



Comprehensive Annual Financial Report



Lane County School District 4J
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for the year ended June 30, 2012

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
COMPREHENSIVE ANNUAL FINANCIAL REPORT
Year Ended June 30, 2012

Prepared by: Financial Services Department

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Introductory Section





December 26, 2012

To the Board of Directors and Residents of
Lane County School District No. 4J
Eugene, Oregon

The Comprehensive Annual Financial Report of Lane County School District No. 4J for the fiscal year ended June 30, 2012 is hereby submitted. State law requires that every general purpose government publish a complete set of audited financial statements within six months of the close of each fiscal year. This report is published to fulfill that requirement for the fiscal year ended June 30, 2012 and consists of management's representations concerning the finances of the District.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that was established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements. We believe the enclosed data is accurate in all material aspects and is reported in accordance with generally accepted accounting principles designed to present fairly the financial position and results of operations of the various funds of the District and the District as a whole. All disclosures have been included that are necessary for the reader to gain an understanding of the District's financial activities.

The District's financial statements were audited by Grove, Mueller & Swank, P.C., a firm of licensed certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2012 are free from material misstatement. The independent audit involved examining on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. The independent auditor concluded, based on the audit that there was a reasonable basis for rendering an unqualified opinion that the District's basic financial statements for the fiscal year ended June 30, 2012 are fairly presented, in all material respects, in conformity with GAAP. The independent auditor's report is located at the front of the financial section of this report.

In addition to meeting the requirements set forth in Oregon statutes, the audit also was designed to meet the requirements of the Federal Single Audit Act and related OMB Circular A-133. These standards require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. The results of the District's single audit for the fiscal year ended June 30, 2012 indicated no material weaknesses in internal control and no significant violations of applicable laws and regulations. The independent auditor's reports related specifically to the Single Audit and OMB Circular A-133 are included in the Audit Comments section.

To the Board of Directors and Residents of
Lane County School District No. 4J

Generally accepted accounting principles require that management provide a narrative introduction, overview and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A immediately follows the independent auditor's report on the financial statements.

DISTRICT PROFILE

Lane County School District No. 4J, also known as Eugene Public Schools, is a financially independent, special-purpose municipal corporation exercising financial accountability for all public education within its boundaries. The District is primarily located in Lane County, with a small portion extending north into Linn County. Formed in 1854, the District encompasses approximately 155 square miles in western Oregon at the southern end of the Willamette Valley, 110 miles south of Portland. The District is governed by a seven member Board of Directors. Voters residing within District boundaries elect members to four-year overlapping terms. The duties of the Board include setting policy; approving expenditures and contracts; appointing the Superintendent; and hiring, terminating and approving resignations of all certified and administrative staff members. The Board also constitutes one-half of the Budget Committee and appoints the seven citizen members. As required by accounting principles generally accepted in the United States of America, all significant activities and organizations have been included in the financial statements.

During the 2011-12 school year, the District was responsible for educating nearly 16,500 students, including charter schools, in kindergarten through grade twelve. The District provides an array of services across the district for students with a wide range of special education needs from ages 3-21. Some attend programs outside the general education classroom for part of the day, and some receive supplemental support services in the general classroom. Those with more significant, complex or multiple disabilities receive the majority of their instruction outside the general education classroom.

The District's elementary program has fourteen neighborhood schools, a K-8 school, five alternative programs, and four District sponsored charter schools. Each school reflects the uniqueness of its students, staff, and community. The alternative programs, K-8 school and charter schools reflect particular visions and education philosophies and have such emphases as language and culture immersion, arts and technology.

The District's secondary program (grades 6-12) consists of seven neighborhood middle schools and three language immersion programs. In addition, there are four regional high schools, two alternative education options, and an international high school program that offers classes on three high school campuses, an environmental science program, and a life skills program. All four high schools have International Baccalaureate program accredited programs.

The K-8 school and two of the charter schools that serve elementary students also provide middle school education. One charter started this year serves K-5 and will expand to later grades in coming years. A fourth charter school serves grades 7-12. Additionally, school and business partnerships exchange facilities and services for career training or other educational benefits and support. The average age of the District's school buildings is almost fifty years.

To the Board of Directors and Residents of
Lane County School District No. 4J

The four District sponsored charter schools – The Village School (K-8), Ridgeline Montessori Public Charter School (K-8), Network Charter School (grades 7-12), and Coburg Community Charter School (K-5) – are not considered component units of the District. Therefore, information regarding these charter schools is not presented within our financial statements. Each charter school issues their own publicly available financial report that includes financial statements and required supplementary information.

ECONOMIC CONDITION

Eugene is the second largest city in Oregon and is the seat of Lane County government. The City of Eugene, together with the City of Springfield, comprises the State's third largest metropolitan area. The area serves as the regional center for industry, service and trade, as well as for cultural, academic, and recreational activities in the central part of western Oregon. Eugene is the site of the University of Oregon, the State's liberal arts and research institution. Other facilities for higher education include Lane Community College and Northwest Christian University.

In the past ten years, the District's and City of Eugene's population has increased 7.5% and 11.2%, respectively. While modest population growth continues to be experienced by the City of Eugene and the State, the District's enrollment in regular programs is expected to continue a slow decline over the next several years. This decline is mainly due to demographic changes in the community.

The Oregon Employment Department reported that Oregon's seasonally adjusted unemployment rate was 8.7% in September 2012, which is 0.9% higher than the national rate. Since January 2012 the Oregon seasonally adjusted unemployment rate has been between 8.4% and 8.9%. In addition, the Eugene-Springfield metropolitan statistical area (MSA) unemployment rate as of August 2012 was 8.8%, which is 0.1% lower than the State. Following state trends, the regional economy is slowly improving, but more slowly than initially anticipated.

The economy of Lane County consists of higher education, agriculture, health care, high technology, forest products, recreation, and tourism. Over the last few decades the economy of the Eugene-Springfield metropolitan economy has shifted from an earlier reliance on the wood products industry to non-manufacturing industries such as retail trade, services and government and non-lumber manufacturing. Eighty-seven percent of total employment in the metropolitan area is based in three major industry sectors: services (49%), government (19%), and trade, transportation, and utilities (19%). Manufacturing, construction, and natural resources generate the remaining 13% of jobs.

Eugene is home to four private colleges, one public university, and a community college. The University of Oregon is a public university offering bachelor and master degree programs; Lane Community College is a public community college offering associate degrees and technical programs; Northwest Christian University, New Hope Christian College, Gutenberg College and Pacific University's Eugene campus are all private colleges which offer bachelor degree programs. With the presence of the University of Oregon and a Federal courthouse, government employment helps add stability to Lane County's economy.

To the Board of Directors and Residents of
Lane County School District No. 4J

FINANCIAL INFORMATION

The Board is required by State law to adopt a final budget no later than by the close of the preceding fiscal year. The annual budget serves as the foundation for the District's financial planning and control. The budget is prepared by fund, major program (e.g., instruction, supporting services), and type of expenditure (e.g., salaries, employee benefits). Management may transfer resources within a major program category. The Board of Directors can, by resolution, transfer appropriations between existing appropriation categories. The Board may also amend the budget after public notice and a public hearing.

Financial management policies adopted by the Board include guidance on resource planning and allocation, accounting and financial practices, revenue, capital improvements, intergovernmental revenue, and debt and investment management. The accounting and financial practices policies provide financial planning guidance regarding reserves. Reserve funds allow a more stable service system by budgeting resources to offset cyclical variations in revenues and expenditures. For the General Fund, the contingency target is 2% of the operating budget and the ending fund balance target is 5% of annual operating revenues; however, the board may elect a lower target.

Long-term financial planning guidance is provided in the resource planning and allocation policies. Following that guidance, the District, each year prepares a comprehensive financial forecast estimating all revenues and expenditures for the following five years. The forecast, published in January 2012 and updated in the spring, is a planning tool that provides the basis for the upcoming year's budget as well as longer-term resource allocation strategies. The result of the spring changes is higher projected annual operating deficits in all forecast years.

In August 2010 the District embarked on a seven-month sustainable budget development process that included many opportunities for public input and stakeholder feedback. The key outcome of the process was board direction to maintain a prudent level of reserves, minimize the use of one-time funds for ongoing expenses, optimize the use of short-term resources to improve student achievement, and increase operational efficiencies while reducing long-term capital needs by 2014-15.

LOCAL SUPPORT

Almost two decades ago, a tax limitation measure limited all educational agencies to a maximum of \$5 property tax revenue per \$1,000 assessed value and shifted the responsibility for the funding of schools from the local community to the State of Oregon. Subsequent property tax limitation measures cut property taxes; imposed a permanent tax rate of \$4.75 per \$1,000 assessed for the District operating levy; prohibited the use of bonded debt to fund equipment and routine capital repairs, and required 50% voter participation for bond approval except on general election dates. Beginning in 1999, the legislature allowed districts to seek approval of local option levies within certain limits. Revenue from these levies is outside the State School Fund Formula. In November 2008, voters approved a measure that limited the 50% voter participation requirement to March and September elections.

Local support for the District continues during these uncertain economic times. The District's voters have approved local funding measures by substantial margins. Since 1992, District voters have approved by substantial margins five general obligation bond levies and three local option levies. In

To the Board of Directors and Residents of
Lane County School District No. 4J

May 2000, voters approved a five-year local option levy to assist with operations with a 63.7% “yes” vote. The levy was renewed for an additional five years in November 2004, and again in November 2008 with a “yes” vote of 63.7%. This renewal levy extends through 2014-15.

In May 2011, voters approved a \$70 million general obligation bond with a 63.2% “yes” vote. Proceeds will be spent for capital systems replacements and improvements, additions and remodels to schools, building improvements and repairs paid from the General Fund, technology infrastructure upgrades, and instructional systems support. This bond represents the second phase of a 24 year long-term facilities plan adopted by the Board in 2002. The first phase was funded with a \$116 million bond which consolidated four elementary schools into two new buildings and replaced two middle schools. It passed with a 67.4% “yes” vote.

AWARDS and ACKNOWLEDGMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Lane County School District No. 4J for its comprehensive annual financial report for the year ended June 30, 2011. This was the 25th consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Achievement, the District published an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

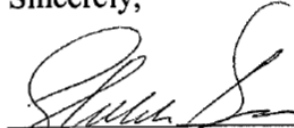
A Certificate of Achievement is valid for a period of one year only. We believe our current comprehensive annual financial report continues to meet the Certificate of Achievement Program requirements, and we are submitting it to determine its eligibility for another certificate.

In addition to the recognition for the annual report, the District received GFOA's Distinguished Budget Presentation Award for its 2012 Budget Document. The District has received this award every year since 1992-93. This award recognizes that the District has published a document that meets program criteria as a policy document, operations guide, financial plan, and communications device.

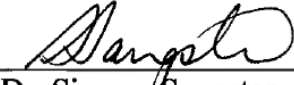
We believe these awards are representative of the District's continuing efforts to achieve excellence in the performance of public service and financial reporting.

The preparation of this report would not have been possible without the efficient and dedicated service of the entire financial services department staff. We appreciate and thank all the staff who assisted and contributed to the preparation of this report. Credit must also be given to the School Board and Budget Committee for their interest and support in maintaining the highest standards of professionalism in the management of Lane County School District 4J's finances.

