

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

2014-15

FINANCIAL REPORT

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

BOARD OF EDUCATION

TERM EXPIRES

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June 30, 2017

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Russell Allen, Business Manager

718 7th Avenue SW
Albany, Oregon 97321

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

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GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

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December 24, 2015

INDEPENDENT AUDITOR'S REPORT

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greater Albany Public School District, as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *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 financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

Management has not obtained an actuarial valuation of the post-employment benefit obligation related to the early retirement plan and implicit healthcare subsidy. Accounting principles generally accepted in the United States of America require that actuarially determined annual required contributions related to postemployment benefits, other than retirement benefits, attributable to employee services already rendered be recorded as expenses as employees earn the benefits, which, if not funded would increase the liabilities, reduce the net position, and change the expenses of the governmental activities. The amount by which this departure would affect net position, liabilities and expenses of the governmental activities is not reasonably determinable.

Qualified Opinions

In our opinion, except for the effects of not providing an actuarially determined liability for postemployment benefits as described in the preceding paragraph, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Greater Albany Public School District, as of June 30, 2015, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The District adopted the provisions of GASB Statement No. 68, Accounting and Reporting for Pensions, as well as the provisions of GASB Statement No. 71, Pensions Transition for Contributions Made Subsequent to the Measurement Date, for the year ended June 30, 2015. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and required supplemental information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary and other information, as listed in the table of contents is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the basic financial statements.

The supplementary information, as listed in the table of contents, and the schedule of expenditures of federal expenditures are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our

opinion, the supplementary information, as listed in the table of contents, and the schedule of federal expenditures is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The listing of board members containing their term expiration dates, located before the table of contents, and the other information, as listed in the table of contents, have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Reports on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our report dated December 24, 2015 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 24, 2015, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.



MATTHEW GRAVES, CPA
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, 2015. Please read it in conjunction with the District's Financial Statements, which follows this MD&A.

FINANCIAL HIGHLIGHTS

- At June 30, 2015, the District's assets exceeded its liabilities by \$49,805,756
- The District's net assets decreased by \$17,542,075 during 2014-15.

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>2015</u>	<u>2014</u>	<u>% Change</u>
Assets			
Current and other assets	\$ 41,634,337	\$ 54,578,891	-23.7%
Capital assets (net)	92,045,824	92,525,817	-0.5%
Total assets	<u>133,680,161</u>	<u>147,104,708</u>	<u>-9.1%</u>
Liabilities			
Other liabilities	10,466,956	9,725,271	7.6%
Long-term liabilities	61,493,196	70,031,607	-12.2%
Total liabilities	<u>71,960,152</u>	<u>79,756,878</u>	<u>-9.8%</u>
Net Position			
Investment in capital assets, net of related debt	71,739,125	59,048,172	21.5%
Restricted	5,596,464	5,990,073	-6.6%
Unrestricted	(27,529,833)	2,309,586	-1292.0%
Total Net Position	<u>\$ 49,805,756</u>	<u>\$ 67,347,831</u>	<u>-26.0%</u>

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

	<u>2015</u>	<u>2014</u>	<u>% Change</u>
Revenues			
Charges for Services	\$ 550,534	\$ 559,191	-1.5%
Operatings Grants	8,281,568	8,212,178	0.8%
General Revenues			
Property Taxes	29,304,731	28,120,348	4.2%
State Support	55,800,732	52,000,722	7.3%
Other Revenue	9,904,869	5,437,378	82.2%
Total Revenues	<u>103,842,434</u>	<u>94,329,817</u>	<u>10.1%</u>
Expenses			
Instruction	46,898,115	53,501,324	-12.3%
Support Services	26,015,479	28,774,748	-9.6%
Community Services	3,499,215	3,418,006	2.4%
Interest on Long-Term Debt	3,082,949	4,493,496	-31.4%
Total Expenses	<u>79,495,758</u>	<u>90,187,574</u>	<u>-11.9%</u>
Change in Net Position	24,346,676	4,142,243	487.8%
Prior Period Adjustment	1,050,000	-	
Net Position Beginning of Year	24,409,080	63,205,587	-61.4%
Net Position End of Year	<u>\$ 49,805,756</u>	<u>\$ 67,347,830</u>	<u>-26.0%</u>

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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, 2015, total fund balance of the governmental funds was \$16,789,089. 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 2015 and 2014 are as follows:

	<u>ENDING FUND BALANCE</u>		<u>CHANGE</u>
	<u>2015</u>	<u>2014</u>	
General Fund	\$ 10,794,706	\$ 10,235,016	\$ 559,690
Grants Fund	1,123,863	1,469,940	(346,077)
Debt Service Fund	380,720	69,447	311,273
Other Governmental	4,489,800	4,420,213	69,587
	<u>\$ 16,789,089</u>	<u>\$ 16,194,616</u>	<u>\$ 594,473</u>

CAPITAL ASSETS

Please refer to the notes to basic financial statements for more detailed information regarding capital assets.

DEBT ADMINISTRATION

Please refer to the notes to the basic financial statements for more detailed information regarding long-term debt.

2014-2015 BUDGET

The State School Fund (made up of local and state funding sources) accounted for 87% of the General Fund revenue for the school district (98% if fund balance is excluded). District operations were helped tremendously by an 11% increase in funding from the 2011-13 to the 2013-15 biennium, as well as a decrease in the PERS employer rate. In 2014-15 positions were added and some programs restored, all while maintaining a \$10.2 million General Fund balance (11.7% of budget). The School District is further aware that the School Nutrition Services Fund is operating in a deficit, however the deficit experienced a 23% decrease and continues to work to reduce the fund deficit.

GASB STATEMENTS 68 AND 71 IMPACT

Due to the implementation of GASB Statements 68 and 71, beginning net position was restated as of July 1, 2014 to account for the net pension liability and pension related deferred inflows and outflows as of the beginning of the year based on the actuarial data provided by OPERS and Milliman for the prior measurement date. Because the prior measurement valuation only provides data for restatement of the beginning of the current fiscal year (2014-15), and no prior measurement data was provided by the actuaries related to the fiscal year ended June 30, 2013, there is no way to restate the prior year (2013-14) data for the purposes of the comparison in the MD&A. Therefore, the 2013-14 information has been presented in the same manner as it was in last year's report. Pension expense was allocated to the functions in 2014-15, which created significant unusual variances. Comparative data will be provided in the MD&A in future years.

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.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

STATEMENT OF NET POSITION
June 30, 2015

	Governmental Activities
Assets	
Cash and Cash Equivalents	\$ 23,646,947
Accounts Receivable	3,161,337
Property Taxes Receivable	2,889,951
Proportionate Share of Net Pension Asset (PERS)	11,829,435
Supply Inventory	106,667
Capital Assets, non-depreciable	2,819,352
Capital Assets, depreciable (net of depreciation)	<u>89,226,472</u>
Total Assets	<u>133,680,161</u>
Liabilities	
Accounts Payable and Payroll Liabilities	10,123,200
Deposits Payable	50,334
Retainage Payable	45,568
Accrued Interest Payable	38,173
Unearned Revenue	209,681
Long-term Liabilities	
Due Within One Year	9,174,627
Due in More than One Year	<u>52,318,569</u>
Total Liabilities	<u>71,960,152</u>
Deferred Inflows	
Net Pension Related Deferrals	<u>11,914,253</u>
Net Position	
Net Investment in Capital Assets	71,739,125
Restricted for	
Student Activities	657,465
Debt Service	1,212,941
Capital Projects	2,274,995
Grants	1,123,863
Other	327,200
Unrestricted	<u>(27,529,833)</u>
Total Net Position	<u>\$ 49,805,756</u>

See accompanying notes to basic financial statements.

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

**STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2015**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Governmental Activities</u>
Instruction	\$ 46,101,107	\$ 106,664	\$ 3,993,559	\$ (42,000,884)
Support Services	25,600,066	-	1,827,263	(23,772,803)
Enterprise and Community Services	3,450,764	443,870	2,460,746	(546,148)
Interest on long-term debt	3,082,949	-	-	(3,082,949)
Total governmental activities	<u>\$ 78,234,886</u>	<u>\$ 550,534</u>	<u>\$ 8,281,568</u>	(69,402,784)
General Revenues				
				29,304,731
				55,800,732
				177,323
				947,655
				<u>7,519,019</u>
Total General Revenues				<u>93,749,460</u>
Change in Net Position				24,346,676
Prior Period Adjustment (Note 18)				1,050,000
RESTATED- Net Position Beginning of Year				<u>24,409,080</u>
Net Position End of Year				<u>\$ 49,805,756</u>

See accompanying notes to basic financial statements.

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

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

	GENERAL	GRANT FUNDS	DEBT SERVICE FUND	NON MAJOR GOVERNMENTAL	TOTALS
ASSETS					
Cash and Investments	\$ 17,933,442	\$ -	\$ 297,180	\$ 5,416,325	\$ 23,646,947
Receivables		.			
Taxes	1,903,559	-	986,392	-	2,889,951
Accounts	553,944	2,319,621	6	287,766	3,161,337
Due From Other Funds	1,371,546	-	-	-	1,371,546
Supply Inventories	1,892	-	-	104,775	106,667
Total Assets	<u>\$ 21,764,383</u>	<u>\$ 2,319,621</u>	<u>\$ 1,283,578</u>	<u>\$ 5,808,866</u>	<u>\$ 31,176,448</u>
LIABILITIES					
Accounts Payable	\$ 1,275,709	\$ 64,590	\$ -	\$ 773,105	\$ 2,113,404
Payroll Liabilities	8,009,796	-	-	-	8,009,796
Due To Other Funds	-	921,487	-	450,059	1,371,546
Deposits Payable	-	-	-	50,334	50,334
Retainage	-	-	-	45,568	45,568
Deferred Revenue - Other	-	209,681	-	-	209,681
Total Liabilities	<u>9,285,505</u>	<u>1,195,758</u>	<u>-</u>	<u>1,319,066</u>	<u>11,800,329</u>
DEFERRED INFLOWS					
Unavailable Revenue - Property Taxes	1,684,172	-	902,858	-	2,587,030
FUND BALANCE					
Nonspendable	1,892	-	-	104,775	106,667
Restricted for:					
Student Activities	-	-	-	657,465	657,465
Debt Service	-	-	-	1,212,941	1,212,941
Capital Projects	-	-	-	2,274,995	2,274,995
Grants	-	1,123,863	-	-	1,123,863
Other	-	-	-	327,200	327,200
Committed	-	-	-	324,412	324,412
Unassigned	10,792,814	-	380,720	(411,988)	10,761,546
Total Fund Balance	<u>10,794,706</u>	<u>1,123,863</u>	<u>380,720</u>	<u>4,489,800</u>	<u>16,789,089</u>
Total Liabilities, Deferred Inflows and Fund Balance	<u>\$ 21,764,383</u>	<u>\$ 2,319,621</u>	<u>\$ 1,283,578</u>	<u>\$ 5,808,866</u>	<u>\$ 31,176,448</u>

See accompanying notes to basic financial statements.

