17,267 | -\$54 | | | |
| 2610 Direction of Central Support Services | \$0 | | | | | | | |
| 2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services | \$0 | | | | | | | |
| 2630 Information Services | \$16,540 | | | \$16,540 | | | | |
| 2640 Staff Services | \$444,571 | \$243,721 | \$98,523 | \$93,458 | \$7,519 | | \$1,350 | |
| 2660 Technology Services | \$564,673 | \$223,750 | \$114,989 | \$99,930 | \$86,261 | \$39,543 | \$200 | |
| 2670 Records Management Services | \$0 | | | | | | | |
| 2690 Other Support Services - Central | \$0 | | | | | | | |
| 2700 Supplemental Retirement Program | \$1,395,534 | \$630,302 | \$762,352 | \$2,880 | | | | |
| Total Support Services Expenditures | \$20,967,508 | \$10,523,129 | \$5,065,404 | \$3,648,930 | \$1,236,117 | \$225,375 | \$268,553 | \$0 |
| Enterprise and Community Services Expenditures | | | | | | | | |
| 3100 Food Services | \$0 | | | | | | | |
| 3200 Other Enterprise Services | \$0 | | | | | | | |
| 3300 Community Services | \$0 | | | | | | | |
| 3500 Custody and Care of Children Services | \$193,543 | \$125,784 | \$61,518 | \$1,422 | \$4,713 | \$0 | \$106 | |
| Total Enterprise and Community Services Expenditures | \$193,543 | \$125,784 | \$61,518 | \$1,422 | \$4,713 | \$0 | \$106 | \$0 |
| Facilities Acquisition and Construction Expenditures | | | | | | | | |
| 4110 Service Area Direction | \$0 | | | | | | | |
| 4120 Site Acquisition and Development Services | \$0 | | | | | | | |
| 4150 Building Acquisition, Construction, and Improvement | \$1,033,147 | | | \$137,175 | | \$895,972 | | |
| 4190 Other Facilities Construction Services | \$0 | | | | | | | |
| Total Facilities Acquisition and Construction Expenditures | \$1,033,147 | \$0 | \$0 | \$137,175 | \$0 | \$895,972 | \$0 | \$0 |
| Other Uses Expenditures | | | | | | | | |
| 5100 Debt Service | \$0 | | | | | | | |
| 5200 Transfers of Funds | \$552,015 | | | | | | | \$552,015 |
| 5300 Apportionment of Funds by ESD | \$0 | | | | | | | |
| 5400 PERS UAL Boud Lunn Sum | \$0 | | | | | | | |
| Total Other Uses Expenditures | \$552,015 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$552,015 |
| Grand Total | \$60,510,037 | \$35,303,805 | \$15,938,343 | \$4,624,930 | \$2,700,938 | \$1,121,347 | \$268,659 | \$552,015 |

**GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
FOR THE YEAR ENDED JUNE 30, 2007**

Fund: 200 - Special Revenue Fund

| | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|---------------------|--------------------|--------------------|--------------------|--------------------|------------------|------------------|------------|
| Instruction Expenditures | | | | | | | | |
| 1111 Primary, K-3 | \$15,003 | | | \$655 | \$14,348 | | | |
| 1112 Intermediate Programs | \$236 | | | | \$236 | | | |
| 1113 Elementary Extracurricular | \$236,757 | \$9,604 | \$877 | \$301 | \$225,975 | | | |
| 1121 Middle/Junior High Programs | \$9,705 | | | | \$9,705 | | | |
| 1122 Middle/Junior High School Extracurricular | \$242,026 | \$2,305 | \$373 | \$0 | \$230,310 | \$9,038 | | |
| 1131 High School Programs | \$76,513 | | | \$1,701 | \$74,812 | | | |
| 1132 High School Extracurricular | \$1,167,229 | \$24,200 | \$3,161 | \$16,844 | \$1,086,041 | \$36,983 | | |
| 1220 Restrictive Programs for Students with Disabilities | \$865,461 | \$571,641 | \$230,908 | \$4,071 | \$44,336 | \$14,505 | | |
| 1250 Less Restrictive Programs for Students with Disabilities | \$440,481 | \$304,952 | \$132,055 | \$23 | \$3,451 | | | |
| 1272 Title I | \$1,008,156 | \$631,687 | \$289,849 | | \$86,620 | | | |
| 1280 Alternative Education | \$24,193 | \$8,853 | \$2,184 | | \$13,156 | | | |
| 1291 English Second Language Programs | \$124,151 | \$74,315 | \$37,161 | | \$12,675 | | | |
| Total Instruction Expenditures | \$4,209,911 | \$1,627,557 | \$696,568 | \$23,595 | \$1,801,665 | \$60,526 | \$0 | \$0 |
| Support Services Expenditures | | | | | | | | |
| 2110 Attendance and Social Work Services | \$416,879 | \$270,879 | \$120,903 | \$18,125 | \$6,972 | | | |
| 2120 Guidance Services | \$2,929 | \$344 | \$79 | \$1,309 | \$1,197 | | | |
| 2130 Health Services | \$1,897 | \$825 | \$163 | \$909 | | | | |
| 2140 Psychological Services | \$78,686 | \$55,999 | \$22,175 | \$189 | \$323 | | | |
| 2150 Speech Pathology and Audiology Services | \$38,249 | \$28,125 | \$10,124 | | | | | |
| 2190 Service Direction, Student Support Services | \$302,598 | \$205,451 | \$76,789 | \$12,845 | \$6,443 | | \$1,070 | |
| 2210 Improvement of Instruction Services | \$36,133 | \$5,662 | \$970 | \$12,727 | \$16,774 | | | |
| 2240 Instructional Staff Development | \$339,329 | \$164,436 | \$41,748 | \$129,282 | \$3,863 | | | |
| 2410 Office of the Principal Services | \$3,174 | \$2,214 | \$503 | | \$457 | | | |
| 2490 Other Support Services - School Administration | \$54,917 | \$40,652 | \$14,265 | | | | | |
| 2510 Direction of Business Support Services | \$29 | | | | \$29 | | | |
| 2520 Fiscal Services | \$83,103 | | | | | | \$83,103 | |
| 2540 Operation and Maintenance of Plant Services | \$7,072 | \$2,236 | \$433 | \$4,372 | \$31 | | | |
| 2550 Student Transportation Services | \$560,338 | \$7,671 | \$1,920 | \$58,326 | | \$492,421 | | |
| 2660 Technology Services | \$390,102 | \$81,968 | \$33,972 | \$218,432 | | \$55,730 | | |
| Total Support Services Expenditures | \$2,315,435 | \$866,462 | \$324,044 | \$456,516 | \$36,089 | \$548,151 | \$84,173 | \$0 |
| Enterprise and Community Services Expenditures | | | | | | | | |
| 3100 Food Services | \$2,798,446 | \$776,487 | \$439,062 | \$254,609 | \$1,257,151 | \$71,137 | | |
| 3300 Community Services | \$63,959 | \$42,167 | \$19,049 | \$2,359 | \$384 | | | |
| 3500 Custody and Care of Children Services | \$2,007 | \$86 | \$15 | | \$1,906 | | | |
| Total Enterprise and Community Services Expenditures | \$2,864,412 | \$818,740 | \$458,126 | \$256,968 | \$1,259,441 | \$71,137 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | | | | | | | |
| 4150 Building Acquisition, Construction, and Improvement Services | \$833,859 | | | \$833,859 | | | | |
| 4190 Other Facilities Construction Services | \$0 | | | | | | | |
| Total Facilities Acquisition and Construction Expenditures | \$833,859 | \$0 | \$0 | \$833,859 | \$0 | \$0 | \$0 | \$0 |
| Other Uses Expenditures | | | | | | | | |
| 5100 Debt Service | \$315,986 | | | | | | \$315,986 | |
| Total Other Uses Expenditures | \$315,986 | \$0 | \$0 | \$0 | \$0 | \$0 | \$315,986 | \$0 |
| Grand Total | \$10,539,603 | \$3,312,759 | \$1,478,738 | \$1,570,938 | \$3,097,195 | \$679,814 | \$400,159 | \$0 |