Sincerely,



Dr. Sheldon Berman
Superintendent



Dr. Simone Sangster
Chief Financial Officer

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Lane County School District
4J, Oregon

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
June 30, 2011

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



Linda C. Davison

President

Jeffrey R. Emer

Executive Director

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
LISTING OF PRINCIPAL OFFICIALS
YEAR ENDED JUNE 30, 2012

BOARD OF DIRECTORS

	<u>Term Expires</u>
Alicia Hays, Chair 274 Regal Court Eugene, Oregon 97401	June 30, 2015
Jennifer Geller, Vice Chair 2069 Olive Street Eugene, Oregon 97405	June 30, 2013
Beth Gerot 1270 River Road Eugene, Oregon 97404	June 30, 2013
Anne Marie Levis 32543 Mt. Baldy Lane Eugene, Oregon 97405	June 30, 2013
Craig Smith 2611 Suncrest Avenue Eugene, Oregon 97405	June 30, 2015
Jim Torrey 3393 Arlington Avenue Eugene, Oregon 97408	June 30, 2015
Mary Walston 245 Sunnyside Drive Eugene, Oregon 97404	June 30, 2015

ADMINISTRATION

Administration Office
200 North Monroe Street
Eugene, Oregon 97402

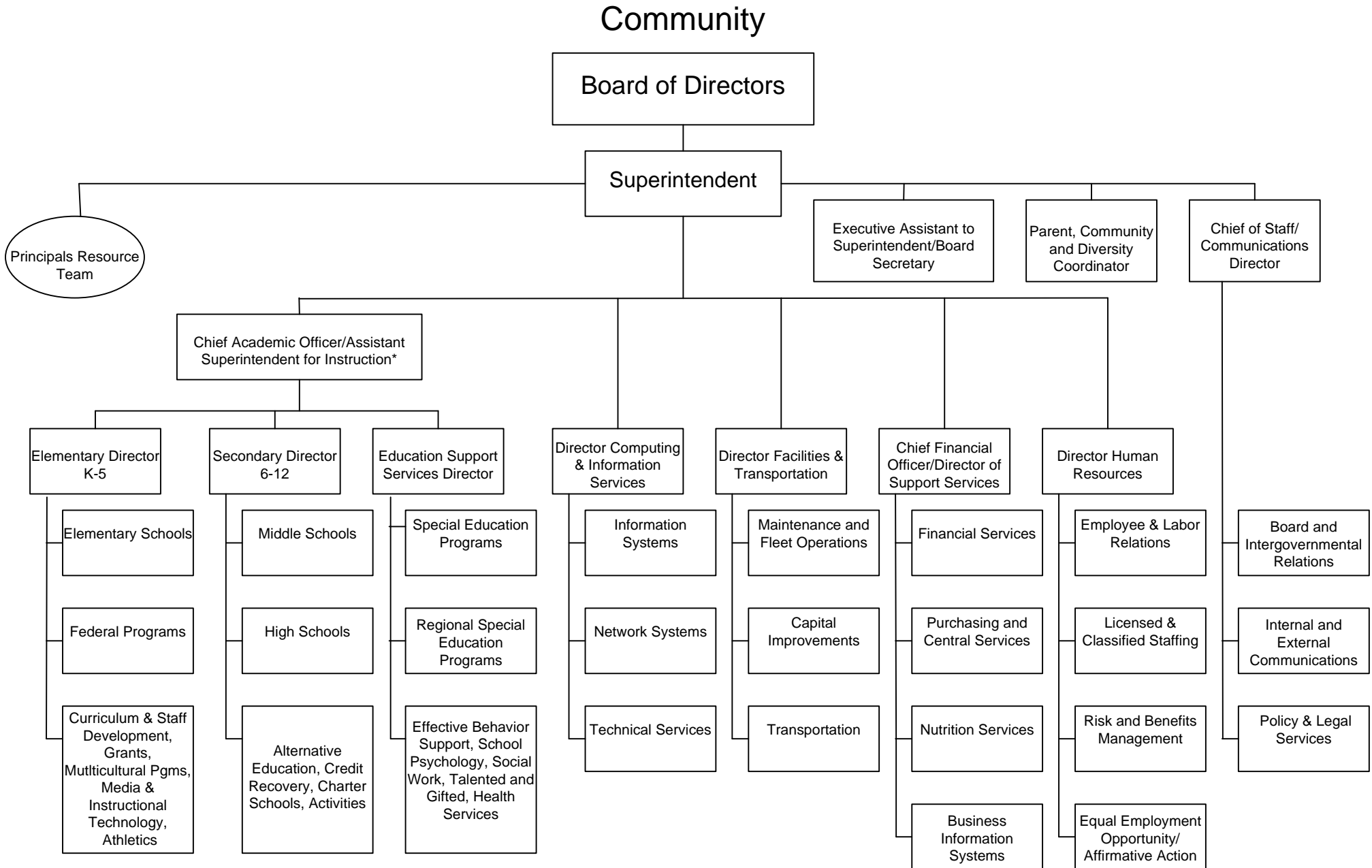
Dr. Sheldon Berman
Barbara Bellamy
Susan Fahey (through September 26, 2011)
Simone Sangster, Ed.D. (beginning December 1, 2011)
Caroline Passerotti

Superintendent and Clerk
Deputy Clerk
Deputy Clerk
Deputy Clerk
Deputy Clerk

LEGAL COUNSEL

Luvaas Cobb, P.C.

Lane County School District 4J – Organization Chart
2011-2012 – Eugene, Oregon



* not filled for 2011-12



Financial Section

Financial Section



INDEPENDENT AUDITOR'S REPORT

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INDEPENDENT AUDITOR'S REPORT

School Board
Lane County School District No. 4J
Lane County, Oregon
Eugene, Oregon

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lane County School District No. 4J, Lane County, Oregon (the District) as of and for the year ended June 30, 2012, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2012, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the general fund and the federal, state and local programs fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

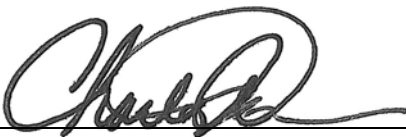
In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2012, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) (pages 3 through 11), and the schedule of funding progress for other postemployment benefits (page 50) 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 MD&A and schedule of funding progress for other postemployment benefits 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.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Lane County School District No. 4J's financial statements as a whole. The introductory section, other supplementary information and statistical sections, are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the U.S. Office of management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is also not a required part of the financial statements. The other supplementary information and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections and other financial schedules 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.

GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS

By: 
Charles A. Swank, A Shareholder
December 26, 2012

MANAGEMENT'S DISCUSSION AND ANALYSIS

LANE COUNTY SCHOOL DISTRICT 4J
Management's Discussion and Analysis
June 30, 2012

We write to report on financial activities of Lane County School District 4J (the District) for the fiscal year ended June 30, 2012. This section provides a narrative overview and analysis of the financial activities of the District. We encourage readers to consider this information in conjunction with additional information in our Transmittal Letter, pages i-v of this report. This section also serves as an introduction to the District's basic financial statements.

Financial Highlights

The District's net assets declined by \$2.4 million or 3.6% during the year ended June 30, 2012 to \$62.9 million. The cost of all of the District's programs was \$185.4 million, a decrease of \$6.5 million from the prior year, which was a reflection of the services reductions from the District's budget cuts. Revenues declined by \$1.4 million as a result of the continuing effects of the economic downturn depressing government revenues. The District began a major improvement program with purchases and construction of capital assets of \$12.9 million, from financing provided by the addition of \$35 million in debt.

Governmental funds provide information that gives more insight from the overall District picture in two ways. First, the funds focus on spendable resources. Most significantly, capital outlays are expenditures and capital assets are not financial resources. The combined fund balance of the governmental funds as of June 30, 2012 was \$59.9 million, which represents an increase of \$23.4 million. Second, the governmental funds financial statements show the flows and net assets for individual governmental funds. The most significant fund is the General Fund, which increased by \$0.1 million to \$8.1 million.

Overview of the Financial Statements

The basic financial statements consist of: (1) the Government-wide Statement of Net Assets and Statement of Activities, which provide information about the activities of the District as a whole and present a longer-term view of the District's finances; (2) Fund financial statements which describe the District's operations in more detail than the Government-wide statements, for instance how services were financed in the short-term as well as what remains for future spending; and (3) the notes to the financial statements. The financial report also presents supplementary information including budget to actual presentations for required major funds.

1. Government-wide Financial Statements

The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business. The government-wide financial statements can be found on pages 12 and 13 of this report. These statements include:

Statement of Net Assets

The *statement of net assets* presents information on all of the assets and liabilities of the District as of the date on the statement. Net assets are those remaining after the liabilities have been paid off or otherwise satisfied. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

Condensed Statement of Net Assets
(in thousands)

	Governmental Activities		Total Change
	<u>2012</u>	<u>2011</u>	<u>2011 to 2012</u>
Cash and other assets	\$ 93,584	\$ 73,287	\$ 20,297
Property taxes receivable	6,555	5,529	1,026
Pension assets	38,907	41,339	(2,432)
Capital assets	<u>145,383</u>	<u>143,036</u>	<u>2,347</u>
Total assets	<u>284,429</u>	<u>263,191</u>	<u>21,238</u>
Accrued and other liabilities	23,908	24,865	(957)
Long-term debt	<u>197,583</u>	<u>173,021</u>	<u>24,562</u>
Total liabilities	<u>221,491</u>	<u>197,886</u>	<u>23,605</u>
Net assets:			
Invested in capital assets, net of related debt	27,294	23,742	3,552
Restricted	7,683	9,028 ⁽¹⁾	(1,345)
Unrestricted	<u>27,961</u>	<u>32,535</u> ⁽¹⁾	<u>(4,574)</u>
Total net assets	<u>\$ 62,938</u>	<u>\$ 65,305</u>	<u>\$ (2,367)</u>

⁽¹⁾ Restated

The District's Government-wide net assets decreased by 3.6% or \$2.4 million in the year ended June 30, 2012. The change reflects several factors. The most significant variation in the District's Net Assets is the issue of new debt under the bond measure authorized by voters in May 2011. The proceeds of the issue are being used to fund capital improvements to school facilities, upgrades to technology systems, and a broad range of support for changes in the delivery of instruction. The second significant factor is the impact of the economic recession seen in the decrease in revenues and services.

Net assets exceeded liabilities by \$62.9 million at June 30, 2012. Of this amount, \$27.3 million represents the District's investment in capital assets net of related debt, \$7.7 million is restricted debt service and \$27.9 million is unrestricted and available to meet the District's ongoing obligations. The decrease in the restricted debt service represents an appropriate level of fund balance for anticipated expenditures for the ensuing year. The majority of the decrease in the unrestricted net assets is due to the drawing down of reserves in the internal service funds.

Cash and Other Assets

While the increase in cash is driven by the issuance of the bond, this was offset by spending on capital assets and drawdowns in the District's reserves to provide services.

Capital Assets

Capital Assets comprise 51.1% of the District's assets and reflect the District's investment in capital assets. These include land and construction in progress, athletic field improvements, buildings and improvements, site improvements, and vehicles and equipment net of depreciation. As of June 30, 2012, the District has \$145.4 million invested in capital assets, net of depreciation. Purchase and construction of capital assets during the year totaled \$12.9 million, substantially from the proceeds of the \$35 million bond. Efforts focused on much-needed building refurbishment and technology enhancements. Capital assets increased by \$2.3 million net of depreciation. This is shown in the table below.

The District uses these capital assets to provide services to students and other District residents; consequently these assets are not available for future spending. Capital investments represent 43.4% of the District's total net assets – this is the investment net the related outstanding debt. The resources needed to repay this debt must be provided from other sources (generally, property taxes), since the capital assets themselves cannot be used to liquidate these liabilities. The District's investment in capital assets is shown in the following table:

	Capital Assets (Net of Depreciation) (in thousands)		
	2012	2011	Total Change 2011 to 2012
Land	\$ 1,621	\$ 1,621	\$ -
Buildings & Improvements	128,378	134,177	(5,799)
Vehicles & Equipment	6,442	6,041	401
Construction in Progress	8,942	1,197	7,745
Total	\$ 145,383	\$ 143,036	\$ 2,347

Additional information on the District's capital assets can be found in note E on pages 36-37 of this report.