GREATER ALBANY PUBLIC SCHOOLS
LINN COUNTY, OREGON

RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2015

Total Fund Balances	\$	16,789,089
Amounts reported for governmental activities in the statement of net position is different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		
Capital Assets, net		92,045,824
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.		
		2,587,030
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	\$	(38,173)
Bonds Payable		(56,232,774)
Capital Leases		(1,365,695)
Promissory Notes Payable		(1,171,667)
Post Retirement Obligation		<u>(2,723,060)</u>
		<u>(61,531,369)</u>
The Net Pension Asset (Liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.		
		11,829,435
Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.		
		<u>(11,914,253)</u>
Total Net Position	\$	<u><u>49,805,756</u></u>

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, 2015

	<u>GENERAL</u>	<u>GRANT FUNDS</u>	<u>DEBT SERVICE FUND</u>	<u>NON MAJOR GOVERNMENTAL</u>	<u>TOTAL</u>
REVENUES					
Local Sources	\$ 21,624,350	\$ 367,593	\$ 8,049,773	\$ 7,085,523	\$ 37,127,239
Intermediate Sources	12,754	196,186	-	-	208,940
State Sources	55,182,406	570,248	-	437,917	56,190,571
Federal Sources	552,864	5,546,151	-	2,642,417	8,741,432
Total Revenues	<u>77,372,374</u>	<u>6,680,178</u>	<u>8,049,773</u>	<u>10,165,857</u>	<u>102,268,182</u>
EXPENDITURES					
Current:					
Instruction	50,056,966	3,747,801	-	2,085,743	55,890,510
Support Services	25,827,482	3,152,134	-	151,430	29,131,046
Enterprise and Community Services	24,120	42,282	-	3,331,245	3,397,647
Facilities Acquisition and Construction	22,652	99,740	-	2,275,913	2,398,305
Capital Outlay	508,003	24,298	-	874,760	1,407,061
Debt Service	-	-	7,738,500	3,821,221	11,559,721
Total Expenditures	<u>76,439,223</u>	<u>7,066,255</u>	<u>7,738,500</u>	<u>12,540,312</u>	<u>103,784,290</u>
Excess of Revenues Over (Under) Expenditure:	933,151	(386,077)	311,273	(2,374,455)	(1,516,108)
OTHER FINANCING SOURCES (USES)					
Lease Purchase Receipts (Refinance)	-	-	-	849,709	849,709
Gain (Loss) on Sale of Capital Assets	600	-	-	1,260,272	1,260,872
Transfers In	-	40,000	-	334,061	374,061
Transfers Out	(374,061)	-	-	-	(374,061)
Total Other Financing Sources (Uses)	<u>(373,461)</u>	<u>40,000</u>	<u>-</u>	<u>2,444,042</u>	<u>2,110,581</u>
Net Change in Fund Balance	559,690	(346,077)	311,273	69,587	594,473
Beginning Fund Balance	<u>10,235,016</u>	<u>1,469,940</u>	<u>69,447</u>	<u>4,420,213</u>	<u>16,194,616</u>
Ending Fund Balance	<u>\$ 10,794,706</u>	<u>\$ 1,123,863</u>	<u>\$ 380,720</u>	<u>\$ 4,489,800</u>	<u>\$ 16,789,089</u>

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**
For the Year Ended June 30, 2015

Net Change in Fund Balance	\$	594,473
<p>Amounts reported for governmental activities in the statement of activities are different because:</p> <p>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:</p>		
Capitalized Expenditures	\$	2,867,059
Depreciation Expense		<u>(3,347,052)</u> (479,993)
<p>Long-term debt proceeds are reported as other financing sources in governmental funds. In the Statement of Net Position, 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 Position. This is the amount by which proceeds exceeded repayments:</p>		
New Debt Issued	\$	(200,000)
Principal Repaid		<u>8,444,534</u> 8,244,534
<p>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.</p>		
Early Retirement		(1,107,511)
Bond Premium Amortization		351,388
<p>Miscellaneous Adjustments made to recognize certain expenses in the statement of activities that were not considered expenditures in the fund statements, and certain revenues that were not recorded in the fund statements.</p>		
		32,237
<p>The Pension Expense represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits.</p>		
		16,398,166
<p>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.</p>		
		<u>313,382</u>
Change in Net Position	\$	<u><u>24,346,676</u></u>

See accompanying notes to basic financial statements.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements 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 accounting policies are described below.

REPORTING ENTITY

The Greater Albany Public School District functions as an operational education organization consisting of 19 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 61, are separate organizations that are included in the District's reporting 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 Position and Statements of Activities displays information about the reporting government as a whole.

The Statement of Net Position 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 of 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 Position 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.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

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, IDEA, 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.

DEBT SERVICE FUND

The Debt Service Fund accounts for the payment of principal and interest of the general obligation bonds. The principal resource is property taxes.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Additionally, the following funds are reported:

OTHER GOVERNMENTAL FUNDS

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

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 Position 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 are not considered budgetary resources in the funds, inventory is expensed when purchased, compensated absences and post-employment benefits are expensed when paid instead of when incurred, capital outlay is recorded as an expenditure rather than capitalized, depreciation is not recorded on capital assets, and debt is expensed as paid instead of when incurred.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

BUDGETS (CONTINUED)

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.

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 cannot 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 and appropriation resolutions. Expenditures of the various funds were within authorized appropriations for the year ended June 30, 2015, except for the Grants Funds which over expended Enterprise and Community Services by \$61,580, the Facilities Acquisition and Construction expense in the SAHS Turf Field Fund by \$200,000, and the Instruction, Support Services, Enterprise and Community Services and Facilities Acquisition and Construction expenses for the SAHS Fire Reconstruction fund by \$26,505, \$5,507, \$42,616 and \$1,655,394, respectively.

PROPERTY TAXES RECEIVABLE

Uncollected real and personal property taxes are reflected on the statement of net position and the balance sheet as receivables. Uncollected taxes are deemed by management 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 position and the balance sheet.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

RETIREMENT PLAN

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

DEFERRED OUTFLOWS/INFLOWS OF RESOURCES

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net positions that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government on has no item that qualifies for reporting in the category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has two types of items that qualify for reporting in this category. The item unavailable revenue, which arises only under a modified accrual basis of accounting, is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues from one source. Deferred Inflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.

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

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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.

FUND EQUITY

In March 2009, the GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund-type Definitions*. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. Under this standard, the fund balance classifications of reserved, designated, and unreserved/undesignated were replaced with five new classifications – nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable fund balance represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories and prepaid items.
- Restricted fund balance represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed fund balance represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned fund balance represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FUND EQUITY (CONTINUED)

- Unassigned fund balance is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The governing body has approved the following order of spending regarding fund balance categories: Restricted resources are spent first when both restricted and unrestricted (committed, assigned or unassigned) resources are available for expenditures. When unrestricted resources are spent, the order of spending is committed (if applicable), assigned (if applicable) and unassigned.

NET POSITION

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

Net Investment in Capital Assets – 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 is restricted net position for debt service and capital projects.

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

2. CASH AND INVESTMENTS

DEPOSITS

Deposits with financial institutions include bank demand deposits. The total bank balance per the bank statements on June 30, 2015 is \$2,154,073, of which \$262,977 is covered by federal depository insurance. The remainder is covered by the collateral held in a multiple financial institutions collateral pool administered by the Oregon State Treasurer. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. State statutes (ORS 295.002) allow public officials to deposit public funds in one or more depositories currently qualified pursuant to ORS 295.001 to 295.108. As long as the bank depository has entered into an agreement (ORS 295.008(2)(b)) and has deposited securities pursuant to state statutes (ORS 295.015(1)), there may be deposits at any one bank depository and its branches, a sum in excess of the amount insured by the Federal Deposit Insurance Corporation..

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

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, 2015.

Amounts in the State Treasurer’s Local Government Investment Pool are not required to be collateralized. As of June 30, 2015 the fair value of the position in the LGIP approximates the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

Cash and Investments at June 30, 2015, (recorded at fair value) consisted of:

Cash and Investments:	
Petty Cash	\$ 11,297
Demand Deposits	(1,577,561)
Investments	<u>25,213,211</u>
 Total	 <u>\$ 23,646,947</u>

There were the following investments and maturities:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Investment Maturities (in months)</u>		
		<u>Less than 3</u>	<u>3-18</u>	<u>18-59</u>
State Treasurer's Investment Pool	\$25,213,211	\$ 25,213,211	\$ -	\$ -

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. There are no investments that have a maturity date beyond three months.

Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

2. CASH AND INVESTMENTS (CONTINUED)

Credit Risk – Investments

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, 2015, 100% of total investments were in the State Treasurer’s Investment Pool. State statutes do not limit the percentage of investments in either of these instruments.

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, 2015 are as follows:

	Capital Assets <u>7/1/2014</u>	<u>Additions</u>	<u>Deletions</u>	Capital Assets <u>6/30/2015</u>
Land (non depreciable)	\$ 2,819,352	\$ -	\$ -	\$ 2,819,352
Depreciable				
Buildings & Improvements	120,625,576	203,535	-	120,829,111
Equipment & Vehicles	5,905,731	872,040	-	6,777,771
Site Improvements	5,251,955	315,585	-	5,567,540
Construction in Progress	94,067	1,615,512	(139,613)	1,569,966
	<u>134,696,681</u>	<u>3,006,672</u>	<u>(139,613)</u>	<u>137,563,740</u>
Accumulated Depreciation				
Buildings & Improvements	(37,564,334)	(2,651,393)	-	(40,215,727)
Equipment & Vehicles	(1,066,937)	(137,566)	-	(1,204,503)
Site Improvements	(3,539,593)	(558,093)	-	(4,097,686)
	<u>(42,170,864)</u>	<u>(3,347,052)</u>	<u>-</u>	<u>(45,517,916)</u>
Subtotal, Net Depreciable				89,226,472
Totals	<u>\$ 92,525,817</u>			<u>\$ 92,045,824</u>

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

4. CAPITAL ASSETS (CONITNUED)

Accumulated Depreciation was allocated to the functions as followed:

Instruction	\$	2,115,699
Support Services		1,102,737
Enterprise and Community Services		<u>128,616</u>
Total	\$	<u><u>3,347,052</u></u>

5. OPERATING LEASES

There are many operating leases in effect for various pieces of office equipment. The total operating lease expense, including maintenance fees, for the year ended June 30, 2015 was \$299,128. The future minimum lease payments are as follows:

Year	<u>Lease Payment</u>
2016	\$ 92,300
2017	73,673
2018	69,774
2019	51,703
2020	11,096
2021	<u>582</u>
Total	<u><u>\$ 299,128</u></u>

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 \$100,885,000.