**GREATER ALBANY PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
 FOR THE YEAR ENDED JUNE 30, 2007**

Fund: 300 - Debt Service Fund

| Other Uses Expenditures | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|--------------------------------------|-------------|------------|------------|------------|------------|------------|-------------|------------|
| 5100 Debt Service | \$3,635,616 | | | | | | \$3,635,616 | |
| 5200 Transfers of Funds | \$0 | | | | | | | |
| 5300 Apportionment of Funds by ESD | \$0 | | | | | | | |
| 5400 PERS UAL Bond Lump Sum | \$0 | | | | | | | |
| Total Other Uses Expenditures | \$3,635,616 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,635,616 | \$0 |
| Grand Total | \$3,635,616 | \$0 | \$0 | \$0 | \$0 | \$0 | \$3,635,616 | \$0 |

**GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
FOR THE YEAR ENDED JUNE 30, 2007**

Fund: 400 - Capital Construction Funds

| | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|---|--------------------|-------------------|-------------------|--------------------|-------------------|-------------------|-------------------|-------------------|
| Support Services Expenditures | | | | | | | | |
| 2520 Fiscal Services | \$322,921 | | | \$322,921 | | | | |
| Total Support Services Expenditures | \$322,921 | \$0 | \$0 | \$322,921 | \$0 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | | | | | | | |
| 4120 Site Acquisition and Development Services | \$11,376 | | | \$1,495 | | \$9,881 | | |
| 4150 Building Acquisition, Construction, and Improvement | \$1,926,047 | | | \$1,475,909 | | \$432,021 | \$18,117 | |
| 4190 Other Facilities Construction Services | \$0 | | | | | | | |
| Total Facilities Acquisition and Construction Expenditures | \$1,937,423 | \$0 | \$0 | \$1,477,404 | \$0 | \$441,902 | \$18,117 | \$0 |
| Grand Total | \$2,260,344 | \$0 | \$0 | \$1,800,325 | \$0 | \$441,902 | \$18,117 | \$0 |

**GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
FOR THE YEAR ENDED JUNE 30, 2007**

Fund: 600 - Internal Service Fund

| | Totals | Object 100 | Object 200 | Object 300 | Object 400 | Object 500 | Object 600 | Object 700 |
|--|-----------------|-----------------|-----------------|-----------------|----------------|------------|-----------------|------------|
| Instruction Expenditures | | | | | | | | |
| 1111 Primary, K-3 | \$15 | | \$15 | | | | | |
| 1112 Intermediate Programs | \$0 | | | | | | | |
| 1113 Elementary Extracurricular | \$0 | | | | | | | |
| 1121 Middle/Junior High Programs | \$0 | | | | | | | |
| 1122 Middle/Junior High School Extracurricular | \$0 | | | | | | | |
| 1131 High School Programs | \$1,277 | | \$554 | | \$723 | | | |
| 1132 High School Extracurricular | \$994 | | \$994 | | | | | |
| 1140 Pre-Kindergarten Programs | \$0 | | | | | | | |
| 1210 Programs for the Talented and Gifted | \$0 | | | | | | | |
| 1220 Restrictive Programs for Students with Disabilities | \$4,561 | | \$4,561 | | | | | |
| 1250 Less Restrictive Programs for Students with Disabilities | \$0 | | | | | | | |
| 1260 Early Intervention | \$0 | | | | | | | |
| 1271 Remediation | \$0 | | | | | | | |
| 1272 Title I | \$0 | | | | | | | |
| 1280 Alternative Education | \$0 | | | | | | | |
| 1291 English Second Language Programs | \$45 | | \$45 | | | | | |
| 1292 Teen Parent Program | \$0 | | | | | | | |
| 1293 Migrant Education | \$0 | | | | | | | |
| 1294 Youth Corrections Education | \$0 | | | | | | | |
| 1299 Other Programs | \$0 | | | | | | | |
| 1300 Adult/Continuing Education Programs | \$0 | | | | | | | |
| 1400 Summer School Programs | \$0 | | | | | | | |
| Total Instruction Expenditures | \$6,892 | \$0 | \$6,169 | \$0 | \$723 | \$0 | \$0 | \$0 |
| Support Services Expenditures | | | | | | | | |
| 2110 Attendance and Social Work Services | \$0 | | | | | | | |
| 2120 Guidance Services | \$95 | | \$95 | | | | | |
| 2130 Health Services | \$0 | | | | | | | |
| 2140 Psychological Services | \$0 | | | | | | | |
| 2150 Speech Pathology and Audiology Services | \$0 | | | | | | | |
| 2160 Other Student Treatment Services | \$0 | | | | | | | |
| 2190 Service Direction, Student Support Services | \$0 | | | | | | | |
| 2210 Improvement of Instruction Services | \$0 | | | | | | | |
| 2220 Educational Media Services | \$526 | | | | \$626 | | | |
| 2230 Assessment & Testing | \$0 | | | | | | | |
| 2240 Instructional Staff Development | \$0 | | | | | | | |
| 2310 Board of Education Services | \$33,551 | | | \$19,818 | | | \$13,733 | |
| 2320 Executive Administration Services | \$0 | | | | | | | |
| 2410 Office of the Principal Services | \$0 | | | | | | | |
| 2490 Other Support Services - School Administration | \$0 | | | | | | | |
| 2510 Direction of Business Support Services | \$0 | | | | | | | |
| 2520 Fiscal Services | \$21,395 | \$12,458 | \$5,304 | \$630 | \$3,003 | | | |
| 2540 Operation and Maintenance of Plant Services | \$6,727 | | \$6,727 | | | | | |
| 2550 Student Transportation Services | \$5,748 | | \$4,470 | | | | \$1,278 | |
| 2570 Internal Services | \$0 | | | | | | | |
| 2610 Direction of Central Support Services | \$0 | | | | | | | |
| 2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services | \$0 | | | | | | | |
| 2630 Information Services | \$0 | | | | | | | |
| 2640 Staff Services | \$0 | | | | | | | |
| 2660 Technology Services | \$8,010 | | \$8,010 | | | | | |
| 2670 Records Management Services | \$0 | | | | | | | |
| 2690 Other Support Services - Central | \$0 | | | | | | | |
| 2700 Supplemental Retirement Program | \$0 | | | | | | | |
| Total Support Services Expenditures | \$76,152 | \$12,458 | \$24,606 | \$20,448 | \$3,629 | \$0 | \$15,011 | \$0 |
| Enterprise and Community Services Expenditures | | | | | | | | |
| 3100 Food Services | \$4,148 | | \$4,148 | | | | | |
| 3200 Other Enterprise Services | \$0 | | | | | | | |
| 3300 Community Services | \$0 | | | | | | | |
| 3500 Custody and Care of Children Services | \$5 | | \$5 | | | | | |
| Total Enterprise and Community Services Expenditures | \$4,153 | \$0 | \$4,153 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Facilities Acquisition and Construction Expenditures | | | | | | | | |
| 4110 Service Area Direction | \$0 | | | | | | | |
| 4120 Site Acquisition and Development Services | \$0 | | | | | | | |
| 4150 Building Acquisition, Construction, and Improvement | \$0 | | | | | | | |
| 4190 Other Facilities Construction Services | \$0 | | | | | | | |
| Total Facilities Acquisition and Construction Expenditures | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Other Uses Expenditures | | | | | | | | |
| 5100 Debt Service | \$0 | | | | | | | |
| 5200 Transfers of Funds | \$0 | | | | | | | |
| 5300 Apportionment of Funds by ESD | \$0 | | | | | | | |
| 5400 PERS UAL Bond Lump Sum | \$0 | | | | | | | |
| Total Other Uses Expenditures | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Grand Total | \$87,197 | \$12,458 | \$34,928 | \$20,448 | \$4,352 | \$0 | \$15,011 | \$0 |