Long-Term Debt

The balance of long-term debt as of June 30, 2012 was \$197.6 million. The issuance of bonds in August 2011 drove the year over year increase in long-term debt, net of principal payments during the year, of \$12.3 million. Outstanding long-term debt represents 89.2% of the District's total liabilities. This debt comprises several different instruments including general obligation bonds, limited pension bonds, net OPEB obligations, and capital leases. The balances include unamortized premiums and early termination benefits.

The District maintains an underlying "Aa3" rating from Moody's for general obligation debt. State statutes limit the amount of general obligation debt a governmental entity may issue to 7.95% of its total assessed valuation. The current debt limitation for the District is \$1.8 billion, which is significantly in excess of the District's outstanding general obligation debt. Additional information on the District's long-term debt can be found in note H, on pages 39-42 of this report.

Accrued liabilities, representing 10.8% of the District's total liabilities, consist of payables on accounts, salaries and benefits, interest charges, and unearned revenue.

Statement of Activities

The *statement of activities* shows how the net assets of the District changed over the most recent fiscal year by tracking revenues, expenses, and other transactions that increase or reduce net assets. It reports revenues and expenses under the accrual basis of accounting. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes, and earned but unused vacation leave).

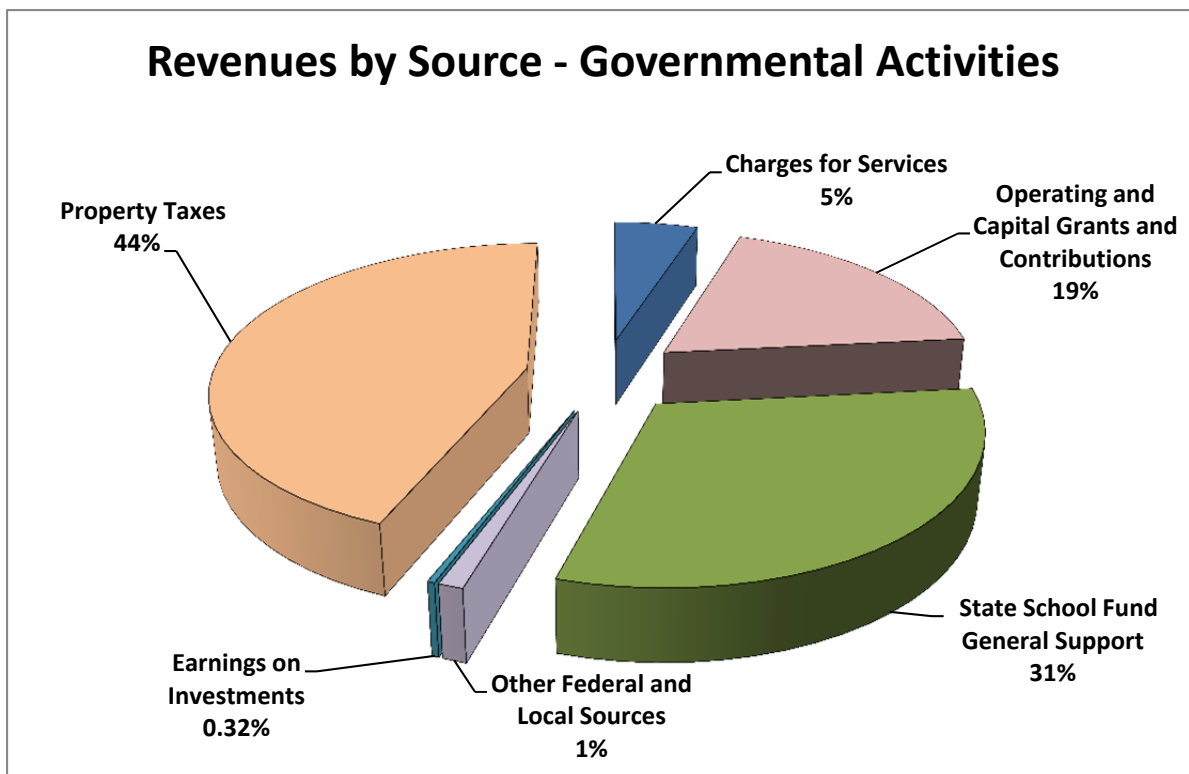
In the government-wide financial statements, the District's activities are shown in one category as *governmental activities*. All of the District's basic functions are shown here, such as regular and special education instruction, administration, transportation, child nutrition services, and facilities operations and maintenance. These activities are primarily financed through property taxes, Oregon's State School Fund, and other intergovernmental revenues.

Changes in Net Assets			
(in thousands)			
	Governmental Activities		Total Change
	2012	2011	2011 to 2012
Revenues:			
Program revenues:			
Charges for services	\$ 9,239	\$ 8,856	\$ 383
Operating grants and contributions	33,153	35,474	(2,321)
Capital grants and contributions	411	486	(75)
Program revenues total:	42,803	44,816	(2,013)
General revenues:			
Property taxes	80,466	80,181	285
State school fund - general support	57,151	55,599	1,552
Other federal and local sources	1,989	3,282	(1,293)
Earnings on investments	586	481	105
General revenues total:	140,192	139,543	649
Total revenues	182,995	184,359	(1,364)
Expenses (by Function):			
Classroom services	130,751	137,227	(6,476)
Building support services	23,909	25,925	(2,016)
Central support services	17,995	16,437	1,558
Nutrition services	4,783	5,009	(226)
Interest on long-term debt	7,924	7,288	636
Total expenses	185,362	191,886	(6,524)
Change in net assets	(2,367)	(7,527)	5,160
Net assets - beginning	65,305	72,832	(7,527)
Net assets - ending	\$ 62,938	\$ 65,305	\$ (2,367)

During the year ended June 30, 2012, the District had a Government-wide deficit of \$2.4 million compared to a deficit of \$7.5 million in 2011.

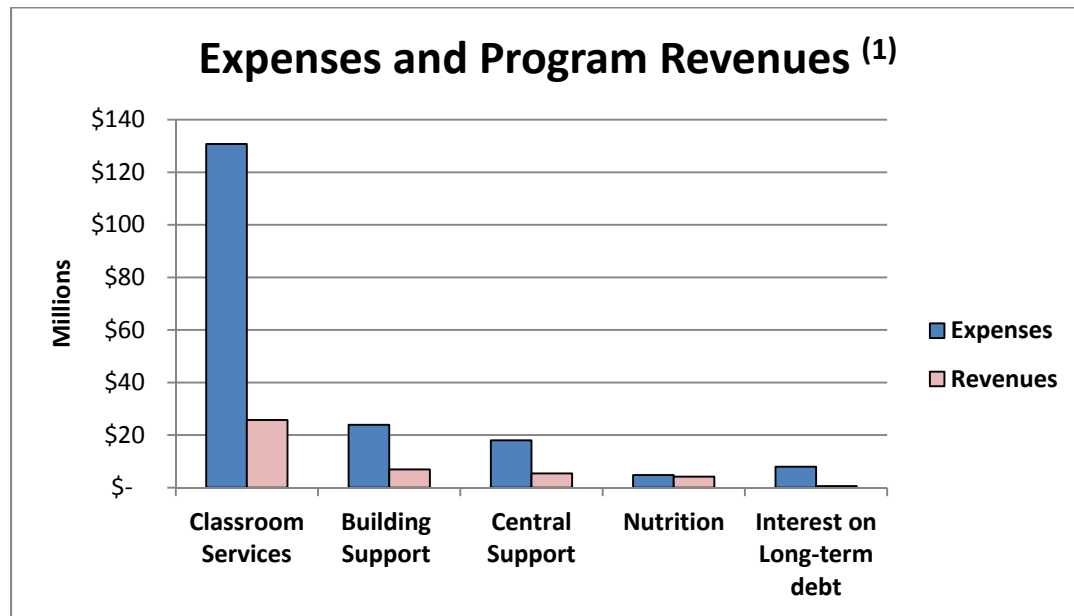
Revenues

Total revenues declined by \$1.4 million over the prior year. Of this decline, program revenues dropped by \$2.0 million, which is mainly attributable to a \$2.3 million drop in operating grants and contributions due to the reduction in federal funding from ARRA. General revenues consisting of property taxes, State School Funding, other federal and local sources, and investment earnings, increased slightly by \$0.6 million. This was principally driven by a one-time increase in funding from the State for \$3.6 million offset by a decline in the federal forest fees of \$1.1 million and declines in revenue related to declining enrollment.



Expenses

In the year ended June 30, 2012, total expenses declined by \$6.5 million. The two main drivers are classroom services, which comprise 70.5% of District spending, and building support, which represents 12.9% of spending. These declined by \$6.5 million and \$2.0 million, respectively. This reflects the closure of schools, and decrease in staffing costs resulting from budget measures such as the reduction in some staff positions and furlough days; it also reflects the decrease in staff in response to declining enrollment.



(1) The majority of District revenue is from property taxes and State School Funding which are not presented here.

2. Fund Financial Statements

The *fund financial statements* provide more detailed information about the District's funds, focusing on the most significant or "major" funds - not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into two categories: governmental funds and proprietary funds. To be considered a major fund, the fund must meet two criteria. Assets, liabilities, revenue, or expenses must be at least 10% of all governmental funds and at least 5% of all governmental funds plus any enterprise funds.

Governmental funds

The governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. Unlike the government-wide financial statements, however, governmental fund financial statements focus on near-term inflows – cash flow and funding for future basic services - and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the District's near-term financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of a fiscal year.

Ending fund balance for governmental fund types is reported in five fund balance categories in accordance with GASB 54 Fund Balance Reporting and Governmental Fund Type Definitions. For more information on the details behind each fund balance category see note F on pages 27 - 28 of this report.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing

decisions. Both the governmental fund Balance Sheet and the Statement of Revenues, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statement of Net Assets and Activities.

The District maintains seven individual governmental funds, five of which are considered major funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, the Debt Service Fund, the Capital Projects Fund, the Capital Equipment Fund, and the Federal, State and Local Programs Fund, all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided as Supplemental Information. One fund that was previously classified as a non-major governmental fund has been reclassified as a proprietary fund type. Additionally, the District adopts an annual appropriated budget for all funds as required by Oregon budget law. Budgetary comparison statements/schedules have been provided to demonstrate compliance elsewhere in this report.

The basic governmental fund financial statements can be found on pages 14-17 and the basic proprietary fund financial statements can be found on pages 20-22 of this report.

Combined Ending Fund Balances

At June 30, 2012, the District's governmental funds reported *combined ending fund balances* of \$59.9 million, an increase of \$23.4 million in comparison with the prior year. Under GASB 54, \$58.9 million (98.2%) of the ending fund balances constitutes *nonspendable, restricted or committed ending fund balance*, which is constrained to specific purposes, and \$1.1 million (1.8%) of the ending fund balances are unassigned and available to fund the District's ongoing obligations. Information relative to the major governmental funds is contained in the following sections.

General Fund

The General Fund is the chief operating fund of the District. As of June 30, 2012, the nonspendable fund balance is approximately \$0.2 million, consisting of inventories. Committed fund balance is \$6.8 million to maintain minimum fund balance in accordance with Board policy and unassigned fund balance is \$1.1 million. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. At the end of the fiscal year, the General Fund balance was 5.79% of total General Fund revenues. The fund balance increased slightly, by \$0.1 million due to the use of reserves from other funds to balance the budget and higher than anticipated State funding.

The \$3.7 million net change in the General Fund ending balance was higher than that projected in the final adjusted budget. This is due to lower than anticipated expenditure by \$2.2 million made up of support services (\$0.9 million) and lower instructional costs (\$0.7 million) as the effects of budget cuts were implemented. Additionally, contingency of \$0.4 million was not spent, and transfers from other funds increased by \$0.8 million.

The final budget deficit was \$0.2 million lower than the approved budget. This was principally due to \$3.6 million more revenue from the State offset by a projected increase in expenditures. Added to this deficit was an increase in projected transfers out to other funds for supporting risk management operations and the nutrition services department.