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%.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. LONG-TERM DEBT (CONTINUED)

BONDS PAYABLE (CONTINUED):

Pension Obligation Bonds

In 2004, \$45,885,000 of limited tax pension obligation bonds were issued to finance the 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, 2014</u>	<u>Issued</u>	<u>Matured And Redeemed</u>	<u>Outstanding June 30, 2015</u>
Series 2004	3.25-5.528	\$ 45,885,000	\$ 41,825,000	\$ -	\$ 1,245,000	\$ 40,580,000
Series 2006	3.85-5.00	55,000,000	21,620,000	-	6,670,000	14,950,000
			<u>\$ 63,445,000</u>	<u>\$ -</u>	<u>\$ 7,915,000</u>	<u>\$ 55,530,000</u>

Future maturities of bonds are payable as follows:

<u>Fiscal Year Ending June 30,</u>	<u>Principal</u>	<u>Interest</u>
2016	\$ 8,650,000	\$ 2,947,633
2017	9,440,000	2,514,798
2018	1,930,000	2,050,726
2019	2,200,000	1,949,922
2020	2,495,000	1,832,816
2021-25	17,810,000	6,756,523
2026-28	<u>13,005,000</u>	<u>1,326,996</u>
Total	<u>\$ 55,530,000</u>	<u>\$ 19,379,414</u>
Premium	<u>702,774</u>	
Total	<u>\$ 56,232,774</u>	

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. LONG-TERM DEBT (CONTINUED)

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

\$2,750,000 of Qualified Zone Academy Bonds were issued in previous years. There are annual payments totaling \$96,773 through July 1, 2020 on the first bond issue with a 0% interest rate, and payments of \$62,500 through 2023 on the second bond issue with a 5.79% interest rate, for the year ended June 30, 2015.

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 2015, with an interest rate of 6.05%. As of June 30, 2015 the 1993 Financing Agreement was paid in full.

Future maturities of QZAB are as follows:

	<u>QZAB</u>
2016	\$ 159,273
2017	159,273
2018	159,273
2019	159,273
2020	159,273
2021-23	187,500
Total	<u>\$ 983,865</u>

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 Position.

Year Ending June 30,	<u>CAPITAL LEASES</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2016	\$ 340,876	\$ 28,264	\$ 369,140
2017	268,154	21,370	289,524
2018	238,801	15,738	254,540
2019	244,014	10,526	254,540
2020	89,123	6,016	95,139
2021-22	184,726	5,551	190,278
	<u>\$ 1,365,695</u>	<u>\$ 87,466</u>	<u>\$ 1,453,160</u>

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

6. LONG-TERM DEBT (CONTINUED)

Total long-term liability activity for the year ended June 30, 2015 was as follows:

	Beginning Balance	Additons	Reductions	Ending Balance	Due Within One Year
Bonds Payable	\$ 63,445,000	\$ -	\$ 7,915,000	\$ 55,530,000	\$ 8,650,000
Qualified Zone Ac Bonds	1,143,138	-	159,273	983,865	159,273
Capital Leases	1,723,758	-	358,063	1,365,695	340,876
Notes Payable	-	200,000	12,198	187,802	24,478
Early Retirement	1,615,549	1,899,694	792,183	2,723,060	-
Bond Premium	1,054,162	-	351,388	702,774	-
Total Long-term Liabilities	\$ 68,981,607	\$ 2,099,694	\$ 9,588,105	\$ 61,493,196	\$ 9,174,627

7. PENSION PLAN

Plan Description – The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx.

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i) **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
- ii) **Death Benefits.** Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member’s account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii) **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

- iv) **Benefit Changes After Retirement.** Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

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

- i) **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

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

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

- ii) **Death Benefits.** Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
- iii) **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
- iv) **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2011 actuarial valuation, which became effective July 1, 2013. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2015 were \$10,637,433, excluding amounts to fund employer specific liabilities. Approximately \$1,245,000 was charged for the year ended June 30, 2015 as PERS benefits expenditures to be used for principal bond payments as they become due.

At June 30, 2015, the District reported a net pension asset of \$11,829,435 for its proportionate share of the net pension asset. The pension asset was measured as of December 31, 2012, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At December 31, 2012, the District's proportion was .52 percent.

	Deferred Outflow of Resources	Deferred Inflow of Resources
	<u>\$</u>	<u>\$</u>
Difference between expected and actual experience	-	-
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	22,826,017
Changes in proportion and differences between District contributions and proportionate share of contributions	274,331	-
District contributions subsequent to measurement date	<u>-</u>	<u>-</u>
Subtotal - Amortized Deferrals (below)	<u>-</u>	<u>(22,551,686)</u>
District contributions subsequent to measurement date	<u>10,637,433</u>	<u>-</u>
Net deferred outflow (inflow) of resources	<u>-</u>	<u>\$ (11,914,253)</u>

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

Amounts reported as deferred outflows or inflow of resources related to pension will be recognized in pension expense as follows:

<u>Year ending June 30,</u>	<u>Amount</u>
2016	\$ (5,646,867)
2017	\$ (5,646,867)
2018	\$ (5,646,867)
2019	\$ (5,646,867)
2020	\$ 35,783
Thereafter	-
Total	<u>\$ (22,551,685)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated July 29, 2015. Oregon PERS produces an independently audited CAFR which can be found at:

http://www.oregon.gov/pers/Pages/section/financial_reports/financial.aspx.

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

For the OPSRP Pension Program component of the PERS Defined Benefit Plan, this method produced an employer rate consisting of (a) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (b) an actuarially determined amount for funding a disability benefit component, and (c) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 16 years.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

Actuarial Methods and Assumptions:

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

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

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

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. PENSION PLAN (CONTINUED)

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

	Decrease (6.75%)	Rate (7.75%)	Increase (8.75%)
District's proportionate share of the net pension liability	\$ 25,050,470	\$ (11,829,435)	\$ (43,021,184)

Changes in Plan Provisions Subsequent to Measurement Date: The Oregon Supreme Court on April 30, 2015, ruled in the Moro decision, that the provisions of Senate Bill 861, signed into law in October 2013, that limited the post-retirement COLA on benefits accrued prior to the signing of the law were unconstitutional. Benefits could be modified prospectively, but not retrospectively. As a result, those who retired before the bills were passed will continue to receive a COLA tied to the Consumer Price Index that normally results in a 2% increase annually. PERS will make restoration payments to those benefit recipients. PERS members who have accrued benefits before and after the effective dates of the 2013 legislation will have a blended COLA rate when they retire. Oregon Public Employees Retirement System Notes to the Schedules of Employer Allocations and Pension Amounts by Employer As of and for the Fiscal Year Ended June 30, 2014. This is a change in benefit terms subsequent to the measurement date of June 30, 2014, which will be reflected in the next year's actuarial valuations. The impact of the Moro decision on the total pension liability and employer's net pension liability (asset) has not been fully determined. However, PERS' third-party actuaries have estimated the impact of the Moro decision under one possible methodology, which is summarized below (dollars in millions). Estimates have been rounded to the nearest \$10 million.

June 30, 2014 Measurement Date for all PERS employers (in millions)		
	Pre-Moro	Post-Moro
Net pension liability		
Total pension liability	\$ 63,135	\$ 68,050
Fiduciary net position	65,402	65,400
Net pension liability (asset)	<u>-2,267</u>	<u>2,650</u>

Additional disclosures related to Oregon PERS not applicable to specific employers are available online at the below website, or by contacting PERS at the following address: PO BOX 23700 Tigard, OR 97281-3700,

http://www.oregon.gov/pers/EMP/docs/er_general_information/opers_gasb_68_disclosure_information_revised.pdf

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. 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, 2015, the estimated liability is \$2,723,060, which has been accrued in the statement of net position. Total expenses for the year ending June 30, 2015 were \$792,183.

9. SELF-INSURANCE

Public liability and property damage claims are self-insured for the first \$100,000 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.

There is also 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.

10. DEFERRED COMPENSATION PLAN

A deferred compensation plan is available to employees wherein they may execute an individual agreement with 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. On June 30, 2015 the balance in the Oregon Savings 457 Plan was \$416,670.

11. OTHER POST EMPLOYMENT BENEFITS

PLAN DESCRIPTION

A single-employer retiree benefit plan is operated that provides postemployment health, dental vision and life insurance benefits to eligible employees and their spouses. There are active and retired members in the plan. Benefits and eligibility for members are established through the collective bargaining agreements.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

11. OTHER POST EMPLOYMENT BENEFITS (CONTINUED)

The post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulated that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims cost, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

No irrevocable trust (or equivalent arrangement) was established to account for the plan.

No actuarial valuation was completed for the year ended June 30, 2015, and therefore no annual required contribution has been calculated.

FUNDING POLICY

The benefits from this program are paid by the retired employees on a self-pay basis and the required contribution is based on projected pay-as-you go financing requirements. There is no obligation to fund these benefits in advance.

12. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is carried for other risks of loss including excess liability, workers' compensation, boiler and machinery, public official bond and employee dishonesty and contractors license bond coverage. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

13. COMMITMENTS AND CONTINGENCIES

A number of federally assisted grant programs are participated in. 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, 2015 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 amounts are expected to be immaterial.

A substantial portion of operating funding is received 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 either increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

14. 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.

15. INTERGOVERNMENTAL AGENCY

In 1993 an intergovernmental agreement was entered into to build, operate, and maintain the Linn Regional Fueling Facility (LRFF) along with Linn County, 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.

There is no equity interest in the Facility, and therefore does not report an equity interest in the basic financial statements. At June 30, 2015, the Linn Regional Fueling Facility's equity balance as reported in its audited financial statement totaled \$361,365. A copy of the Linn Regional Fueling Facility's audit report may be obtained from Linn County.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

16. INTERFUND TRANSFERS AND BALANCES

The composition of interfund transfers is as follows:

Transfers Out:		Due From	
General Fund	\$ 374,061	General Fund	\$ 1,371,546
	<u>374,061</u>		<u>1,371,546</u>
Total	\$ 374,061	Total	\$ 1,371,546
	<u>374,061</u>		<u>1,371,546</u>
Transfers In:		Due To	
Grant Funds	\$ 40,000	Grant Funds	\$ 921,487
Non Major Governmental	334,061	Non Major Governmenta	450,059
	<u>374,061</u>		<u>1,371,546</u>
Total	\$ 374,061	Total	\$ 1,371,546
	<u>374,061</u>		<u>1,371,546</u>

The internal transfers are budgeted and recorded to show legal and operational commitments between funds such as cost sharing.