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For The Year Ended June 30, 2007**

| TAX YEAR | ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2006 | DEDUCT DISCOUNTS | ADJUSTMENTS TO ROLLS | ADD INTEREST | CASH COLLECTIONS BY COUNTY TREASURER | BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/07 |
|--|---|---------------------|----------------------------|-----------------|---|---|
| GENERAL FUND: | | | | | | |
| CURRENT: | | | | | | |
| 2006-07 | \$ 17,568,205 | \$ 372,332 | \$ 43,633 | \$ 9,096 | 16,570,992 | \$ 677,610 |
| PRIOR YEARS: | | | | | | |
| 2005-06 | 563,453 | (116) | (65,212) | 20,532 | 286,948 | 231,941 |
| 2004-05 | 256,618 | (102) | (11,146) | 16,363 | 130,510 | 131,427 |
| 2003-04 | 135,975 | (10) | (30,996) | 16,887 | 72,060 | 49,817 |
| 2002-03 | 62,179 | (11) | (6,136) | 12,785 | 53,254 | 15,585 |
| 2001-02 and prior | 43,463 | (16) | (7,187) | 4,740 | 13,192 | 27,839 |
| Total Prior | 1,061,688 | (256) | (120,677) | 71,307 | 555,964 | 456,609 |
| Total General Fund | \$ 18,629,893 | \$ 372,076 | \$ (77,044) | \$ 80,403 | \$ 17,126,956 | \$ 1,134,219 |
| RECONCILIATION OF REVENUE: | | | | | | GENERAL FUND |
| Cash Collections by County Treasurer Above | | | | | | \$ 17,126,956 |
| Accrual of Receivables: | | | | | | |
| June 30, 2006 | | | | | | (180,886) |
| June 30, 2007 | | | | | | 201,835 |
| Total Revenue | | | | | | \$ 17,147,905 |

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For The Year Ended June 30, 2007**

| TAX YEAR | ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2006 | DEDUCT DISCOUNTS | ADJUSTMENTS TO ROLLS | ADD INTEREST | CASH COLLECTIONS BY COUNTY TREASURER | BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/07 |
|--|---|---------------------|----------------------------|-----------------|---|---|
| DEBT SERVICE FUND: | | | | | | |
| CURRENT: | | | | | | |
| 2005-06 | \$ 1,149,712 | \$ 27,595 | \$ 12,192 | 674 | 1,078,430 | \$ 56,553 |
| PRIOR YEARS: | | | | | | |
| 2004-05 | 41,785 | (10) | (901) | 1,686 | 30,427 | 12,153 |
| 2003-04 | 21,094 | (8) | (857) | 1,344 | 10,752 | 10,837 |
| 2002-03 | 11,211 | (1) | (2,553) | 1,387 | 5,936 | 4,110 |
| 2001-02 | 5,125 | (1) | (468) | 1,050 | 4,409 | 1,299 |
| 2000-01 & Prior | 3,059 | (1) | (648) | 389 | 1,046 | 0 |
| Total Prior | 82,274 | (21) | (5,427) | 5,857 | 52,570 | 28,400 |
| Total Debt Service Fund | \$ 1,231,986 | \$ 27,574 | \$ 6,765 | \$ 6,531 | \$ 1,131,000 | \$ 86,708 |
| RECONCILIATION OF REVENUE: | | | | | | DEBT SERVICE FUND |
| Cash Collections by County Treasurer Above | | | | | | \$ 1,131,000 |
| Accrual of Receivables: | | | | | | |
| June 30, 2006 | | | | | | (13,449) |
| June 30, 2007 | | | | | | 14,336 |
| Total Revenue | | | | | | \$ 1,131,887 |

**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON**

**SUPPLEMENTAL INFORMATION
As Required by The Oregon Deptment of Education - Form 3211-C
For The Year Ended June 30, 2007**

| | | | |
|----|---|-------------------------------|----------------------------|
| A. | Energy bills for heating - all funds: | | <u>Objects 325 and 326</u> |
| | | Function 2540 | \$ 1,252,384 |
| | | Function 2550 | 12,614 |
| | | | |
| B. | Replacement of equipment - General Fund: | | <u>Amount</u> |
| | Include all General Fund expenditures in Object 542, except for the following exclusions: | | |
| | Exclude these functions: | | |
| | 1113, 1122 & 1132 | Co-curricular activities 4150 | Construction \$ 94,316 |
| | 1140 | Pre-kindergarten 2550 | Pupil transportation |
| | 1300 | Continuing education 3100 | Food service |
| | 1400 | Summer school 3300 | Community services |