Debt Service Fund

The Debt Service Fund has a total fund balance of \$8.9 million which is a decrease of \$1.6 million from June 2011. This reflects the funds held for payment of debt and is therefore restricted for the payment of debt service.

Capital Projects Fund

The fund balance in the Capital Projects Fund as of June 30, 2012 is \$25.1 million higher than 2011 and totals \$32.0 million. This increase reflects the principal related to the issuance of bonds in fiscal year 2011-12. Capital expenditures reflect costs incurred as part of the Long Range Facilities Plan. Of the Capital Projects Fund balance, \$24.7 million is restricted and \$7.3 million is committed for capital improvements and repairs.

Capital Equipment Fund

The Capital Equipment Fund has a fund balance of \$6.8 million which is a \$0.4 million decrease from 2011. All of the Capital Equipment fund is committed for replacement and purchase of capital equipment and building remodeling.

Federal, State, and Local Programs Fund

The Federal, State, and Local Programs Fund's assets and liabilities are equal as revenue was either accrued or deferred based on eligible grant expenditures.

Proprietary funds

The District maintains one proprietary fund type, which is internal service funds. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for risk management insurance and other postemployment retirement benefits. Since these services benefit governmental, rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The District maintains two individual internal service funds. These funds are combined into a single, aggregated presentation in the basic financial statements. Under the GAAP basis of accounting, the internal service fund (postemployment benefits fund) had a \$2.9 million decrease in fund balance in the current fiscal year which put the overall fund balance in a deficit position for the amount of \$0.5 million. This balance reflects the liability for early retirement stipends net of amounts set aside for this purpose and the set aside for future PERS liabilities. The District operates the fund primarily on a pay-as-you-go basis. Individual fund data for the internal service funds is provided as Supplemental Information in this report.

The combining proprietary fund financial statements can be found on pages 53-55 of this report.

Transfers

Transfers are made between the General Fund and other funds to support operations such as risk management and nutrition services, and from other funds to the General Fund to help bolster General Fund resources. Interfund transfers for the year ended June 30, 2012 total \$5.3 million. The most significant transfers out of the General Fund during the year were to fund future purchases of capital equipment and to fund the operations of the Insurance Reserve Fund. The most significant transfers into the General Fund were from the Insurance Reserve Fund and the Postemployment Benefits Fund. During 2011-12, transfers out of the General Fund were lower than the prior year and transfers in were higher, providing \$1.5 million more in resources than the prior year to help maintain General Fund service levels.

3. Notes to the financial statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 23-49 of this report.

Economic Factors and Next Year's Budget

Resources supporting District General Fund operations primarily reflect local and State revenues, with additional income representing federal, county, and other sources. The largest segment, which includes State funding and local property taxes, is determined by the State School Fund formula. The majority of funding provided by the State to the District is based on the District's average daily membership of students. Total student enrollment in 2011-12 declined from 2010-11. Downward enrollment trends are projected to continue in future years, following declines in elementary enrollment. These may be alleviated to some extent, by enrollment from other districts as a result of the State allowing open enrollment across districts.

State School Fund Grant revenue accounts for 32.9% of the District's total governmental fund revenue and 43.9% of the District's General Fund revenue for the year ended June 30, 2012. Resources calculated into the State School Funding formula, including federal stimulus support, amounted to 66.4% of total governmental fund revenues and 88.7% of General Fund revenues.

For most of 2012, Oregon has experienced a slow uneven economic expansion. It has slowed in recent months in the face of global economic uncertainty such as the sovereign debt crises in Europe, general weaknesses across trading partners, a Middle East oil supply disruption, and uncertainty regarding US federal policy. In particular, the manufacturing sector has slowed with a drop-off in the number of orders across a wide range of Oregon's products. This has been somewhat mitigated by a recovery in housing and an improvement in consumer sentiment to levels not seen since the start of the Great Recession.

The 2012-13 budget was prepared based on a K-12 State funding level of \$5.7 billion for the 2011-13 biennium, which is about 9% lower than the legislatively approved 2007-09 K-12 funding level. To address a projected 2012-13 General Fund operating deficit, the District implemented \$11.8 million of budget reductions which included staff, services, and supply reductions; increased revenue; use of reserves; and compensation reductions for all employee groups.

The 2012-13 budget was adopted by the Board on June 20, 2012. The adopted budget for the General Fund for the year ending June 30, 2013 includes General Fund expenditures of \$137.1 million, 1.9% higher than the 2011-12 adopted budget of \$134.6 million. The 2011-12, 2010-11 and 2009-10 budgets were down 5.2%, 1.3% and 9.2% from the prior years, respectively.

The School Board has set policy that states that the District will target 2% of its annual operating budget as contingency and 5% of annual operating revenues as ending fund balance. The 2012-13 budget included a 2% operating contingency of which 34% was earmarked for staffing related to the State's new open enrollment policy and 66% is projected to not be spent. The Board approved a 1% reduction in the ending fund balance target to 4% for the 2012-13 adopted budget.

The District's Budget Committee and School Board considered all of these factors in the preparation of the District's budget for the 2012-13 fiscal year.

Requests for Information

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mary Nickelson-Hill, CPA, Financial Operations and Reporting Manager, at 200 North Monroe, Eugene, Oregon 97402.

BASIC FINANCIAL STATEMENTS

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF NET ASSETS - GOVERNMENTAL ACTIVITIES
JUNE 30, 2012

ASSETS

Cash and investments	\$ 87,816,627
Receivables:	
Property taxes	6,554,979
Accounts and other receivables	5,442,437
Inventories	325,331
Prepaid PERS unfunded actuarial liability	38,906,977
Capital assets not being depreciated	
Land and construction in progress	10,563,696
Capital assets, net of accumulated depreciation	
Athletic field improvements	4,740,765
Buildings and improvements	123,636,834
Machinery and equipment	1,479,006
Vehicles	4,962,564
	<hr/>
TOTAL ASSETS	284,429,216

LIABILITIES

Accounts payable	6,290,929
Accrued payroll and related charges	11,733,243
Accrued interest	2,342,982
Unearned revenue	3,540,499
Long-term debt	
Due within one year	12,482,202
Due in more than one year	185,100,823
	<hr/>
TOTAL LIABILITIES	221,490,678

NET ASSETS

Invested in capital assets, net of related debt	27,293,655
Restricted for debt service	7,683,373
Unrestricted	27,961,510
	<hr/>
TOTAL NET ASSETS	\$ 62,938,538

The accompanying notes are an integral part of the financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF ACTIVITIES - GOVERNMENTAL ACTIVITIES
YEAR ENDED JUNE 30, 2012

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Assets
		Charges for Services	Operating Grants and Contributions	
GOVERNMENTAL ACTIVITIES				
Direct classroom services				
Regular instruction	\$ 64,023,884	\$ 64,126	\$ 4,903,659	\$ -
Special programs	30,306,721	290,695	10,201,168	-
Total direct classroom services	94,330,605	354,821	15,104,827	-
Classroom support services				
Extracurricular activities	6,241,786	582,950	4,741,649	-
Student support	10,043,450	-	1,456,495	-
Libraries, curriculum and staff development	6,893,162	10,603	2,946,307	-
School administration	12,276,326	-	28,555	-
Community services	966,071	-	519,226	-
Total classroom support services	36,420,795	593,553	9,692,232	-
Building support services				
Facilities operation and maintenance	9,756,182	1,139,278	134,038	3,614
Student transportation	7,272,494	176,442	4,405,647	407,599
Computing and information services	6,414,653	599,330	31,651	-
Warehouse and purchasing	465,916	-	-	-
Total building support services	23,909,245	1,915,050	4,571,336	411,213
Central support services				
Executive administration	888,302	-	-	-
Financial services	2,020,861	15,980	-	-
Human resources/employee insurance benefits	7,764,944	5,359,587	-	-
District retirement	6,873,535	-	-	-
Communications and intergovernmental relations	447,548	-	-	-
Total central support services	17,995,190	5,375,567	-	-
Nutrition services	4,783,293	999,910	3,188,796	-
Interest on long-term liabilities	7,924,330	-	595,333	-
Total school district	<u>\$ 185,363,458</u>	<u>\$ 9,238,901</u>	<u>\$ 33,152,524</u>	<u>\$ 411,213</u>
General revenues:				
Property taxes levied for:				
General purposes				65,197,413
Debt service				15,270,044
Federal aid not restricted to specific purposes				1,151,636
State aid not restricted to specific purposes				57,150,875
Earnings on investments				586,127
Other local revenue				837,793
Total general revenues				<u>140,193,888</u>
Change in net assets				(2,366,932)
Net assets - beginning				<u>65,305,470</u>
Net assets - ending				<u>\$ 62,938,538</u>

The accompanying notes are an integral part of the financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2012

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>
ASSETS			
Equity in pooled cash and investments	\$ 35,395,196	\$ -	\$ 7,302,999
Cash and investments	-	8,736,743	10,074,681
Receivables			
Property taxes	5,378,494	1,176,485	-
Accounts and other receivables	2,018,306	12,307	48,528
Due from other funds	744,045	89,597	18,007,061
Inventories	222,655	-	-
<i>Total Assets</i>	<u>\$ 43,758,696</u>	<u>\$ 10,015,132</u>	<u>\$ 35,433,269</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts and interest payable	\$ 2,388,332	\$ -	\$ 3,414,430
Accrued payroll and related charges	10,105,645	-	-
Due to other funds	18,096,658	-	-
Deferred revenue	5,044,983	1,098,662	-
Unearned revenue	9,603	-	-
<i>Total Liabilities</i>	35,645,221	1,098,662	3,414,430
Fund balances			
Nonspendable for:			
Inventory	222,655	-	-
Restricted for:			
Debt service	-	8,855,882	-
Capital projects	-	-	24,708,508
Committed for:			
Debt service	-	60,588	-
Capital projects	-	-	7,310,331
Capital equipment	-	-	-
Nutrition services	-	-	-
Student body	-	-	-
Minimum fund balance	6,814,951	-	-
Unassigned	1,075,869	-	-
<i>Total Fund Balances</i>	<u>8,113,475</u>	<u>8,916,470</u>	<u>32,018,839</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 43,758,696</u>	<u>\$ 10,015,132</u>	<u>\$ 35,433,269</u>

<u>Projects</u>	<u>Special Revenue Fund</u>	<u>Other</u>	<u>Total</u>
<u>Capital Equipment Fund</u>	<u>Federal, State and Local Programs Fund</u>	<u>Governmental Funds</u>	<u>Governmental Funds</u>
\$ 6,884,788	\$ -	\$ -	\$ 49,582,983
-	-	3,865,762	22,677,186
-	-	-	6,554,979
2,433	2,801,842	531,947	5,415,363
-	-	-	18,840,703
-	-	102,676	325,331
<u>\$ 6,887,221</u>	<u>\$ 2,801,842</u>	<u>\$ 4,500,385</u>	<u>\$ 103,396,545</u>
\$ 38,040	\$ 273,041	\$ 177,086	\$ 6,290,929
-	-	-	10,105,645
-	463,768	280,277	18,840,703
-	-	-	6,143,645
-	2,065,033	-	2,074,636
38,040	2,801,842	457,363	43,455,558
-	-	102,676	325,331
-	-	-	8,855,882
-	-	-	24,708,508
-	-	-	60,588
-	-	-	7,310,331
6,849,181	-	-	6,849,181
-	-	74,584	74,584
-	-	3,865,762	3,865,762
-	-	-	6,814,951
-	-	-	1,075,869
6,849,181	-	4,043,022	59,940,987
<u>\$ 6,887,221</u>	<u>\$ 2,801,842</u>	<u>\$ 4,500,385</u>	<u>\$ 103,396,545</u>

The accompanying notes are an integral part of the financial statements.