17. RESTATE BEGINNING BALANCE

Due to the implementation of GASB 68 a restatement of the prior year net position was required. The restatement is as follows:

Net position-Beginning as previously reported	\$	67,347,831
Pension asset for prepaid as of 6/30/14		(26,455,767)
Proportionate share of net pension liability		(26,632,086)
Net outflow/(inflows) of resources		10,149,102
Net position-Beginning as restated	<u>\$</u>	<u>24,409,080</u>

18. PRIOR PERIOD ADJUSTMENT

A \$1,050,000 positive prior period adjustment was made to beginning net position to record the 2014 payment of the outstanding PERS bond. The details are as follows:

Adjustment		
Bonds payable	\$ 1,050,000	
	<u>1,050,000</u>	
Total Prior Period Adjustment	\$ 1,050,000	
	<u>1,050,000</u>	

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

**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, 2015**

<u>GENERAL FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 20,730,000	\$ 20,730,000	\$ 21,624,350	\$ 894,350
Intermediate Sources	45,000	45,000	12,754	(32,246)
State Sources	54,706,116	54,706,116	55,182,406	476,290
Federal Sources	-	-	552,864	552,864
Total Revenues	<u>75,481,116</u>	<u>75,481,116</u>	<u>77,372,374</u>	<u>1,891,258</u>
EXPENDITURES				
Instruction	50,636,660	50,636,660 (1)	50,056,966	579,694
Support Services	26,721,826	26,721,826 (1)	26,020,426	701,400
Enterprise and Community Services	25,000	25,000 (1)	24,120	880
Facilities Acquisition and Construction	475,000	475,000 (1)	337,711	137,289
Contingency	2,500,000	2,500,000 (1)	-	2,500,000
Total Expenditures	<u>80,358,486</u>	<u>80,358,486</u>	<u>76,439,223</u>	<u>3,919,263</u>
Excess of Revenues Over (Under) Expenditures	(4,877,370)	(4,877,370)	933,151	5,810,521
OTHER FINANCING SOURCES (USES)				
Gain (Loss) on Sale of Fixed Assets	750	750	600	(150)
Transfers Out	(378,000)	(378,000) (1)	(374,061)	3,939
Total Other Financing Sources (Uses)	<u>(377,250)</u>	<u>(377,250)</u>	<u>(373,461)</u>	<u>3,789</u>
Net Change in Fund Balance	(5,254,620)	(5,254,620)	559,690	5,814,310
Beginning Fund Balance	<u>9,245,889</u>	<u>9,245,889</u>	<u>10,235,016</u>	<u>989,127</u>
Ending Fund Balance	<u>\$ 3,991,269</u>	<u>\$ 3,991,269</u>	<u>\$ 10,794,706</u>	<u>\$ 6,803,437</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, 2015**

	<u>GRANT FUNDS</u>			VARIANCE POSITIVE (NEGATIVE)
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	
REVENUES				
Local Sources	\$ 595,000	\$ 595,000	\$ 367,593	\$ (227,407)
Intermediate Sources	65,000	65,000	196,186	131,186
State Sources	250,000	250,000	570,248	320,248
Federal Sources	<u>5,879,660</u>	<u>5,879,660</u>	<u>5,546,151</u>	<u>(333,509)</u>
Total Revenues	6,789,660	6,789,660	6,680,178	(109,482)
EXPENDITURES				
Instruction	4,321,370	4,321,370 (1)	3,747,801	573,569
Support Services	3,525,940	3,525,940 (1)	3,152,134	373,806
Enterprise and Community Services	5,000	5,000 (1)	66,580	(61,580)
Facilities Acquisition and Construction	<u>400,000</u>	<u>400,000 (1)</u>	<u>99,740</u>	<u>300,260</u>
Total Expenditures	<u>8,252,310</u>	<u>8,252,310</u>	<u>7,066,255</u>	<u>1,186,055</u>
Excess of Revenues Over (Under) Expenditures	(1,462,650)	(1,462,650)	(386,077)	1,076,573
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>40,000</u>	<u>40,000</u>	<u>40,000</u>	<u>-</u>
Net Change in Fund Balance	(1,422,650)	(1,422,650)	(346,077)	1,076,573
Beginning Fund Balance	<u>1,422,650</u>	<u>1,422,650</u>	<u>1,469,940</u>	<u>47,290</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,123,863</u>	<u>\$ 1,123,863</u>

(1) Appropriation Level

GREATER ALBANY SCHOOL DISTRICT
LINN COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION
For the Year Ended June 30, 2015

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) District's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2015	0.52 %	\$ (11,829,435)	\$ 43,809,129	(27.0) %	103.6 %
2014	0.52	26,632,086	40,812,567	65.3	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

SCHEDULE OF CONTRIBUTIONS

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2015	\$ 10,637,433	\$ 10,637,433	\$ -	\$ 43,809,129	24.3 %
2014	10,149,102	10,149,102	-	40,812,567	24.9

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for the years for which the required supplementary information is available.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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, 2015

	<u>DEBT SERVICE FUND</u>			VARIANCE
	<u>ORIGINAL</u>	<u>FINAL</u>	<u>ACTUAL</u>	<u>POSITIVE</u>
	<u>BUDGET</u>	<u>BUDGET</u>		<u>(NEGATIVE)</u>
REVENUES				
Local Sources	\$ 7,838,500	\$ 7,838,500	\$ 8,049,773	\$ 211,273
EXPENDITURES				
Debt Service	7,738,500	7,738,500 (1)	7,738,500	-
Net Change in Fund Balance	100,000	100,000	311,273	211,273
Beginning Fund Balance	(100,000)	(100,000)	69,447	169,447
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 380,720</u>	<u>\$ 380,720</u>

(1) Appropriation Level

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

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

	STUDENT ACTIVITY FUND	BUS REPLACEMENT FUND	ENERGY CONSERVATION FUND	E-RATE FUNDING FUND
ASSETS				
Cash and Investments	\$ 688,047	\$ 163,866	\$ 189,952	\$ 327,431
Accounts Receivable	170	-	-	-
Inventory	-	-	-	-
Due From Other Funds	-	-	16,162	-
Total Assets	\$ 688,217	\$ 163,866	\$ 206,114	\$ 327,431
LIABILITIES AND FUND BALANCES				
Liabilities				
Deposits Payable	\$ -	\$ -	\$ -	\$ -
Accounts Payable	30,752	-	-	231
Retainage	-	-	45,568	-
Due to Other Funds	-	-	-	-
Total Liabilities	30,752	-	45,568	231
Fund Balances				
Nonspendable	-	-	-	-
Restricted for:				
Student Activities	657,465	-	-	-
Debt Service	-	-	-	-
Capital Projects	-	-	-	-
Other	-	-	-	327,200
Committed	-	163,866	160,546	-
Unassigned	-	-	-	-
	657,465	163,866	160,546	327,200
Total Liabilities and Fund Balances	\$ 688,217	\$ 163,866	\$ 206,114	\$ 327,431

SCHOOL LUNCH FUND	PERS REFINANCE SERVICE	CAPITAL IMPROVEMENT FUND #1	TIMBER RIDGE TRACK FUND	SAHS TURF FIELD FUND	SAHS FIRE RECONSTRUCTION FUND	CONSTRUCTION EXCISE TAX CAPTIAL FUND	TOTAL
\$ -	\$ 1,212,941	\$ 78,097	\$ -	\$ -	\$ 116,146	\$ 2,639,845	\$ 5,416,325
39,345	-	-	-	-	-	99,219	138,734
104,775	-	-	-	-	-	-	104,775
132,870	-	-	-	-	-	-	149,032
<u>\$ 276,990</u>	<u>\$ 1,212,941</u>	<u>\$ 78,097</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,146</u>	<u>\$ 2,739,064</u>	<u>\$ 5,808,866</u>
\$ 50,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,334
83,810	-	-	-	-	596,168	62,144	773,105
-	-	-	-	-	-	-	45,568
450,059	-	-	-	-	-	-	450,059
584,203	-	-	-	-	596,168	62,144	1,319,066
104,775	-	-	-	-	-	-	104,775
-	-	-	-	-	-	-	657,465
-	1,212,941	-	-	-	-	-	1,212,941
-	-	78,097	-	-	(480,022)	2,676,920	2,274,995
-	-	-	-	-	-	-	327,200
-	-	-	-	-	-	-	324,412
(411,988)	-	-	-	-	-	-	(411,988)
(307,213)	1,212,941	78,097	-	-	(480,022)	2,676,920	4,489,800
<u>\$ 276,990</u>	<u>\$ 1,212,941</u>	<u>\$ 78,097</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,146</u>	<u>\$ 2,739,064</u>	<u>\$ 5,808,866</u>

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

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2015**

	STUDENT ACTIVITY FUND	BUS REPLACEMENT FUND	ENERGY CONSERVATION FUND	E-RATE FUNDING FUND
REVENUES				
Local Sources	\$ 1,958,043	\$ 1,978	\$ 221,176	\$ 290,913
State Sources	-	425,024	-	-
Federal Sources	-	-	-	-
Total Revenues	1,958,043	427,002	221,176	290,913
EXPENDITURES				
Instruction	1,908,027	-	-	151,211
Support Services	84,142	649,709	-	61,781
Enterprise and Community Services	-	-	-	-
Facilities Acquisition and Construction	-	484,401	55,114	-
Debt Service	-	-	289,814	-
Total Expenditures	1,992,169	1,134,110	344,928	212,992
Excess of Revenues Over (Under) Expenditures	(34,126)	(707,108)	(123,752)	77,921
OTHER FINANCING SOURCES (USES)				
Transfers In	-	98,000	100,000	-
Gain (Loss) on Sale of Capital Assets	-	10,272	-	-
Loan Proceeds	-	649,709	-	-
Total Other Financing Sources, (Uses)	-	757,981	100,000	-
Net Change in Fund Balance	(34,126)	50,873	(23,752)	77,921
Beginning Fund Balances	691,591	112,993	184,298	249,279
Ending Fund Balances	<u>\$ 657,465</u>	<u>\$ 163,866</u>	<u>\$ 160,546</u>	<u>\$ 327,200</u>