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

2006-2007 AUDITORS' COMMENTS AND DISCLOSURES

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PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

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November 21, 2007

2006-2007 AUDITORS' COMMENTS AND DISCLOSURES

Oregon Administrative Rules 162-10-000 through 162-16-000 the Minimum Standards for Audits of Oregon Municipal Corporations, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy, enumerate the financial statements, schedules, comments and disclosures required in audit reports. The required statements and schedules are set forth in preceding pages of this report. Required comments and disclosures related to our audit of such statements and schedules are set forth as follows.

REPORT ON INTERNAL ACCOUNTING CONTROL

We have audited the basic financial statements of Greater Albany Public School District, Linn County, Oregon, as of and for the year ended June 30, 2007, and have issued our report thereon dated November 21, 2007.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free of material misstatement.

The management of Greater Albany Public School District, Linn County, Oregon, is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of basic financial statements in accordance with generally accepted accounting principles in the United States of America. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the basic financial statements of Greater Albany Public School District, Linn County, Oregon, for the year ended June 30, 2007, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the basic financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants.

REPORT ON INTERNAL ACCOUNTING CONTROL (CONTINUED)

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the entity's financial statements that is more than inconsequential will not be prevented or detected by the entity's internal control.

We noted matters involving the internal control structure and its operation that we consider to be significant deficiencies under standards established by the American Institute of Certified Public Accountants, which are noted in our management letter dated November 21, 2007.

A material weakness is a significant deficiency in which the design or operation of one or more of the specific internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the general purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

This report is intended solely for the information and use of the board, audit committee, management, 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.

ACCOUNTING RECORDS

The financial accounting records were adequate for audit.

BUDGET TRANSACTIONS

Expenditures of the various funds appear to be within authorized appropriation levels for 2006-2007, except as noted on page 16.

2006-2007 and 2006-2007 BUDGETS

The budgets adopted for the current and ensuing fiscal year were examined during the audit. We did not note any instances where the budget preparation and adoption procedures followed were not in compliance with the Oregon Local Budget Law, based on our testing.

COLLATERAL SECURING BANK DEPOSITS

Collateral pledged by the depositories appeared to be adequate at all times during the year, to meet requirements of Oregon Law. Each depository is required by ORS Chapter 295 to maintain securities having a value of not less than 25 percent of the face amount of the collateral certificate issued by the pool manager for funds deposited in the depository in excess of the amounts insured by federal depository insurance. Deposits in the State Local Government Investment Pool are not required to be collateralized.

INVESTMENTS

The investments for the year ended June 30, 2007 were reviewed and appear to comply with the legal requirements pertaining to the investment of public funds contained in ORS 294.035 based upon our testing.

PUBLIC CONTRACTS AND PURCHASING

The procedures for awarding public contracts were reviewed and, based upon our testing, we found no instances of noncompliance with ORS Chapter 279.

INSURANCE AND FIDELITY BONDS

Details concerning insurance and fidelity bond coverage were reviewed during the audit. The coverage provided appears to meet legal requirements. We do not have the professional expertise to state whether the insurance coverage is adequate.

STATUTORY BONDED DEBT LIMITATION

The outstanding bonded debt was within statutory limits, based upon our testing.

OUTSTANDING WARRANTS

There were no outstanding endorsed warrants at June 30, 2007.

PROGRAMS FUNDED FROM OUTSIDE SOURCES

We reviewed and tested, to the extent we considered necessary in the circumstances, transactions and reports relative to federal and state grant programs. Our reports concerning grant compliance and a schedule of federal assistance are contained in this report in the grant compliance review section.

STATE HIGHWAY FUNDS

No State Highway Funds were received during the year ended June 30, 2007.