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO
STATEMENT OF NET ASSETS
JUNE 30, 2012

Total Governmental Fund Balances (page 14) \$ 59,940,987

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$304,056,505 and the accumulated depreciation is \$158,673,640. 145,382,865

Pension assets are not financial resources in governmental funds, but are reported in the Statement of Net Assets. 38,906,977

The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Assets. 9,200,800

Property tax revenue is recognized in the net assets of governmental activities when the taxes are levied, however in the governmental fund statements it is recognized when available to be used for current year operations. Taxes not collected within 60 days of the end of the year are not considered available to pay for current year operations and therefore not reported as revenue in the governmental funds. 6,143,645

Interest on long-term debt is accrued and reported as a liability in the Statement of Net Assets while in the governmental funds it is recorded as an expenditure when due. (2,342,982)

Vested compensated absences are reported when earned as a liability in the Statement of Net Assets while in the governmental funds only the unpaid balance of reimbursable unused leave is reported as a liability. (897,904)

Long-term liabilities not payable in the current period are not reported as liabilities in the governmental funds. These liabilities at year end consist of:

Limited pension obligation bonds	\$ 50,940,000	
Bonds payable	138,316,104	
Capital leases payable	4,139,746	
Total long-term liabilities		(193,395,850)

Total Net Assets (page 12) \$ 62,938,538

The accompanying notes are an integral part of the financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>
REVENUES			
Local sources	\$ 68,812,200	\$ 18,827,607	\$ 780,072
Intermediate sources	494,795	-	-
State sources	65,972,091	-	3,614
Federal sources	1,019,943	595,333	-
<i>Total Revenues</i>	136,299,029	19,422,940	783,686
EXPENDITURES			
Current			
Instruction	83,228,479	-	-
Supporting services	53,012,499	-	1,083,406
Community services	387,021	-	-
Facilities acquisition and construction	-	-	-
Debt service			
Principal	-	12,310,000	-
Interest	-	8,721,196	-
Capital outlay	96,559	-	10,261,614
<i>Total Expenditures</i>	136,724,558	21,031,196	11,345,020
REVENUES OVER (UNDER) EXPENDITURES	(425,529)	(1,608,256)	(10,561,334)
OTHER FINANCING SOURCES (USES)			
Transfers in	2,930,476	-	-
Transfers out	(2,378,702)	-	(156,075)
Issuance of debt	-	-	34,997,258
Bond premium	-	-	792,356
Capital leases	-	-	-
Sale of capital assets	-	-	3,715
<i>Total Other Financing Sources (Uses)</i>	551,774	-	35,637,254
NET CHANGE IN FUND BALANCES	126,245	(1,608,256)	25,075,920
FUND BALANCES, Beginning of year	7,987,230	10,524,726	6,942,919
FUND BALANCES, End of year	<u>\$ 8,113,475</u>	<u>\$ 8,916,470</u>	<u>\$ 32,018,839</u>

Projects	Special Revenue Fund	Other Governmental Funds	Totals
Capital Equipment Fund	Federal, State and Local Programs Fund		
\$ 19,913	\$ 3,628,182	\$ 5,993,451	\$ 98,061,425
-	15,512	-	510,307
407,599	1,513,204	59,052	67,955,560
-	10,749,054	3,044,626	15,408,956
427,512	15,905,952	9,097,129	181,936,248
326,677	10,095,997	4,489,604	98,140,757
321,345	5,133,371	57,314	59,607,935
-	553,689	4,627,638	5,568,348
-	122,895	-	122,895
771,120	-	46,837	13,127,957
105,509	-	8,804	8,835,509
1,391,627	-	-	11,749,800
2,916,278	15,905,952	9,230,197	197,153,201
(2,488,766)	-	(133,068)	(15,216,953)
1,492,207	-	308,525	4,731,208
(750,099)	-	-	(3,284,876)
-	-	-	34,997,258
-	-	-	792,356
1,382,438	-	-	1,382,438
-	-	-	3,715
2,124,546	-	308,525	38,622,099
(364,220)	-	175,457	23,405,146
7,213,401	-	3,867,565	36,535,841
\$ 6,849,181	\$ -	\$ 4,043,022	\$ 59,940,987

The accompanying notes are an integral part of the financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF THE GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2012

Net change in fund balances - total governmental funds (page 16) \$ 23,405,146

Amounts reported for governmental activities in the Statement of Activities (page 13) are different because:

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimate useful lives and reported as depreciation expense. This is the amount by which current year's capitalized expenditures (\$11,749,800) exceeded depreciation (\$9,402,865). 2,346,935

Long-term debt proceeds are reported as other financing sources in governmental funds, thereby increasing fund balances. In the Statement of Net Assets, however, issuing long-term debt increases liabilities and has no effect on net assets. Similarly, repayment of principal is an expenditure in the governmental funds but reduces the liability in the Statement of Net Assets.

Issuance of bonds	(34,997,258)	
Bond premium	(792,356)	
Capital lease proceeds	(1,382,438)	
Debt principal repaid	13,127,957	
Total long-term liabilities		(24,044,095)

In the governmental funds, interest on long-term debt is recorded as interest expense when due, whereas in the Statement of Activities it is accrued. 117,782

Amortization of pension assets increases expense in the Statement of Activities but does not require the use of current financial resources and therefore does not affect the fund balance in the governmental funds. (2,431,686)

Amortization of bond issuance premiums reduce interest expense in the Statement of Activities but does not require the use of current financial resources and therefore does not affect the fund balance in the governmental funds. 793,396

Property taxes that do not meet the measurable and available criteria are not recognized as revenue in the current year in the governmental funds. In the Statement of Activities property taxes are recognized as revenue when levied. 1,072,214

Vested compensated absences are accrued when earned in the Statement of Activities while in the governmental funds they are recorded when paid. This year, the amount earned of \$897,904 exceeded the amount paid of \$860,424. (37,480)

The change in net assets of the internal service funds are not included in the governmental funds but are reported in the Statement of Activities. (3,589,144)

Change in net assets of governmental activities (page 13) \$ (2,366,932)

The accompanying notes are an integral part of the financial statements.

FUND FINANCIAL STATEMENTS

MAJOR GOVERNMENTAL FUNDS

GENERAL FUND – This fund accounts for the financial operations of the District that are not accounted for in any other fund. Principal sources of revenue are state school funding and property taxes. Primary expenditures are salaries for educational and support staff.

This fund accounts for all general operating revenues and expenditures by the District.

FEDERAL, STATE AND LOCAL PROGRAMS FUND – This fund accounts for resources and expenditures from federal, state and local grant programs.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>	<u>Actual</u>		<u>GAAP Basis</u>
				<u>Budget Basis</u>	<u>Adjustments</u>	
REVENUES						
Local sources	\$ 68,584,000	\$ 68,913,210	\$ (101,010)	\$ 68,812,200	\$ -	\$ 68,812,200
Intermediate sources	168,000	168,000	326,795	494,795	-	494,795
State sources	64,387,000	65,116,826	855,265	65,972,091	-	65,972,091
Federal sources	1,365,000	1,414,078	(394,135)	1,019,943	-	1,019,943
<i>Total Revenues</i>	<u>134,504,000</u>	<u>135,612,114</u>	<u>686,915</u>	<u>136,299,029</u>	<u>-</u>	<u>136,299,029</u>
EXPENDITURES						
Current						
Instruction	80,309,886	83,954,987	726,508	83,228,479	-	83,228,479
Supporting services	53,131,089	53,998,240	889,182	53,109,058	(96,559)	53,012,499
Community services	192,114	500,356	113,335	387,021	-	387,021
Facilities acquisition and construction	1,000	1,000	1,000	-	-	-
Operating contingency	4,389,000	436,731	436,731	-	-	-
Debt service	1,000	1,000	1,000	-	-	-
Capital outlay	-	-	-	-	96,559	96,559
<i>Total Expenditures</i>	<u>138,024,089</u>	<u>138,892,314</u>	<u>2,167,756</u>	<u>136,724,558</u>	<u>-</u>	<u>136,724,558</u>
REVENUES OVER (UNDER) EXPENDITURES	<u>(3,520,089)</u>	<u>(3,280,200)</u>	<u>2,854,671</u>	<u>(425,529)</u>	<u>-</u>	<u>(425,529)</u>
OTHER FINANCING SOURCES (USES)						
Transfers in	1,376,000	2,444,950	485,526	2,930,476	-	2,930,476
Transfers out	(919,800)	(2,722,984)	344,282	(2,378,702)	-	(2,378,702)
<i>Total Other Financing Sources (Uses)</i>	<u>456,200</u>	<u>(278,034)</u>	<u>829,808</u>	<u>551,774</u>	<u>-</u>	<u>551,774</u>
NET CHANGE IN FUND BALANCE	<u>(3,063,889)</u>	<u>(3,558,234)</u>	<u>3,684,479</u>	<u>126,245</u>	<u>-</u>	<u>126,245</u>
FUND BALANCE, Beginning of year	<u>6,382,000</u>	<u>7,987,230</u>	<u>-</u>	<u>7,987,230</u>	<u>-</u>	<u>7,987,230</u>
FUND BALANCE, End of year	<u>\$ 3,318,111</u>	<u>\$ 4,428,996</u>	<u>\$ 3,684,479</u>	<u>\$ 8,113,475</u>	<u>\$ -</u>	<u>\$ 8,113,475</u>

The accompanying notes are an integral part of the financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - FEDERAL, STATE AND LOCAL PROGRAMS FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>	<u>Actual</u>		<u>GAAP Basis</u>
				<u>Budget Basis</u>	<u>Adjustments</u>	
REVENUES						
Local sources	\$ 4,086,566	\$ 4,218,589	\$ (590,407)	\$ 3,628,182	\$ -	\$ 3,628,182
Intermediate sources	-	-	15,512	15,512	-	15,512
State sources	1,680,884	1,714,757	(201,553)	1,513,204	-	1,513,204
Federal sources	10,438,460	10,858,721	(109,667)	10,749,054	-	10,749,054
<i>Total Revenues</i>	16,205,910	16,792,067	(886,115)	15,905,952	-	15,905,952
EXPENDITURES						
Current						
Instruction	10,244,854	10,497,997	402,000	10,095,997	-	10,095,997
Supporting services	5,410,605	5,624,183	490,812	5,133,371	-	5,133,371
Community services	486,951	546,692	(6,997)	553,689	-	553,689
Facilities acquisition and construction	63,500	123,195	300	122,895	-	122,895
<i>Total Expenditures</i>	16,205,910	16,792,067	886,115	15,905,952	-	15,905,952
REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-	-	-
FUND BALANCE, Beginning of year	-	-	-	-	-	-
FUND BALANCE, End of year	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

The accompanying notes are an integral part of the financial statements.