SCHOOL LUNCH FUND	PERS REFINANCE FUND	CAPITAL IMPROVEMENT FUND #1	TIMBER RIDGE TRACK FUND	SAHS TURF FIELD FUND	SAHS FIRE RECONSTRUCTION FUND	CONSTRUCTION EXCISE TAX CAPTIAL FUND	TOTAL
\$ 602,714	\$ 3,247,222	\$ 954	\$ -	\$ -	\$ -	\$ 762,523	\$ 7,085,523
12,893	-	-	-	-	-	-	437,917
2,642,417	-	-	-	-	-	-	2,642,417
3,258,024	3,247,222	954	-	-	-	762,523	10,165,857
-	-	-	-	-	26,505	-	2,085,743
-	-	-	-	-	5,507	-	801,139
3,289,104	-	-	-	-	42,616	-	3,331,720
-	-	-	10,010	200,000	1,655,394	95,570	2,500,489
-	3,516,424	-	-	14,983	-	-	3,821,221
3,289,104	3,516,424	-	10,010	214,983	1,730,022	95,570	12,540,312
(31,080)	(269,202)	954	(10,010)	(214,983)	(1,730,022)	666,953	(2,374,455)
121,078	-	-	-	14,983	-	-	334,061
-	-	-	-	-	1,250,000	-	1,260,272
-	-	-	-	200,000	-	-	849,709
121,078	-	-	-	214,983	1,250,000	-	2,444,042
89,998	(269,202)	954	(10,010)	-	(480,022)	666,953	69,587
(397,211)	1,482,143	77,143	10,010	-	-	2,009,967	4,420,213
\$ (307,213)	\$ 1,212,941	\$ 78,097	\$ -	\$ -	\$ (480,022)	\$ 2,676,920	\$ 4,489,800

**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, 2015**

STUDENT ACTIVITY FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 1,940,000	\$ 1,940,000	\$ 1,958,043	\$ 18,043
Total Revenues	<u>1,940,000</u>	<u>1,940,000</u>	<u>1,958,043</u>	<u>18,043</u>
EXPENDITURES				
Instruction	2,015,750	2,015,750 (1)	1,908,027	107,723
Support Services	100,000	100,000 (1)	84,142	15,858
Contingency	<u>200,000</u>	<u>200,000 (1)</u>	<u>-</u>	<u>200,000</u>
Total Expenditures	<u>2,315,750</u>	<u>2,315,750</u>	<u>1,992,169</u>	<u>323,581</u>
Net Change in Fund Balance	(375,750)	(375,750)	(34,126)	341,624
Beginning Fund Balance	<u>650,000</u>	<u>650,000</u>	<u>691,591</u>	<u>41,591</u>
Ending Fund Balance	<u>\$ 274,250</u>	<u>\$ 274,250</u>	<u>\$ 657,465</u>	<u>\$ 383,215</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, 2015**

BUS REPLACEMENT FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Local Sources	\$ -	\$ -	\$ 1,978	\$ 1,978
State Sources	335,000	335,000	425,024	90,024
Total Revenues	335,000	335,000	427,002	92,002
EXPENDITURES				
Support Services	675,450	675,450 (1)	649,709	25,741
Debt Service	489,000	489,000 (1)	484,401 (2)	4,599
Total Expenditures	1,164,450	1,164,450	1,134,110	30,340
Excess of Revenues Over (Under) Expenditures	(829,450)	(829,450)	(707,108)	61,662
OTHER FINANCING SOURCES (USES)				
Lease Purchase Proceeds	675,000	675,000	649,709	(25,291)
Gain (Loss) on Sale of Fixed Assets	2,000	2,000	10,272	8,272
Transfers In	98,000	98,000	98,000	-
Total Other Financing Sources (Uses)	775,000	775,000	757,981	(17,019)
Net Change in Fund Balance	(54,450)	(54,450)	50,873	105,323
Beginning Fund Balance	75,000	75,000	112,993	37,993
Ending Fund Balance	<u>\$ 20,550</u>	<u>\$ 20,550</u>	<u>\$ 163,866</u>	<u>\$ 143,316</u>

(1) Appropriation Level

(2) Exempt from Oregon Budget Law per ORS 294.338(4)

**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, 2015**

ENERGY CONSERVATION FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ -	\$ -	\$ 221,176	\$ 221,176
State Sources	175,000	175,000	-	(175,000)
Total Revenues	<u>175,000</u>	<u>175,000</u>	<u>221,176</u>	<u>46,176</u>
EXPENDITURES				
Facilities Acquisition and Construction	150,000	150,000 (1)	55,114	94,886
Debt Service	304,000	304,000 (1)	289,814	14,186
Contingency	50,000	50,000 (1)	-	50,000
Total Expenditures	<u>504,000</u>	<u>504,000</u>	<u>344,928</u>	<u>159,072</u>
Excess of Revenues Over (Under) Expenditures	(329,000)	(329,000)	(123,752)	205,248
OTHER FINANCING SOURCES (USES)				
Transfers In	100,000	100,000	100,000	-
Total Other Financing Sources (Uses)	<u>100,000</u>	<u>100,000</u>	<u>100,000</u>	<u>-</u>
Net Change in Fund Balance	(229,000)	(229,000)	(23,752)	205,248
Beginning Fund Balance	<u>250,000</u>	<u>250,000</u>	<u>184,298</u>	<u>(65,702)</u>
Ending Fund Balance	<u>\$ 21,000</u>	<u>\$ 21,000</u>	<u>\$ 160,546</u>	<u>\$ 139,546</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, 2015**

<u>E-RATE FUNDING FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 180,000	\$ 180,000	\$ 290,913	\$ 110,913
EXPENDITURES				
Instruction	170,000	170,000 (1)	151,211	18,789
Support Services	225,000	225,000 (1)	61,781	163,219
Contingency	50,000	50,000 (1)	-	50,000
Total Expenditures	445,000	445,000	212,992	232,008
Net Change in Fund Balance	(265,000)	(265,000)	77,921	342,921
Beginning Fund Balance	350,000	350,000	249,279	(100,721)
Ending Fund Balance	<u>\$ 85,000</u>	<u>\$ 85,000</u>	<u>\$ 327,200</u>	<u>\$ 242,200</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, 2015

	<u>SCHOOL LUNCH FUND</u>			
	<u>ORIGNIAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 659,315	\$ 659,315	\$ 602,714	\$ (56,601)
State Sources	35,803	35,803	12,893	(22,910)
Federal Sources	<u>2,703,806</u>	<u>2,703,806</u>	<u>2,642,417</u>	<u>(61,389)</u>
Total Revenues	<u>3,398,924</u>	<u>3,398,924</u>	<u>3,258,024</u>	<u>(140,900)</u>
EXPENDITURES				
Enterprise and Community Services	3,372,567	3,372,567 (1)	3,289,105	83,462
Contingency	<u>61,357</u>	<u>61,357 (1)</u>	<u>-</u>	<u>61,357</u>
Total Expenditures	<u>3,433,924</u>	<u>3,433,924</u>	<u>3,289,105</u>	<u>144,819</u>
Excess of Revenues Over (Under) Expenditures	(35,000)	(35,000)	(31,081)	3,919
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>125,000</u>	<u>125,000</u>	<u>121,079</u>	<u>(3,921)</u>
Net Change in Fund Balance	90,000	90,000	89,998	(2)
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>(397,211)</u>	<u>(397,211)</u>
Ending Fund Balance	<u>\$ 90,000</u>	<u>\$ 90,000</u>	<u>\$ (307,213)</u>	<u>\$ (397,213)</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, 2015**

<u>PERS REFINANCE FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
REVENUES				
Local Sources	\$ 2,965,000	\$ 2,965,000	\$ 3,247,222	\$ 282,222
EXPENDITURES				
Debt Service	3,516,424	3,516,424 (1)	3,516,424	-
Contingency	100,000	100,000 (1)	-	100,000
Total Expenditures	<u>3,616,424</u>	<u>3,616,424</u>	<u>3,516,424</u>	<u>100,000</u>
Net Change in Fund Balance	(651,424)	(651,424)	(269,202)	382,222
Beginning Fund Balance	<u>1,500,000</u>	<u>1,500,000</u>	<u>1,482,143</u>	<u>(17,857)</u>
Ending Fund Balance	<u>\$ 848,576</u>	<u>\$ 848,576</u>	<u>\$ 1,212,941</u>	<u>\$ 364,365</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, 2015**

CAPITAL IMPROVEMENT FUND #1

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Local Sources	\$ -	\$ -	\$ 954	\$ 954
Total Revenues	-	-	954	(954)
EXPENDITURES				
Facilities Acquisition and Construction	46,000	46,000 (1)	-	46,000
Total Expenditures	46,000	46,000	-	46,000
Net Change in Fund Balance	(46,000)	(46,000)	954	46,954
Beginning Fund Balance	46,000	46,000	77,143	31,143
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 78,097</u>	<u>\$ 78,097</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, 2015**

TIMBER RIDGE TRACK FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES				
Facilities Acquisition and Construction	\$ 15,402	\$ 15,402 (1)	\$ 10,010	\$ 5,392
Total Expenditures	<u>15,402</u>	<u>15,402</u>	<u>10,010</u>	<u>5,392</u>
Net Change in Fund Balance	(15,402)	(15,402)	(10,010)	5,392
Beginning Fund Balance	<u>15,402</u>	<u>15,402</u>	<u>10,010</u>	<u>(5,392)</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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, 2015**

<u>SAHS TURF FIELD FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES				
Facilities Acquisition and Construction	\$ -	\$ - (1)	\$ 200,000	\$ (200,000)
Debt Service	215,000	215,000 (1)	14,983	200,017
Total Expenditures	<u>215,000</u>	<u>215,000</u>	<u>214,983</u>	<u>17</u>
Excess of Revenues Over (Under) Expenditures	(215,000)	(215,000)	(214,983)	17
OTHER FINANCING SOURCES (USES)				
Lease Purchase Proceeds	200,000	200,000	200,000	-
Transfers In	15,000	15,000	14,983	(17)
Total Other Financing Sources, (Uses)	215,000	215,000	214,983	(17)
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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, 2015**

SAHS FIRE RECONSTRUCTION FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE POSITIVE (NEGATIVE)</u>
EXPENDITURES				
Instruction	\$ -	\$ -	\$ 26,505	\$ (26,505)
Support Services	-	-	5,507	(5,507)
Enterprise and Community Services	-	-	42,616	(42,616)
Facilities Acquisition and Construction	-	-	1,655,394	(1,655,394)
Total Expenditures	-	-	1,730,022	(1,730,022)
Excess of Revenues Over (Under) Expenditures	-	-	(1,730,022)	(1,730,022)
OTHER FINANCING SOURCES (USES)				
Gain (Loss) on Sale of Fixed Assets	-	-	1,250,000	1,250,000
Net Change in Fund Balance	-	-	(480,022)	(480,022)
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (480,022)</u>	<u>\$ (480,022)</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, 2015**