STATE SCHOOL FUND DISTRIBUTION INFORMATION

We have performed the procedures recommended by the Oregon Secretary of State, Audits Division, regarding the compliance with the requirements of ORS 327.013, as further defined by the Oregon State Department of Education, pertaining to the calculation and reporting of the factors used to compute the State School Fund distribution for the year ended June 30, 2007.

Based on the work described above we have found no instances of noncompliance with the rules and regulations pertaining to the calculation and reporting of the factors used to compute the State School Fund distribution for the year ended June 30, 2007, except for two errors noted on the teachers' experience report.

Pauly, Rogers and Co. P.C.
PAULY, ROGERS AND CO., P.C.

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GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

GRANT COMPLIANCE REVIEW

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**GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**

For The Year Ended June 30, 2007

| FEDERAL GRANTOR/PASS-THROUGH GRANTOR/PROGRAM TITLE | FEDERAL CFDA NUMBER | GRANT PERIOD | | EXPENDITURES |
|--|---------------------------|--------------|--------|---------------------|
| U.S. DEPARTMENT OF EDUCATION | | | | |
| Passed Through State Department of Education: | | | | |
| Title I Grants to Local Education Agencies | 84-010 | 2005-2006 | (1) \$ | 70,721 |
| Title I Grants to Local Education Agencies | 84-010 | 2006-2007 | (1) | 1,209,147 |
| IDEA Part B, Special Education Grant | 84-027 | 2005-2006 | | 318,752 |
| IDEA Part B, Special Education Grant | 84-027 | 2006-2007 | | 1,234,171 |
| Vocational Education - Basic Grants | 84-048 | 2005-2006 | | 3,544 |
| Vocational Education - Basic Grants | 84-048 | 2006-2007 | | 75,662 |
| Migrant Ed | | 2006-2007 | | 2,669 |
| Even Start | 84-213 | 2005-2006 | | 5,532 |
| Title IID, Enhancing Education Thru Tech | 84-318 | 2005-2006 | | 281 |
| Title IID, Enhancing Education Thru Tech | 84-318 | 2006-2007 | | 10,659 |
| Title IV | 84-186 | 2005-2006 | | 4,620 |
| Title IV | 84-186 | 2006-2007 | | 31,394 |
| Title V, Innovative Education | 84-298 | 2005-2006 | | 577 |
| Title V, Innovative Education | 84-298 | 2006-2007 | | 7,510 |
| Oregon Reading First | 84-357 | 2005-2006 | | 363 |
| Oregon Reading First | 84-357 | 2006-2007 | | 105,313 |
| Oregon Reading First/K-3 Statewide Literacy Outreach | 84.357 | 2006-2007 | | 2,127 |
| Title III, English Language Acquisition | 84-365 | 2005-2006 | | 19,506 |
| Title III, English Language Acquisition | 84-365 | 2006-2007 | | 19,896 |
| Title IIA, Improving Teacher Quality Grant | 84-367 | 2005-2006 | | 139,675 |
| Title IIA, Improving Teacher Quality Grant | 84-367 | 2006-2007 | | 28,382 |
| Strategies for Student Success | 84-367 | 2006-2007 | | 15,695 |
| Quality Improvement Literacy Grant | | 2006-2007 | | 4,043 |
| EII GF 07 Proficiency Credit Implementation-GIA | | 2005-2006 | | 4,354 |
| SPR&I Grant | 84-027 | 2006-2007 | | 4,095 |
| DHS - Physical Act & Nutrition | N/A | 2005-2006 | | 526 |
| Coordinated School Health Expansion Project | 93-938 | 2005-2006 | | 3,356 |
| TOTAL U.S. DEPARTMENT OF EDUCATION | | | | <u>3,322,569</u> |
| OREGON EMPLOYMENT DEPARTMENT | | | | |
| Passed Through State Department of Education: | | | | |
| Child Care Payments | 93.575 | | | 1,491 |
| TOTAL OREGON EMPLOYMENT DEPARTMENT | | | | <u>1,491</u> |
| U.S. DEPARTMENT OF AGRICULTURE | | | | |
| Passed Through State Department of Education: | | | | |
| USDA Commodities | 10-550 | 2006-2007 | | 143,857 |
| Sumer Food Program | 10.559 | 2006-2007 | (1) | 43,392 |
| School Breakfast Program | 10-553 | 2006-2007 | (1) | 349,918 |
| National School Lunch Program | 10-555 | 2006-2007 | (1) | 1,038,536 |
| TOTAL U.S. DEPARTMENT OF AGRICULTURE | | | | <u>1,575,702</u> |
| FISH & WILDLIFE | | | | |
| FEDERAL FOREST FEES | 10-665 | 2006-2007 | (1) | 969,017 |
| TOTAL FEDERAL ASSISTANCE | | | | <u>\$ 5,870,348</u> |