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FUND FINANCIAL STATEMENTS

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS - Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF FUND NET ASSETS - GOVERNMENTAL ACTIVITIES
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
JUNE 30, 2012

ASSETS

Current assets:

Equity in pooled cash and investments	\$	15,556,458
Accounts and other receivables		<u>27,074</u>

Total Assets 15,583,532

LIABILITIES

Current liabilities:

Accrued payroll and related charges		729,694
Unearned revenue		<u>1,465,863</u>
<i>Total Current Liabilities</i>		<u>2,195,557</u>

Noncurrent liabilities:

Other post employment benefits obligation		<u>4,187,175</u>
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Total Liabilities 6,382,732

FUND NET ASSETS

Unrestricted		<u>9,200,800</u>
--------------	--	------------------

Total Fund Net Assets \$ 9,200,800

The accompanying notes are an integral part of the financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
GOVERNMENTAL ACTIVITIES
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2012

OPERATING REVENUES	
Interfund charges for services	\$ 32,934,197
Other reimbursements	43,372
	<hr/>
<i>Total Operating Revenues</i>	32,977,569
OPERATING EXPENSES	<hr/>
	35,161,524
OPERATING LOSS	(2,183,955)
NONOPERATING REVENUES	
Interest income	41,143
	<hr/>
LOSS BEFORE TRANSFERS	(2,142,812)
TRANSFERS	
Transfers in	606,495
Transfers out	(2,052,827)
	<hr/>
<i>Total Transfers</i>	(1,446,332)
CHANGE IN FUND NET ASSETS	(3,589,144)
TOTAL FUND NET ASSETS, Beginning of year	<hr/>
	12,789,944
TOTAL FUND NET ASSETS, End of year	<hr/>
	\$ 9,200,800
	<hr/>

The accompanying notes are an integral part of the financial statements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF CASH FLOWS - GOVERNMENTAL ACTIVITIES
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2012

CASH FLOWS FROM OPERATING ACTIVITIES

Receipts from customers and users	\$ 43,372
Receipts from interfund services provided	32,871,154
Payments to suppliers	(30,060,592)
Payments to employees	(604,986)
Payments to retirees	<u>(3,130,235)</u>

Net Cash Used by Operating Activities (881,287)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES

Transfers in from other funds	606,495
Transfers out to other funds	<u>(2,052,827)</u>

Net Cash Used by Noncapital Financing Activities (1,446,332)

CASH FLOWS FROM INVESTING ACTIVITIES

Interest received	<u>41,143</u>
-------------------	---------------

Net Decrease in Cash and Cash Equivalents (2,286,476)

CASH AND CASH EQUIVALENTS, Beginning of year 17,842,934

CASH AND CASH EQUIVALENTS, End of year \$ 15,556,458

RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:

Operating loss	\$ (2,183,955)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Decrease in accounts and other receivables	137,884
Increase in accrued payroll and related charges	54,097
Increase in accrued postemployment benefits payable	1,311,614
Decrease in unearned revenue	<u>(200,927)</u>

Total adjustments 1,302,668

Net cash used by operating activities \$ (881,287)

The accompanying notes are an integral part of the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Lane County School District No. 4J (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting financial reporting principles. The District's significant accounting policies are described below.

A. Reporting Entity

Lane County School District No. 4J is a municipal corporation governed by an elected seven-member Board of Directors. Administrative officials are approved by the Board. The daily operation of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in these financial statements.

The District has granted charters to four public charter schools, Ridgeline Montessori Public Charter School, The Village School, Network Charter School, and Coburg Community Charter School. These public charter schools are legally separate, tax-exempt organizations governed by their own board of directors, and their financial statements may be obtained from their administrative offices.

The District early implemented GASB Statement No. 61, *The Financial Reporting Entity: Omnibus*. The Statement provided requirements for including, presenting, and disclosing information about component units and equity interest transactions of a financial reporting entity. The District has no component units that meet the criteria for reporting under GASB Statement No. 61.

B. Government-wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the activities of the District. For the most part, eliminations have been made from the government-wide financial statements to minimize the double-counting of internal activities. For example, indirect expense allocations charged to individual funds have been eliminated in the statement of activities. Interfund services provided and used are not eliminated in the process of consolidation.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Depreciation expense for capital assets that can specifically be identified with a function are included in its direct expenses. Depreciation expense for "shared" capital assets (for example, a school building is used primarily for instruction, school administration, operation and maintenance of facilities, and school lunch services) are ratably included in the direct expenses of the appropriate functions. Indirect expense allocations that have been made in the funds have been reversed for the statement of activities. Program revenues include 1) charges for goods and services provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for the governmental funds and the proprietary funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The *government-wide financial statements* are reported using the *economic resources measurement focus*

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and *available*. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, principal and interest on long-term debt, as well as expenditures related to early retirement, arbitrage rebates and postemployment healthcare benefits are recorded only when payment is due.

Property taxes, interest revenue and charges for services associated with the current fiscal period are all considered to be susceptible to accrual.

The District reports the following major governmental funds:

The *General Fund* is the District's primary operating fund. It accounts for all financial resources of the District except for those required to be accounted for in other funds.

The *Debt Service Fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt and pension debt of governmental funds.

The *Capital Projects Fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction and remodel of facilities.

The *Capital Equipment Fund* accounts for funds reserved for use in replacement and purchase of capital equipment and remodeling.

The *Federal, State and Local Programs Fund* accounts for resources acquired and payments made for federal, state and local grants.

Additionally, the District reports the following fund type:

Internal Service Funds (Proprietary Funds) account for the insurance services and postemployment benefits provided to the other funds of the District.

The District reports deferred revenue on the balance sheets of the governmental funds. Deferred revenues arise when revenue does not meet both the measurable and available criteria for recognition in the current period. Deferred revenues also arise when resources are received by the District before it has a legal claim to them, as when grant monies are received prior to the incurrence of qualifying expenditures. The District reports unearned revenue on the balance sheets of the governmental funds in connection with resources that have been received but not yet earned. In subsequent periods, when both recognition criteria are met or when the District has a legal claim to the resources, the liability for deferred or unearned revenue is removed from the balance sheet and revenue is recognized.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges to other funds for insurance and postemployment retirement benefits. Operating expenses for the internal service funds include insurance premiums, salaries and benefits, supplies, materials, administrative expenses, and postemployment benefits. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's plan to use restricted resources first, then unrestricted resources as they are needed.

D. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect reporting amounts of certain assets, liabilities, revenues and expenses as of, and for the year ended, June 30, 2012. Actual results may differ from such estimates.

E. Assets and Liabilities

1. Cash and Investments

Oregon Revised Statutes and District policy authorize school districts to invest in obligations of the U.S. Treasury, agencies and instrumentalities of the United States, commercial paper, banker's acceptances guaranteed by a qualified financial institution, repurchase agreements, interest-bearing bonds of any city, county, port, or school district in Oregon (subject to specific standards), and the state local government investment pool, among others.

Investments are carried at amortized cost, which approximates fair value. During the year, the District's investments have included obligations of the U.S. Treasury, its agencies and instrumentalities, deposits in financial institutions, and the State Treasurer's investment pool, all of which are authorized by Oregon law. For purposes of the statement of cash flows, the balance of equity in pooled cash and investments is considered to be cash or a cash equivalent (investments purchased with an original maturity of three months or less).

The District is required by Oregon law to insure its deposits with financial institutions through federal depository insurance funds coverage or participation in institution collateral pools that insure public deposits.

The State Treasurer of the State of Oregon maintains the Oregon Short-term Fund, of which the Local Government Investment Pool (LGIP) is part. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statutes, the investment funds are invested as a prudent investor would do, exercising reasonable care, skill and caution. The Oregon Short-term Fund is the LGIP for local governments and was established by the State Treasurer. It was created to meet the financial and administrative responsibilities of Federal arbitrage regulations. The investments are regulated by the Oregon Short-term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). At June 30, 2012, the fair value of the position in the Oregon State Treasurer's Short-term Investment Pool was equal to 100.08% of the value of the pool shares. The investment in the Oregon

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Short-term Fund is not subject to risk evaluation. Separate financial statements for the Oregon Short-term Fund are available from the Oregon State Treasurer.

2. Interfund Receivables and Payables and Transfers

The receipt and payment of monies through one central checking account, as well as transfers between funds, result in interfund payables and receivables until cash is transferred from one fund to the other. These amounts represent current assets and liabilities and are reported as due to or due from other funds.

3. Property Taxes Receivable

Ad valorem property taxes are levied on all taxable property as of July 1. Property taxes become a lien on July 1 for personal and real property. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are shown in the balance sheet of the governmental funds. Property taxes collected within approximately 60 days of fiscal year end are recognized as revenue, while the remaining amount of taxes receivable are recorded as deferred revenue because they are not deemed available to finance operations of the current period.

4. Inventories

School operating supplies, gasoline and diesel, food, cafeteria supplies and grocery scrip are stated at average cost. Commodities received from the United States Department of Agriculture (USDA) are stated at values assigned by the USDA. Inventory items are charged as expenditures at the time of withdrawal from inventory (consumption method). Accordingly, inventories are considered a resource available for expenditure and included in the fund balance of the applicable funds.

5. Pension Assets

The District also reports a PERS asset which represents the District's unamortized balance of the prepaid unfunded actuarial liability at June 30, 2012. The pension asset is equal to payments made from the issuance of pension bonds less accumulated amortization calculated on the straight-line method over the life of the pension obligation bonds.

6. Capital Assets

Capital assets, which include grounds and improvements, buildings, construction in progress, equipment and vehicles are reported in the government-wide financial statements. The District defines capital assets as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets that are purchased or constructed are recorded at historical cost where historical records are available or estimated historical cost where no historical records exist. Donated capital assets are recorded at estimated fair market value at the date of donation.

Maintenance and equipment replacements of a routine nature and repairs that do not add to the value of the asset or materially extend assets lives are charged to expenditures as incurred and not capitalized.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during construction is not capitalized.

Improvements, buildings, equipment and vehicles of the District are depreciated using the straight-line method over the following estimated lives:

Assets	Years
Buildings	60
Portable buildings, building improvements	20
Site improvements	15
Trucks, trailers, miscellaneous vehicles	15
Custodial, grounds equipment	15
School buses, passenger cars, vans and pickups	10
Miscellaneous equipment	10
Computer equipment	5

At the inception of a lease, an expenditure and an other financing source are recognized at the net present value of future minimum lease payments in the governmental fund from which lease payments will be made. Subsequent lease payments are recorded as expenditures in the appropriate governmental fund on the due date.

7. Long-term Obligations

In the government-wide financial statements and proprietary funds in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net assets. Bond premiums and discounts 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 term of the related debt using the straight-line method.

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 issuance are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Repayments of capital lease obligations are recorded in the Capital Equipment Fund. Payments of postemployment benefit obligations are recorded in the Postemployment Benefits Fund.

F. Governmental Fund Balances

In the year ended June 30, 2011, the District adopted GASB Statement No. 54 Fund Balance Reporting and Governmental Fund Type Definitions. In the governmental financial statements, fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Governmental Fund type fund balances are classified as follows:

Nonspendable – Amounts that cannot be spent either because they are in a nonspendable form or because they are legally or contractually required to be maintained intact. Resources in nonspendable form include inventories, prepaids and deposits, and assets held for resale.

Restricted – Amounts that can be spent only for specific purposes when the constraints placed on the use of these resources are either: (a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the School Board. The School Board can modify or rescind the commitment at any time through taking a similar formal action.

Assigned – Amounts that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the School Board approves which resources should be "reserved" during the adoption of the annual budget. The District's Chief Financial Officer uses that information to determine whether those resources should be classified as assigned or unassigned for presentation in the District's Annual Financial Report.

Unassigned – All amounts not included in other spendable classifications. This residual classification represents fund balance that has not been restricted, committed, or assigned within the General Fund. This classification is also used to report any negative fund balance amounts in other governmental funds.

In governmental funds, the District's plan is to first apply the expenditure toward restricted fund balance and then to other, less-restrictive classifications – committed and then assigned fund balances before using unassigned fund balances.

The Board has approved a policy to maintain an ending fund balance in the general fund, in order to provide stable services and employment to offset cyclical variations in revenues and expenditures. The targeted floor for the ending fund balance will be at five percent of annual operating revenues, shown as a minimum fund balance in the General Fund. The Board is the highest level decision making authority and may take formal action by vote or resolution to establish, modify, or rescind a fund balance commitment.

G. Grant Revenue

Unreimbursed grant expenditures due from grantor agencies are reflected in the governmental fund financial statements as receivables and revenues. Cash received from grantor agencies in excess of related grant expenditures is recorded as deferred revenue in the balance sheet. USDA commodity inventory is recorded at the assigned value and is recognized as revenue and expenditures when used.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

H. Retirement Plans

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement Fund (OPERF), administered by the Oregon Public Employees Retirement System (PERS). Contributions to PERS are made on a current basis as required by the plan, and are charged as expenses/expenditures.