CONSTRUCTION EXCISE TAX CAPITAL FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE POSITIVE (NEGATIVE)
REVENUES				
Local Sources	\$ 300,000	\$ 300,000	\$ 762,523	\$ 462,523
EXPENDITURES				
Support Services	50,000	50,000 (1)	-	50,000
Facilities Acquisition and Construction	1,660,000	1,660,000 (1)	95,570	1,564,430
Contingency	190,000	190,000 (1)	-	190,000
Total Expenditures	1,900,000	1,900,000	95,570	1,804,430
Net Change in Fund Balance	(1,600,000)	(1,600,000)	666,953	2,266,953
Beginning Fund Balance	1,600,000	1,600,000	2,009,967	409,967
Ending Fund Balance	\$ -	\$ -	\$ 2,676,920	\$ 2,676,920

(1) Appropriation Level

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED
For the Year Ended June 30, 2015**

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2014	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/15
GENERAL FUND:						
CURRENT:						
2014-15	\$ 21,346,169	\$ 451,557	\$ (32,549)	\$ 9,998	\$ 20,071,547	\$ 790,516
PRIOR YEARS:						
2013-14	(2,934,970)	(82)	3,621,467	22,532	394,336	292,244
2012-13	523,515	(48)	58,626	26,394	215,659	366,529
2011-12	338,799	(49)	(5,578)	37,678	133,237	200,034
2010-11	205,106	(13)	(5,077)	32,877	89,495	110,547
Prior	162,462	-	(4,335)	8,216	14,438	143,689
Total Prior	(1,705,087)	(192)	3,665,103	127,697	847,166	1,113,043
Total General Fund	<u>\$ 19,641,082</u>	<u>\$ 451,364</u>	<u>\$ 3,632,554</u>	<u>\$ 137,695</u>	<u>\$ 20,918,713</u>	<u>\$ 1,903,559</u>
RECONCILIATION OF REVENUE:						GENERAL FUND
Cash Collections by County Treasurer Above						\$ 20,918,713
Accrual of Receivables:						
June 30, 2014						(374,226)
June 30, 2015						<u>219,387</u>
Total Revenue						<u>\$ 20,763,874</u>

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

**SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES
OF TAXES UNCOLLECTED**

For the Year Ended June 30, 2015

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED 7/1/2014	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED OR UNSEGREGATED AT 6/30/15
DEBT SERVICE FUND:						
CURRENT:						
2014-15	\$ 7,982,864	\$ 174,324	\$ (12,566)	\$ 3,860	\$ 7,491,249	\$ 304,725
PRIOR YEARS:						
2013-14	4,085,784	(32)	(3,542,771)	8,719	152,413	390,632
2012-13	189,196	(17)	21,241	9,563	78,043	132,411
2011-12	121,066	(18)	(1,996)	13,485	47,624	71,464
2010-11	74,213	(5)	(1,838)	11,901	32,373	40,007
Prior	53,416	-	(1,532)	2,772	4,729	47,154
Total Prior	4,523,674	(71)	(3,526,896)	46,441	315,183	681,667
Total Debt Service Fund	<u>\$ 12,506,538</u>	<u>\$ 174,253</u>	<u>\$ (3,539,461)</u>	<u>\$ 50,301</u>	<u>\$ 7,806,432</u>	<u>\$ 986,392</u>
RECONCILIATION OF REVENUE:						DEBT SERVICE FUND
Cash Collections by County Treasurer Above						\$ 7,806,432
Accrual of Receivables:						
June 30, 2014						(138,730)
June 30, 2015						<u>83,534</u>
Total Revenue						<u>\$ 7,751,236</u>

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

OTHER INFORMATION

GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF REVENUE BY FUNCTION - ALL FUNDS
FOR THE YEAR ENDED JUNE 30, 2015

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600
Revenue from Local Sources					
1110 Ad Valorem Taxes Levied by District	\$20,933,092	\$0	\$8,044,250	\$0	\$0
1120 Local Option Ad Valorem Taxes Levied from District	\$0	\$0	\$0	\$0	\$0
1130 Construction Excise Tax Revenue	\$0	\$0	\$0	\$730,085	\$0
1190 Penalties and Interest on Taxes	\$0	\$0	\$0	\$0	\$0
1200 Rev from Local Govt'l Units Other than Districts	\$0	\$0	\$0	\$0	\$0
1310 Regular Day School Tuition	\$32,061	\$0	\$0	\$0	\$0
1320 Adult/Continuing Education Tuition	\$0	\$0	\$0	\$0	\$0
1330 Summer School Tuition	\$0	\$0	\$0	\$0	\$0
1400 Transportation Fees	\$22,706	\$0	\$0	\$0	\$0
1500 Earnings on Investments	\$136,430	\$1,978	\$5,523	\$33,392	\$0
1600 Food Service	\$0	\$443,870	\$0	\$0	\$0
1700 Extracurricular Activities	\$0	\$1,943,220	\$0	\$0	\$0
1800 Community Services Activities	\$0	\$0	\$0	\$0	\$0
1910 Rentals	\$106,664	\$0	\$0	\$0	\$0
1920 Contributions and Donations From Private Sources	\$0	\$29,092	\$0	\$0	\$0
1930 Rental or Lease Payments From Private Contractors	\$0	\$0	\$0	\$0	\$0
1940 Services Provided Other Local Education Agencies	\$0	\$0	\$0	\$0	\$0
1950 Textbook Sales and Rentals	\$0	\$0	\$0	\$0	\$0
1960 Recovery of Prior Years' Expenditure	\$0	\$0	\$0	\$0	\$0
1970 Services Provided Other Funds	\$0	\$0	\$3,247,223	\$0	\$0
1980 Fees Charged to Grants	\$97,952	\$0	\$0	\$0	\$0
1990 Miscellaneous	\$295,444	\$1,024,260	\$0	\$0	\$0
Total Revenue from Local Sources	\$21,624,348	\$3,442,418	\$11,296,996	\$763,477	\$0
Revenue from Intermediate Sources					
2101 County School Funds	\$12,754	\$0	\$0	\$0	\$0
2102 Education Service District Appointment	\$0	\$0	\$0	\$0	\$0
2105 Natural Gas, Oil, and Mineral Receipts	\$0	\$0	\$0	\$0	\$0
2199 Other Intermediate Sources	\$0	\$0	\$0	\$0	\$0
2200 Restricted Revenue	\$0	\$196,186	\$0	\$0	\$0
2800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0
Total Revenue from Intermediate Sources	\$12,754	\$196,186	\$0	\$0	\$0
Revenue from State Sources					
3101 State School Fund - General Support	\$53,416,935	\$0	\$0	\$0	\$0
3102 State School Fund - School Lunch Match	\$0	\$0	\$0	\$0	\$0
3103 Common School Fund	\$939,089	\$0	\$0	\$0	\$0
3104 State Managed County Timber	\$171,371	\$0	\$0	\$0	\$0
3199 Other Unrestricted Grants-in-Aid	\$389,839	\$0	\$0	\$0	\$0
3204 Driver Education	\$0	\$0	\$0	\$0	\$0
3222 State School Fund (SSF) Transportation Equipment	\$0	\$425,024	\$0	\$0	\$0
3299 Other Restricted Grants-in-Aid	\$265,172	\$583,141	\$0	\$0	\$0
3800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0
3900 Revenue for/on Behalf of the District	\$0	\$0	\$0	\$0	\$0
Total Revenue from State Sources	\$55,182,406	\$1,008,165	\$0	\$0	\$0
Revenue from Federal Sources					
4100 Unrestricted Revenue Direct From the Federal Government	\$0	\$0	\$0	\$0	\$0
4200 Unrestricted Revenue From the Federal Government Through the State	\$0	\$0	\$0	\$0	\$0
4300 Restricted Revenue From the Federal Government	\$0	\$0	\$0	\$0	\$0
4500 Restricted Revenue From the Federal Government Through the State	\$0	\$7,183,037	\$0	\$0	\$0
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	\$0	\$823,861	\$0	\$0	\$0
4801 Federal Forest Fees	\$456,243	\$0	\$0	\$0	\$0
4802 Impact Aid to School Districts for Operation (PL 874)	\$0	\$0	\$0	\$0	\$0
4803 Coos Bay Wagon Road Funds	\$0	\$0	\$0	\$0	\$0
4899 Other Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0
4900 Revenue for/on Behalf of the District	\$96,621	\$181,672	\$0	\$0	\$0
Total Revenue from Federal Sources	\$552,864	\$8,188,569	\$0	\$0	\$0
Revenue from Other Sources					
5100 Long Term Debt Financing Sources	\$0	\$649,709	\$0	\$200,000	\$0
5200 Interfund Transfers	\$0	\$359,079	\$0	\$14,983	\$0
5300 Sale of or Compensation for Loss of Fixed Assets	\$600	\$10,272	\$0	\$1,250,000	\$0
5400 Resources - Beginning Fund Balance	\$10,235,019	\$2,310,890	\$1,551,590	\$2,097,120	\$0
Total Revenue from Other Sources	\$10,235,619	\$3,329,949	\$1,551,590	\$3,562,102	\$0
Grand Totals	\$87,607,990	\$16,165,288	\$12,848,585	\$4,325,579	\$0

**GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
FOR THE YEAR ENDED JUNE 30, 2015**

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	\$18,931,983	\$11,061,508	\$6,581,974	\$143,844	\$1,144,657	\$0	\$0	\$0
1112 Intermediate Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113 Elementary Extracurricular	\$148	\$0	\$0	\$0	\$148	\$0	\$0	\$0
1121 Middle/Junior High Programs	\$8,279,414	\$4,998,637	\$2,787,374	\$43,080	\$450,322	\$0	\$0	\$0
1122 Middle/Junior High School Extracurricular	\$29,711	\$22,069	\$7,497	\$0	\$144	\$0	\$0	\$0
1131 High School Programs	\$10,002,560	\$6,088,448	\$3,345,035	\$81,277	\$486,270	\$0	\$1,530	\$0
1132 High School Extracurricular	\$633,078	\$424,695	\$143,813	\$64,569	\$0	\$0	\$0	\$0
1140 Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210 Programs for the Talented and Gifted	\$50,962	\$31,660	\$16,672	\$165	\$2,464	\$0	\$0	\$0
1220 Restrictive Programs for Students with Disabilities	\$4,096,094	\$2,353,284	\$1,660,700	\$54,460	\$27,651	\$0	\$0	\$0
1250 Less Restrictive Programs for Students with Disabilities	\$4,472,701	\$2,743,192	\$1,709,153	\$1,931	\$18,424	\$0	\$0	\$0
1260 Early Intervention	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271 Remediation	\$77,817	\$52,249	\$16,924	\$0	\$8,644	\$0	\$0	\$0
1272 Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280 Alternative Education	\$2,161,455	\$602,635	\$322,835	\$992,875	\$243,110	\$0	\$0	\$0
1291 English Second Language Programs	\$1,321,046	\$813,058	\$488,022	\$10,022	\$9,945	\$0	\$0	\$0
1292 Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293 Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294 Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299 Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300 Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400 Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures	\$50,056,968	\$29,191,436	\$17,079,998	\$1,392,224	\$2,391,780	\$0	\$1,530	\$0
Support Services Expenditures								
2110 Attendance and Social Work Services	\$438,341	\$231,068	\$142,197	\$43,155	\$21,920	\$0	\$0	\$0
2120 Guidance Services	\$1,842,771	\$1,116,912	\$678,639	\$44,339	\$2,881	\$0	\$0	\$0
2130 Health Services	\$58,833	\$18,817	\$11,457	\$26,559	\$2,000	\$0	\$0	\$0
2140 Psychological Services	\$65,770	\$35,018	\$23,118	\$637	\$6,996	\$0	\$0	\$0
2150 Speech Pathology and Audiology Services	\$924,603	\$583,336	\$295,439	\$37,644	\$8,184	\$0	\$0	\$0
2160 Other Student Treatment Services	\$18,814	\$11,431	\$7,384	\$0	\$0	\$0	\$0	\$0
2190 Service Direction, Student Support Services	\$245,454	\$155,824	\$79,150	\$1,569	\$7,721	\$0	\$1,190	\$0
2210 Improvement of Instruction Services	\$555,680	\$346,069	\$166,604	\$11,791	\$31,216	\$0	\$0	\$0
2220 Educational Media Services	\$703,845	\$353,221	\$270,384	\$384	\$79,784	\$0	\$72	\$0
2230 Assessment & Testing	\$279,950	\$186,459	\$78,016	\$13,452	\$2,023	\$0	\$0	\$0
2240 Instructional Staff Development	\$144,211	\$51,310	\$12,488	\$67,656	\$12,757	\$0	\$0	\$0
2310 Board of Education Services	\$377,542	\$0	\$0	\$254,435	\$2,069	\$0	\$121,038	\$0
2320 Executive Administration Services	\$494,172	\$350,412	\$121,480	\$6,902	\$5,266	\$0	\$10,112	\$0
2410 Office of the Principal Services	\$6,260,555	\$4,038,109	\$2,045,791	\$83,044	\$70,033	\$0	\$23,577	\$0
2490 Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510 Direction of Business Support Services	\$258,966	\$174,570	\$80,398	\$2,127	\$1,207	\$0	\$664	\$0
2520 Fiscal Services	\$604,554	\$327,997	\$215,714	\$53,340	\$5,303	\$0	\$2,200	\$0
2540 Operation and Maintenance of Plant Services	\$6,592,947	\$2,246,984	\$1,229,253	\$2,010,648	\$758,090	\$143,677	\$204,296	\$0
2550 Student Transportation Services	\$3,785,876	\$1,894,629	\$1,003,739	\$132,295	\$629,205	\$49,267	\$76,741	\$0
2570 Internal Services	\$92,892	\$39,603	\$26,592	\$26,697	\$0	\$0	\$0	\$0
2610 Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630 Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640 Staff Services	\$680,914	\$427,689	\$147,955	\$93,813	\$10,029	\$0	\$1,428	\$0
2660 Technology Services	\$801,555	\$317,158	\$159,601	\$247,387	\$73,458	\$0	\$3,950	\$0
2670 Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690 Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700 Supplemental Retirement Program	\$792,183	\$593,770	\$198,412	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$26,020,426	\$13,500,388	\$6,993,813	\$3,157,873	\$1,730,142	\$192,944	\$445,267	\$0
Enterprise and Community Services Expenditures								
3100 Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200 Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300 Community Services	\$24,120	\$0	\$0	\$600	\$0	\$0	\$23,520	\$0
3500 Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$24,120	\$0	\$0	\$600	\$0	\$0	\$23,520	\$0
Facilities Acquisition and Construction Expenditures								
4110 Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120 Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction and Improvement Services	\$337,711	\$0	\$0	\$0	\$21,755	\$315,059	\$897	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$337,711	\$0	\$0	\$0	\$21,755	\$315,059	\$897	\$0
Other Uses Expenditures								
5100 Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200 Transfers of Funds	\$374,061	\$0	\$0	\$0	\$0	\$0	\$0	\$374,061
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$374,061	\$0	\$0	\$0	\$0	\$0	\$0	\$374,061
Grand Total	\$76,813,286	\$42,691,823	\$24,073,811	\$4,550,696	\$4,143,677	\$508,003	\$471,214	\$374,061

**GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
FOR THE YEAR ENDED JUNE 30, 2015**

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	\$287,070	\$139,299	\$0	\$0	\$147,771	\$0	\$0	\$0
1112 Intermediate Programs	\$3,246	\$0	\$0	\$0	\$3,246	\$0	\$0	\$0
1113 Elementary Extracurricular	\$247,630	\$3,038	\$926	\$40,253	\$203,302	\$0	\$110	\$0
1121 Middle/Junior High Programs	\$8,305	\$0	\$0	\$634	\$7,671	\$0	\$0	\$0
1122 Middle/Junior High School Extracurricular	\$206,271	\$5,900	\$1,110	\$5,543	\$192,995	\$0	\$724	\$0
1131 High School Programs	\$64,911	\$3,465	\$581	\$1,439	\$59,426	\$0	\$0	\$0
1132 High School Extracurricular	\$1,459,903	\$95,385	\$23,569	\$384,739	\$895,860	\$0	\$60,349	\$0
1140 Pre-Kindergarded Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210 Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220 Restrictive Programs for Students with Disabilities	\$971,697	\$614,633	\$349,937	\$4,334	\$2,793	\$0	\$0	\$0
1250 Less Restrictive Programs for Students with Disabilities	\$217,564	\$130,917	\$84,154	\$2,493	\$0	\$0	\$0	\$0
1260 Early Intervention	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271 Remediation	\$80,647	\$16,706	\$5,452	\$2,686	\$55,803	\$0	\$0	\$0
1272 Title I	\$2,221,870	\$1,271,049	\$768,343	\$31,363	\$151,115	\$0	\$0	\$0
1280 Alternative Education	\$7,222	\$1,529	\$440	\$2,172	\$3,082	\$0	\$0	\$0
1291 English Second Language Programs	\$30,704	\$5,545	\$3,181	\$15,989	\$5,990	\$0	\$0	\$0
1292 Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293 Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400 Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures	\$5,807,039	\$2,287,467	\$1,237,692	\$491,643	\$1,729,054	\$0	\$61,183	\$0
Support Services Expenditures								
2110 Attendance and Social Work Services	\$620,897	\$367,393	\$201,454	\$27,555	\$24,385	\$0	\$110	\$0
2120 Guidance Services	\$49,521	\$26,486	\$18,926	\$4,108	\$0	\$0	\$0	\$0
2130 Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140 Psychological Services	\$106,569	\$68,491	\$37,241	\$836	\$0	\$0	\$0	\$0
2150 Speech Pathology and Audiology Services	\$119,376	\$67,494	\$26,646	\$20,000	\$2,101	\$0	\$3,135	\$0
2160 Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190 Service Direction, Student Support Services	\$342,271	\$223,945	\$108,757	\$7,535	\$1,440	\$0	\$595	\$0
2210 Improvement of Instruction Services	\$505,993	\$322,980	\$134,708	\$41,055	\$7,250	\$0	\$0	\$0
2220 Educational Media Services	\$2,578	\$0	\$0	\$0	\$2,578	\$0	\$0	\$0
2230 Assessment & Testing	\$21,557	\$0	\$0	\$0	\$21,557	\$0	\$0	\$0
2240 Instructional Staff Development	\$785,357	\$389,511	\$120,824	\$271,717	\$3,306	\$0	\$0	\$0
2310 Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320 Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410 Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490 Other Support Services - School Administration	\$149,079	\$108,412	\$36,450	\$3,513	\$704	\$0	\$0	\$0
2510 Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520 Fiscal Services	\$102,976	\$0	\$0	\$0	\$5,023	\$0	\$97,952	\$0
2540 Operation and Maintenance of Plant Services	\$153,110	\$780	\$83	\$139,294	\$12,953	\$0	\$0	\$0
2550 Student Transportation Services	\$720,350	\$7,874	\$2,263	\$60,504	\$0	\$649,709	\$0	\$0
2570 Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610 Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640 Staff Services	\$210,743	\$136,270	\$73,133	\$837	\$503	\$0	\$0	\$0
2660 Technology Services	\$57,390	\$0	\$0	\$35,688	\$21,702	\$0	\$0	\$0
2670 Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690 Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700 Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$3,947,766	\$1,719,636	\$760,484	\$612,642	\$103,503	\$649,709	\$101,792	\$0
Enterprise and Community Services Expenditures								
3100 Food Services	\$3,315,190	\$1,007,988	\$657,335	\$1,616,995	\$8,099	\$24,773	\$0	\$0
3200 Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300 Community Services	\$40,495	\$13,093	\$2,155	\$11,985	\$13,263	\$0	\$0	\$0
3500 Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$3,355,686	\$1,021,081	\$659,490	\$1,628,980	\$21,362	\$24,773	\$0	\$0
Facilities Acquisition and Construction Expenditures								
4110 Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120 Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction and Improvement Services	\$154,854	\$0	\$0	\$123,227	\$31,377	\$0	\$250	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$154,854	\$0	\$0	\$123,227	\$31,377	\$0	\$250	\$0
Other Uses Expenditures								
5100 Debt Service	\$774,215	\$0	\$0	\$0	\$0	\$0	\$774,215	\$0
5200 Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300 Appointment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$774,215	\$0	\$0	\$0	\$0	\$0	\$774,215	\$0
Grand Total	\$14,039,560	\$5,028,183	\$2,657,667	\$2,856,492	\$1,885,295	\$674,482	\$937,440	\$0

GREATER ALBANY PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
 FOR THE YEAR ENDED JUNE 30, 2015

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	\$11,254,924	\$0	\$0	\$0	\$0	\$0	\$11,254,924	\$0
5200 Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$11,254,924	\$0	\$0	\$0	\$0	\$0	\$11,254,924	\$0
Grand Total	\$11,254,924	\$0	\$0	\$0	\$0	\$0	\$11,254,924	\$0

**GREATER ALBANY PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES BY FUNCTION/OBJECT
FOR THE YEAR ENDED JUNE 30, 2015**