(1) Major Program

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 - (503) 620-2632 • FAX (503) 684-7523

November 21, 2007

To the Board of Directors
Greater Albany Public School District
Albany, Oregon

Independent Auditors' 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*

We have audited the financial statements of Greater Albany Public School District as of and for the year ended June 30, 2007, and have issued our report thereon dated November 21, 2007. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control Over Financial Reporting

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

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

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the District's internal control.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Greater Albany Public School District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material

effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management of Greater Albany Public School District in a separate letter dated November 21, 2007.

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

Pauly, Rogers and Co., P.C.
PAULY, ROGERS AND CO., P.C.



PAULY, ROGERS AND CO., P.C.

CERTIFIED PUBLIC ACCOUNTANTS

• 12700 SW 72ND AVENUE • TIGARD, OREGON 97223
-55- • (503) 620-2632 • FAX (503) 684-7523

November 21, 2007

To the Board of Directors
Greater Albany Public School District
Albany, Oregon

Independent Auditors' Report on Compliance With Requirements Applicable to Each Major Program and on Internal Control Over Compliance in Accordance With OMB Circular A-133

Compliance

We have audited the compliance of Greater Albany Public School District 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, 2007. Greater Albany Public School District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts, and grants applicable to each of its major federal programs is the responsibility of Greater Albany Public School District's management. Our responsibility is to express an opinion on Greater Albany Public School District's compliance based on our audit.

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

In our opinion, Greater Albany Public School District 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, 2007.

Internal Control Over Compliance

The management of Greater Albany Public School District is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered Greater Albany Public School District'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 our auditing procedures for the purpose of expressing our opinion on compliance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A *control deficiency* in an District's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A *significant deficiency* is a control deficiency, or combination of control deficiencies, that adversely affects the District's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the District's internal control. We noted no significant deficiencies over compliance.

A *material weakness* is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the District's internal control.

Our 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. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, *the Board*, others within the District, 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.


PAULY, ROGERS AND CO., P.C.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

SCHEDULE OF PRIOR AND CURRENT YEAR AUDIT FINDINGS
AND QUESTIONED COSTS RELATIVE TO FEDERAL AWARDS

For the Year Ended June 30, 2007

CURRENT YEAR AUDIT FINDINGS AND QUESTIONED COSTS:

NONE

PRIOR YEAR AUDIT FINDINGS AND QUESTIONED COSTS:

The District is required to conduct an assessment of local needs for professional development with the involvement of teachers. The District did not conduct this required needs assessment.

CURRENT YEAR AUDITORS' REPORT ON THE BASIC FINANCIAL STATEMENTS:

UNQUALIFIED OPINION

CURRENT YEAR AUDITORS' REPORT ON COMPLIANCE FOR MAJOR PROGRAMS:

UNQUALIFIED OPINION

PROGRAM TESTED AS MAJOR FOR THE YEAR ENDED JUNE 30, 2007:

FEDERAL FOREST FEES CFDA #10.665
TITLE I – CFDA #84.010
CHILD NUTRITION CLUSTER – CFDA #10.553, 10.555 and 10.559

DOLLAR THRESHOLD FOR DISTINGUISHING BETWEEN TYPE A AND B PROGRAMS:

\$300,000

LOW-RISK AUDIT QUALIFICATION:

The District qualified as a low-risk auditee under section .530 of OMB Circular A-133.

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Greater Albany Public School District and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

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