The District also offers its employees a tax deferred annuity plan established pursuant to Section 403(b) or the Internal Revenue Code.

I. Other Postemployment Benefits

The District currently maintains an early retirement program which provides for payments of stipends to qualified employees. In addition, the District employees who elect retirement are entitled to participate in the District's group medical insurance plan as provided by Oregon Revised Statutes.

J. Compensated Absences

Compensated absences for vacation pay are reported in the governmental fund types only if they have matured. Accumulated sick pay does not vest and is, therefore, recorded when leave is taken.

K. Risk Management

The District self-insures for fleet physical damage, and fleet liability is insured after the District pays a \$25,000 deductible per occurrence. Both general commercial liability and property damage are insured after the District pays a \$150,000 deductible per occurrence.

The District self-insures for unemployment.

L. Subsequent Events

On October 17, 2012, the District issued \$37,405,000 of General Obligation Refunding Bonds, Series 2012, to refinance a portion of the District's outstanding General Obligation Bonds, Series 2005 and General Obligation Bonds, Series 2003. The coupon interest rate of the bonds range from 2.0 to 5.0 percent and the maturity is June 15, 2025.

The date to which events occurring after June 30, 2012, the date of the most recent statement of net assets, have been evaluated for possible adjustment to the financial statements or disclosure is December 26, 2012, which is the date on which the financial statements were available.

The District is involved in various claims and legal matters relating to its operations which have all been tended to, and are either being adjusted by the District's liability carrier, or are being defended by attorneys retained by the District or the District's liability carrier. The status of these matters is uncertain at this time. Any potential loss is also uncertain.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2012

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgeting and Appropriations

A budget is prepared annually for the governmental and proprietary funds in accordance with legal requirements set forth under Oregon Local Budget Law. All funds are budgeted on the modified accrual basis of accounting.

Expenditures are controlled by appropriations adopted by resolution of the Board of Directors. The legal level of appropriations is at the major program category level (Instruction, Supporting Services, Community Services, Facilities Acquisition and Construction, Debt Service and Operating Contingency) and lapses at the end of each fiscal year. The Board of Directors can, by resolution, transfer appropriations between existing appropriation categories and increase appropriations to allow expenditure of unexpected revenues during the year. Management can transfer appropriations within a major program category. During the year ended June 30, 2012, additional appropriations totaling \$2,198,530 were made to allow expenditure of unexpected revenues. Final budget amounts include the original budget and approved increases and transfers.

B. Excess of expenditures over appropriations

Oregon law prohibits expenditures in excess of board approved appropriations. The board approves appropriations for each fund by major function. For the year ended June 30, 2012, expenditures exceeded appropriations in the Federal, State and Local Programs fund as follows:

<u>Appropriation Level</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Variance</u>
Enterprise and community service	\$546,692	\$553,689	\$(6,997)

C. Deficit Fund Balance

At June 30, 2012, an Internal Service Fund (Postemployment Benefits Fund) had a deficit fund balance of \$473,894. The reason for this deficit is that the District primarily operates this fund on a pay-as-you-go basis, which means that fund assets are not maintained to balance the actuarial liability. Additionally, the fund has been used to set-aside funding to offset PERS increases in the 2011-13 biennium. Approximately, \$1.3 million of the set-aside was used during the year further drawing down the fund assets. This deficit is budgeted to increase in the coming year as another \$1.3 million of the PERS set-aside is used towards operations.

D. Economic Dependency

The District received General Fund revenue of \$136,299,029. Of this amount, \$65,972,091 comes from agencies within the State of Oregon. Due to the significance of this reported revenue source, the District is considered to be economically dependent on the State of Oregon.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2012

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (Continued)

E. Budgetary Basis Accounting

The District accounts for certain transactions on a budgetary basis which differs from GAAP basis. A description of the principal differences between the budgetary basis and GAAP in recording and reporting transactions follows:

	<u>Budgetary Basis</u>	<u>GAAP Basis</u>
USDA Commodity Inventory	USDA commodity inventory is recorded at cost when received and the assigned value is recognized as revenue and expenditures when used.	Revenue is recognized for the difference in cost and assigned value when commodities are received.
Properties acquired by long-term financing such as from capital leases or installment contracts	Only the current year's payment is recorded as a capital outlay expenditure of the fund in which payments are budgeted.	The net present value of the total stream of payments is recorded in the fund from which payments will be made as an expenditure in the year of acquisition with a corresponding offset to other financing sources. Subsequent payments on the obligations are recorded as debt service expenditures.
Classification of expenditures by character	The character of expenditures (current expenditures, capital outlay, debt service) is reported at the object level. Budgets and appropriations are made for each major function.	Expenditures are classified and reported by character (current expenditures, capital outlay and debt service) within the financial statements.
Postemployment retirement benefits	Retirement benefits are measured by the amount of resources used and provided in the current period.	Internal service funds report the full liability associated with retirement benefits payable regardless of whether they will be liquidated with currently available resources.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS

A. Cash and Investments

The District maintains a cash and investment pool that is available for use by all funds, except the Student Body Fund. Each fund's portion of this pool is displayed on the governmental balance sheet as "equity in pooled cash and investments." The deposits and investments of the Student Body Fund are held separately from those of other District funds and are displayed as "cash and investments." Cash and investments are comprised of the following at June 30, 2012:

	Carrying Amount
Deposits	\$ 46,808,605
Investments	41,008,022
	<u>\$ 87,816,627</u>
Equity in Pooled Cash and Investments-Governmental Funds, Balance Sheet	\$ 49,582,983
Cash and Investments-Governmental Funds, Balance Sheet	22,677,186
Equity in Pooled Cash and Investments-Internal Service Fund, Statement of Net Assets	15,556,458
	<u>\$ 87,816,627</u>

	Carrying Amount	Bank Balance
Deposits		
Pooled demand deposits	\$ 41,922,527	\$ 42,335,195
Capital projects fund demand deposits	2,520	2,520
Special revenue funds demand and savings deposits	3,865,762	3,730,501
Debt service	1,017,796	1,012,000
Total Deposits	<u>\$ 46,808,605</u>	<u>\$ 47,080,216</u>

Custodial Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to the District. The District's deposits with financial institutions are insured up to \$250,000 per institution by the Federal Deposit Insurance Corporation (FDIC). To provide additional security required and authorized by Oregon Revised Statutes (ORS), Chapter 295, deposits above insurance limits are covered by collateral held in a multiple financial institution collateral pool administered by the Oregon State Treasurer. At year-end, bank balances of \$908,166 were insured by FDIC. Funds not covered by FDIC insurance are covered by the Oregon State Treasury Collateral Pool. At year-end, the District's net carrying amount of deposits was \$46,808,605 and the bank balance was \$47,080,216.

Investments

As of June 30, 2012, the District held the following investments and maturities:

	Carrying Amount	Weighted Average Maturity in Years	% of Investment Portfolio
Local Government Investment Pool	<u>\$ 41,008,022</u>	0.003	<u>100.00%</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash and Investments (continued)

With the exception of pass-through funds, the maximum amount of pool investments to be placed in the Local Government Investment Pool is limited by Oregon Statute, which increases semi-annually proportionately to the Portland Consumer Price Index. The limit was \$44,999,213 at June 30, 2012. The limit can be temporarily exceeded for ten business days and does not apply to either pass-through funds or to funds invested on behalf of another governmental unit.

Custodial Credit Risk - Investments

For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, broker/dealers, intermediaries and advisors with which the District will do business. All of the investments, except for the investment in the Local Government Investment Pool which is not evidenced by securities, are held in safekeeping by the financial institution counterparty in the financial institution's general customer account name. As of June 30, 2012 the District had not finalized a policy addressing custodial credit risk.

Credit Risk

State of Oregon statutes restrict the types of investments in which the District may invest. Authorized investments include obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, time certificates of deposit, certain commercial paper, and the State of Oregon Treasurer's Local Government Investment Pool. While the District was in compliance with the aforementioned State of Oregon statutes a formal policy addressing credit risk had not been finalized as of June 30, 2012.

The Local Government Investment Pool is not rated for credit risk.

Interest Rate Risk

The District minimizes interest rate risk, which is the risk that the market value of securities in the portfolio will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature to meet the cash requirement for ongoing operations, thereby avoiding the need to sell securities in the open market, and investing operating funds primarily in shorter-term securities, liquid asset funds, money market funds, or similar investment pools and limiting the average maturity in accordance with the District's cash requirements. As of June 30, 2012 the District had not finalized a policy addressing interest rate risk.

Concentration of Credit Risk

The District minimizes concentration of credit risk, which is the risk of loss attributed to the magnitude of the District's investment in a single issuer, by diversifying the investment portfolio so that the impact of potential losses from any one type of security or issuer will be minimized. As of June 30, 2012 the District had not finalized a policy addressing concentration of credit risk. Total District investments with a single institution are limited to 1% of that institution's total assets and specific investment types shall not exceed the percentages of the total investment portfolio as indicated below:

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

A. Cash and Investments (continued)

<i>Investment Type</i>	<i>Maximum % of Portfolio</i>	<i>% of Portfolio</i>
U.S. Treasury Bills, Notes, Bonds	100%	0%
Federal Agency Bonds and Discount Notes	75%	0%
State of Oregon Local Government Investment Pool	100%	100%
Repurchase Agreements		
5 day maximum	25%	0%
30 day maximum	25%	0%
Bank Liabilities, including Banker's Acceptances and Certificates of Deposit	25%	0%
Commercial Paper	35%	0%

Foreign Currency Risk

The District is not authorized to purchase investments which have this type of risk.

B. Accounts and Other Receivables

Accounts and other receivables consist primarily of claims for reimbursement of costs under various federal and state grant programs and interest on investments.

C. Interfund Receivables, Payables and Transfers

The composition of due to/due from balances as of June 30, 2012 is as follows:

	<i>Due to Other Funds</i>	<i>Due from Other Funds</i>
General Fund	\$ 18,096,658	\$ 744,045
Debt Service Fund	-	89,597
Capital Projects Fund	-	18,007,061
Federal, State and Local Programs Fund	463,768	-
Other Governmental Funds	280,277	-
Total	\$ 18,840,703	\$ 18,840,703

Interfund receivables and payables arise during normal processing of receipts and disbursements for all funds through a single checking account and do not represent interfund loans.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

C. Interfund Receivables, Payables and Transfers (continued)

The interfund transfers during the year ended June 30, 2012 are as follows:

	<u>Transfer in</u>	<u>Transfer out</u>
General Fund	\$ 2,930,476	\$ 2,378,702
Capital Projects Fund	-	156,075
Capital Equipment Fund	1,492,207	750,099
Other Governmental Funds	308,525	-
Internal Service Funds	606,495	2,052,827
	<u> </u>	<u> </u>
Total	<u>\$ 5,337,703</u>	<u>\$ 5,337,703</u>

Transfers from the General Fund are for Capital Equipment Fund purchases of equipment, support of the Nutrition Services operations, and risk management operations. Transfers from the Capital Projects Fund are to support general operations. Transfers from the Capital Equipment Fund are to general operations. Transfers from the Internal Service Fund are from employee group insurance reserves for on-going compensation increases for classified staff.

D. Inventories

Inventory balances at June 30, 2012 are as follows:

General Fund

Instructional supplies and materials	\$ 117,375
Gasoline and diesel	105,280
	<u> </u>
<i>Total General Fund</i>	<u>222,655</u>

Other Governmental Funds

Nutrition Services	
Value of commodities on hand from the U.S. Department of Agriculture	101,022
Student Body - Grocery scrip	1,654
	<u> </u>
<i>Total Other Governmental Funds</i>	<u>102,676</u>

<i>Total Inventories</i>	<u>\$ 325,331</u>
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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Capital Assets

At June 30, 1985, all District-owned assets were inventoried by the District and were restated at estimated historical cost (the assets restated were primarily real estate and equipment purchased prior to April 30, 1958). Assets purchased after June 30, 1985 are recorded at cost. The District's capitalization level is \$5,000.