Fund: 400 - Capital Construction Funds								
Instruction Expenditures								
1131 High School Programs	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	\$26,504	\$3,588	\$1,217	\$0	\$21,700	\$0	\$0	\$0
Total Instruction Expenditures	\$26,504	\$3,588	\$1,217	\$0	\$21,700	\$0	\$0	\$0
Support Services Expenditures								
2410 Office of the Principal Services	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	\$5,507	\$4,937	\$570	\$0	\$0	\$0	\$0	\$0
2540 Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures	\$5,507	\$4,937	\$570	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures								
3100 Food Services	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	\$42,616	\$8,154	\$2,226	\$1,239	\$30,997	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures	\$42,616	\$8,154	\$2,226	\$1,239	\$30,997	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures								
4120 Site Acquisition and Development Services	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150 Building Acquisition, Construction, and Improvement Services	\$1,960,974	\$0	\$0	\$1,637,634	\$101,963	\$219,790	\$1,587	\$0
4190 Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures	\$1,960,974	\$0	\$0	\$1,637,634	\$101,963	\$219,790	\$1,587	\$0
Other Uses Expenditures								
5100 Debt Service	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	\$14,983	\$0	\$0	\$0	\$0	\$0	\$14,983	\$0
5200 Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300 Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400 PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures	\$14,983	\$0	\$0	\$0	\$0	\$0	\$14,983	\$0
Grand Total	\$2,050,584	\$4,937	\$570	\$1,637,634	\$101,963	\$219,790	\$16,570	\$0

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

**SUPPLEMENTAL INFORMATION
As Required by The Oregon Department of Education - Form 3211-C
For the Year Ended June 30, 2015**

A.	Energy bills for heating - all funds:		Objects 325 and 326
		Function 2540	\$ -
		Function 2550	5,728
B.	Replacement of equipment - General Fund: Include all General Fund expenditures in Object 542, except for the following exclusions: Exclude these functions:		Amount
	1113, 1122 & 1132 Co-curricular activities	4150	Construction
	1140 Pre-kindergarten	2550	Pupil transportation
	1300 Continuing education	3100	Food service
	1400 Summer school	3300	Community services
			\$ 7,000

Form 581-3211-C

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS



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Independent Auditor's Report Required by Oregon State Regulations

We have audited the basic financial statements of the Greater Albany Public School District as of and for the year ended June 30, 2015, and have issued our report thereon dated December 24, 2015. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion.

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

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

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

1. Expenditures of the various funds were within authorized appropriations except as noted on page 13

OAR 162-10-0230 Internal Control

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

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 the schedule of findings and questioned costs on page 64.

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

MATTHEW GRAVES, CPA
PAULY, ROGERS AND CO., P.C.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

GRANT COMPLIANCE REVIEW

**GREATER ALBANY PUBLIC SCHOOLS
ALBANY, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As required by the Oregon Department of Education
For the Year Ended June 30, 2015**

Federal Grantor/Pass Through Grantor/ Program Title	Federal CFDA Number	Fund	Grant Period	Original Program or grant amount	Expenditures
US. DEPARTMENT OF EDUCATION					
Passed Through the Oregon Department of Education					
Title I, Part A Cluster					
Title I Grants to Local Educational Agencies	84.010	201	07/01/13 - 09/30/15	2,257,281	687,649
	84.010	201	07/01/14 - 09/30/15	2,255,256	1,934,299
	84.010	231	07/01/13 - 09/30/14	40,238	7,300
	84.010	231	09/01/13 - 09/30/14	40,000	6,515
	84.010	231	07/01/14 - 09/30/15	36,717	36,717
	84.010	206	07/01/14 - 09/30/15	55,449	27,336
Title I, Part A Cluster Total					<u>2,699,816</u>
Title IIA - Improving Teacher Quality State Grants	84.367	202	07/01/13 - 09/30/15	297,873	55,657
	84.367	202	07/01/14 - 09/30/15	295,507	230,511
					<u>286,168</u>
Title III, English Language Acquisition Grants	84.365	203	07/01/12 - 09/30/14	61,517	9,886
	84.365	203	07/01/14 - 09/30/15	62,423	55,256
					<u>65,142</u>
School Improvement Grants					
School Improvement 1003-G Year 3	84.377	255	07/01/13 - 09/30/15	207,686	11,460
					<u>11,460</u>
Special Education Cluster (IDEA)					
Special Education Grants to States	84.027	210	07/01/13 - 09/30/15	1,377,332	380,859
	84.027	210	07/01/14 - 09/30/16	1,403,738	1,097,874
	84.027	216	07/01/14 - 06/30/15	2,700	2,700
	84.027	212	10/01/14 - 09/30/15	12,731	12,731
	84.027	215	08/01/14 - 06/30/15	4,744	4,744
	84.027	219	06/14/15 - 06/18/15	230	230
	84.173	211	07/01/13 - 09/30/15	15,312	15,312
Special Education State Personnel Development	84.323	217	01/01/15 - 03/31/15	10,000	20,000
	84.323	217	02/01/15 - 06/30/15	400	400
	84.323	217	04/01/15 - 08/30/15	10,000	10,000
	84.323	217	04/01/15 - 08/30/15	400	400
Special Education Cluster Total					<u>1,545,250</u>
Passed Through Linn Benton Lincoln ESD					
Autism Agreement	84.027	228	07/01/14 - 06/30/15	170,166	170,166
Extended Assessment	84.027	224	07/01/14 - 06/30/15	2,138	2,138
					<u>172,304</u>

**GREATER ALBANY PUBLIC SCHOOLS
ALBANY, OREGON**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
As required by the Oregon Department of Education
For the Year Ended June 30, 2015**

Passed Through Linn-Benton Community College						
Career and Technical Education (Perkins)	84.048	208	10/01/14 - 09/30/15	86,528	86,528	
Passed Through The ChalkBoard Project						
Teacher Incentive Fund Grant	84.385A	242	10/01/14 - 09/30/15	735,867	735,867	
Passed Through Willamette ESD						
Title IC	84.011	207	07/01/13 - 06/30/14	13,630	13,630	
Passed Through Oregon Department of Human Services						
YTP Grant	84.126a	213	07/01/13 - 06/30/14	50,865	47,765	
Total U.S. Department of Education					<u>5,663,930</u>	
 <u>U.S. DEPARTMENT OF AGRICULTURE</u>						
Passed Through the Oregon Department of Education						
Child Nutrition Cluster						
School Breakfast Program	10.553		07/01/14 - 06/30/15	707,388	707,388	
National School Lunch Program	10.555		07/01/14 - 06/30/15	1,782,063	1,782,063	
Summer Food Service Program for Children	10.559		07/01/14 - 06/30/15	78,389	78,389	
Child Nutrition Cluster Total					<u>2,567,840</u>	
Food and Nutrition						
Child Care - Food Program	10.558		07/01/14 - 06/30/15	74,578	74,578	
Child Nutrition Discretionary Grants	10.579		05/01/14 - 08/01/15	6,085	6,085	
Passed Through Linn County						
Federal Forest Fees	10.665		07/01/14 - 06/30/15		453,241	
Passed Through Benton County						
Federal Forest Fees	10.665		07/01/14 - 06/30/15		3,002	
Total U.S. Department of Agriculture					<u>3,104,746</u>	
 <u>U.S. Department of Transportation</u>						
Donation of Federal Surplus Personal Property	39.003		07/01/14 - 06/30/15		96,621	
TOTALS					<u><u>8,865,296</u></u>	



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December 24, 2015

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Greater Albany Public School District as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 24, 2015.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of internal control.

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

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the financial statements are free from material misstatement, we performed tests of 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*.

Purpose of this Report

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



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December 24, 2015

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

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

Report on Compliance for Each Major Federal Program

We have audited Greater Albany Public School District's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the major federal programs for the year ended June 30, 2015. The major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the major federal programs based on our audit of the types of compliance requirements referred to above. 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 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 on compliance for each major federal program. However, our audit does not provide a legal determination of compliance.

Opinion on Each Major Federal Program

In our opinion, Greater Albany Public School District, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2015.

Report on Internal Control Over Compliance

Management is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of internal control over compliance.

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

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

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



MATTHEW GRAVES, CPA
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GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

SCHEDULE FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

SECTION I – SUMMARY OF AUDITOR’S RESULTS

Financial Statements

Type of Auditor’s report issued:	Modified	
Internal control over financial reporting:		
• Material weakness(es) identified?	_____ Yes	___X___ No
• Significant deficiency(ies) identified that are not considered to be material weaknesses	___X___ Yes	_____ See below
Any audit findings disclosed relating to the financial statements which are required to be reported in accordance with GAGAS, A-133 S505(d)(2)	_____ Yes	___X___ No
Noncompliance material to financial statements noted?	_____ Yes	___X___ No

Federal Awards

Internal control over major programs:		
• Material weakness(es) identified?	_____ Yes	___X___ No
• Significant deficiency(ies) identified that are not considered to be material weaknesses	_____ Yes	___X___ None reported
Type of auditor’s report issued on compliance for major programs:	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of OMB Circular A-133?	_____ Yes	___X___ No

CFDA NUMBER

10.553, 10.555 and 10.559
84.385
10.665

NAME OF FEDERAL PROGRAM CLUSTER

Child Nutrition Cluster
Teacher Incentive Fund
Federal Forest Fees

Dollar threshold used to distinguish between type A and type B programs: \$ 300,000

Auditee qualified as low-risk auditee? ___x___ Yes _____ No

NOTES TO SCHEDULE OF EXPENDITURE OF FEDERAL AWARDS

BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards 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.

GREATER ALBANY PUBLIC SCHOOL DISTRICT
LINN COUNTY, OREGON

SCHEDULE FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2015

SECTION II – FINANCIAL STATEMENT FINDINGS

2015-001. CONDITION: Adequate controls were not in place to ensure that bank reconciliations were completed and reviewed in a timely manner.

CRITERIA: Bank reconciliations should be completed and reviewed in a timely manner in order to ensure the safeguard of assets.

EFFECT: Without controls or procedures in place to monitor the bank accounts and reconciliations, the likelihood of an intentional error or irregularity existing and not being detected could result in a material misstatement of the financial statements.

CAUSE: Insufficient resources appeared to be allocated to the monitoring of the bank reconciliation process.

RECOMMENDATION: We recommend that all bank reconciliations be completed and reviewed within 30 days of receipt of the bank statement.

RESPONSE: Management was aware of this finding. Often times the reconciliations are prepared timely but the review may be delayed. In the past we have not always printed the Reconciliation Report until the reviewer requested the documents. The delay in printing the report causes the reconciliation to appear to be done in an untimely manner as the date stamp is incorrect. As of November 2015 we have begun printing the Reconciliation Reports as soon as the Reconciliation is completed and the staff in charge of the reconciliations is bringing them to the reviewer once completed. By changing this process the date stamp will be accurate and the review will also be done timely.

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONS COSTS:

None Reported.

SECTION IV – SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS:

None Reported.