Included in capital assets are assets leased under capital lease agreements. The principal amount outstanding on these lease agreements as of June 30, 2012 is \$4,139,746.

Capital asset activity for the year ended June 30, 2012 was as follows:

	Balance June 30, 2011	Increases	Decreases	Balance June 30, 2012
Capital assets not being depreciated:				
Land	\$ 1,621,220	\$ -	\$ -	\$ 1,621,220
Construction in progress	1,196,604	8,942,476	(1,196,604)	8,942,476
<i>Total capital assets not being depreciated</i>	<u>2,817,824</u>	<u>8,942,476</u>	<u>(1,196,604)</u>	<u>10,563,696</u>
Capital assets being depreciated:				
Athletic field improvements	10,645,150	1,293,023	-	11,938,173
Buildings and improvements	260,776,876	1,088,521	-	261,865,397
Equipment	7,453,670	239,946	-	7,693,616
Vehicles	10,844,408	1,382,438	(231,223)	11,995,623
<i>Total capital assets being depreciated</i>	<u>289,720,104</u>	<u>4,003,928</u>	<u>(231,223)</u>	<u>293,492,809</u>
Accumulated depreciation for:				
Athletic field improvements	(6,444,627)	(752,781)	-	(7,197,408)
Buildings and improvements	(130,800,020)	(7,428,543)	-	(138,228,563)
Equipment	(5,818,887)	(395,723)	-	(6,214,610)
Vehicles	(6,438,464)	(825,818)	231,223	(7,033,059)
<i>Total accumulated depreciation</i>	<u>(149,501,998)</u>	<u>(9,402,865)</u>	<u>231,223</u>	<u>(158,673,640)</u>
<i>Total capital assets being depreciated, net</i>	<u>140,218,106</u>	<u>(5,398,937)</u>	<u>-</u>	<u>134,819,169</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 143,035,930</u>	<u>\$ 3,543,539</u>	<u>\$ (1,196,604)</u>	<u>\$ 145,382,865</u>

This schedule presents only the capital asset balances related to governmental funds.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

E. Capital Assets (Continued)

Depreciation expense was charged to functions of the governmental activities of the District as follows:

Direct classroom services	
Regular instruction	\$ 4,494,270
Special programs	1,064,109
	<hr/>
Total direct classroom services	5,558,379
	<hr/>
Classroom support services	
Extracurricular activities	154,908
Student support	586,915
Libraries, curriculum and staff development	297,303
School administration	832,375
Community services	107,675
	<hr/>
Total classroom support services	1,979,176
	<hr/>
Building support services	
Facilities operation and maintenance	246,231
Student transportation	739,377
Computing and information services	196,625
Warehouse and purchasing	65,591
	<hr/>
Total building support services	1,247,824
	<hr/>
Central support services	
Executive administration	33,238
Financial services	104,198
Human resources/employee insurance benefits	95,835
Communications and intergovernmental relations	19,356
	<hr/>
Total central support services	252,627
	<hr/>
Nutrition services	364,859
	<hr/>
Total depreciation expense, governmental activities	\$ 9,402,865
	<hr/> <hr/>

Construction Commitments

The District has active construction projects as of June 30, 2012. As of the end of the fiscal year, the District's commitments with contractors include costs to date of \$8,746,351 and expected costs to complete of \$5,383,646.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

F. Capital Leases

The District has entered into lease agreements as lessee for financing the acquisition of buses for student transportation. These lease agreements qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of their future minimum lease payments as of the inception date. The leased buses total \$7,199,434, with accumulated depreciation of \$2,976,682 and a net book value of \$4,222,752 as of June 30, 2012.

Obligations of the District's governmental activities under capital leases at June 30, 2012, were as follows:

<i>Year Ending June 30</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2013	\$ 932,202	\$ 95,348	\$ 1,027,550
2014	772,027	90,370	862,397
2015	679,540	66,854	746,394
2016	580,274	47,167	627,441
2017	302,608	30,880	333,488
2018	241,048	21,146	262,194
2019	196,533	13,906	210,439
2020	142,352	8,569	150,921
2021	145,153	5,768	150,921
2022	148,009	2,912	150,921
Total lease payments	<u>\$ 4,139,746</u>	<u>\$ 382,920</u>	<u>\$ 4,522,666</u>

G. Deferred and Unearned Revenue

Governmental funds report *deferred revenue* in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned. At the end of the current fiscal year, the various components of *deferred revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<i>Deferred Revenue</i>	<i>Unearned Revenue</i>
Delinquent property taxes receivable, General Fund	\$ 5,044,983	\$ -
Delinquent property taxes receivable, Debt Service Fund	1,098,662	-
Grant drawdowns prior to meeting all eligibility requirements	-	2,065,033
Other unearned revenue, General Fund	-	9,603
Total deferred/unearned revenue for governmental funds	<u>\$ 6,143,645</u>	<u>\$ 2,074,636</u>

The Statement of Net Assets reports unearned revenue of \$2,074,636 reported in the governmental funds, and \$1,465,863 reported in the proprietary funds for a total of \$3,540,499.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-term Debt

The following is a summary of long-term debt transactions of governmental activities during the year ended June 30, 2012:

	Principal Issued	Balance June 30, 2011	Additions	Reductions	Balance June 30, 2012	Amounts Due in One Year
General obligation bonds:						
2011 Series	\$ 34,997,258	\$ -	\$ 34,997,258	\$ (200,000)	\$ 34,797,258	\$ 495,000
2008 Series Refunding	47,295,000	45,400,000	-	(1,785,000)	43,615,000	-
2005 Series	46,000,000	42,710,000	-	(1,270,000)	41,440,000	1,470,000
2003 Series Refunding	17,630,000	7,965,000	-	(2,180,000)	5,785,000	2,265,000
2002 Series	70,000,000	6,640,000	-	(3,265,000)	3,375,000	3,375,000
2002 Series Refunding	21,035,000	8,620,000	-	(2,785,000)	5,835,000	2,930,000
Total G.O. bonds	236,957,258	111,335,000	34,997,258	(11,485,000)	134,847,258	10,535,000
2004 Pension bonds	53,435,000	51,765,000	-	(825,000)	50,940,000	1,015,000
Total bonds	290,392,258	163,100,000	34,997,258	(12,310,000)	185,787,258	11,550,000
Issuance premiums:						
2011 Series	-	-	792,356	(71,684)	720,672	-
2008 Series Refunding	-	2,687,798	-	(539,615)	2,148,183	-
2005 Series	-	589,610	-	(64,611)	524,999	-
2003 Series Refunding	-	22,393	-	(8,339)	14,054	-
2002 Series	-	79,288	-	(59,239)	20,049	-
2002 Series Refunding	-	90,797	-	(49,908)	40,889	-
Total issuance premiums	-	3,469,886	792,356	(793,396)	3,468,846	-
Total bonds payable	290,392,258	166,569,886	35,789,614	(13,103,396)	189,256,104	11,550,000
Early termination stipend benefits	-	75,108	837,324	(598,550)	313,882	-
Net OPEB obligation	-	2,800,453	4,871,448	(3,798,608)	3,873,293	-
Capital lease obligations	7,005,076	3,575,265	1,382,438	(817,957)	4,139,746	932,202
Total	\$ 297,397,334	\$ 173,020,712	\$ 42,880,824	\$ (18,318,511)	\$ 197,583,025	\$ 12,482,202

The general obligation bonds will be paid from general property tax revenues from the Debt Service Fund. The repayment of the pension bonds will be funded by a reduction in the Oregon Public Employees Retirement System (OPERS) rate charged against covered District payroll as a result of paying off a portion of the unfunded actuarial liability. The early termination stipend benefits and the net OPEB obligation will be paid from revenues in the Postemployment Benefits Fund generated by charges to other funds. The capital lease obligations for transportation equipment will be paid from the state transportation grant from the Capital Equipment Fund.

General obligation bonds have been issued for capital projects. Pension bonds have been issued to reduce the rate charged the District for OPERS. Capital leases have been issued to finance equipment.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-term Debt (Continued)

General obligation bonds - 2011 Series, future payments due in annual installments of \$495,000 to \$15,000,000 plus interest, paid semi-annually at 2.0% to 4.75% through June 15, 2031.	\$ 34,797,258
General obligation bonds - 2008 Refunding Series, future payments due in annual installments of \$3,700,000 to \$11,680,000 plus interest, paid semi-annually at 4.0% to 5.0% through July 1, 2017.	43,615,000
General obligation bonds - 2005 Series, future payments due in annual installments of \$1,470,000 to \$5,400,000 plus interest, paid semi-annually at 4.0% to 5.0% through February 1, 2025.	41,440,000
General obligation bonds - 2003 Refunding Series, future payments due in annual installments of \$215,000 to \$2,365,000 plus interest, paid semi-annually at 4.0% to 4.5% through January 1, 2019.	5,785,000
General obligation bonds - 2002 Series, final payment of \$3,375,000 plus interest at 5.0% due on July 1, 2012.	3,375,000
General obligation bonds - 2002 Refunding Series, future payments due in annual installments of \$2,905,000 to \$2,930,000 plus interest, paid semi-annually at 5.0% to 5.25% through July 1, 2013.	5,835,000
Pension obligation bonds - 2004 Series, future payments due in annual installments of \$1,015,000 to \$6,220,000 plus interest, paid semi-annually at 4.733% to 5.528% through June 30, 2028.	50,940,000
Issuance premiums - 2011 Series bond, amortized semi-annually through June 15, 2023.	720,672
Issuance premiums - 2008 Refunding bond, amortized semi-annually through July 1, 2017.	2,148,183
Issuance premiums - 2005 Series bond, amortized semi-annually through February 1, 2025.	524,999
Issuance premiums - 2003 Refunding bond, amortized semi-annually through January 1, 2019.	14,054
Issuance premiums - 2002 Series bond, amortized semi-annually through July 1, 2012.	20,049
Issuance premiums - 2002 Refunding bond, amortized semi-annually through July 1, 2013.	40,889
Stipend benefits for participants in the District's postemployment benefit program.	313,882
Net other postemployment benefit (OPEB) obligation.	3,873,293
Capital lease obligations - total of minimum lease payments for all capital leases, through July 15, 2021.	4,139,746
<i>Total</i>	<u>\$ 197,583,025</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-term Debt (Continued)

Total debt service expenditures (excluding postemployment benefits) for the year ended June 30, 2012 consist of the following:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
Debt Service Fund			
General obligation serial bonds - 2011	\$ 200,000	\$ 1,031,911	\$ 1,231,911
General obligation refunding bonds - 2008	1,785,000	2,051,975	3,836,975
General obligation serial bonds - 2005	1,270,000	1,912,087	3,182,087
General obligation refunding bonds - 2003	2,180,000	316,419	2,496,419
General obligation serial bonds - 2002	3,265,000	250,375	3,515,375
General obligation refunding bonds - 2002	<u>2,785,000</u>	<u>368,638</u>	<u>3,153,638</u>
Subtotal	11,485,000	5,931,405	17,416,405
Pension obligation serial bonds - 2004	<u>825,000</u>	<u>2,789,791</u>	<u>3,614,791</u>
<i>Total Debt Service Fund</i>	12,310,000	8,721,196	21,031,196
Student Body Fund			
Capital lease payments	46,837	8,804	55,641
Capital Equipment Fund			
Capital lease payments	<u>771,120</u>	<u>105,509</u>	<u>876,629</u>
<i>Total of All Funds</i>	<u>\$ 13,127,957</u>	<u>\$ 8,835,509</u>	<u>\$ 21,963,466</u>

No interest costs were capitalized during the year.

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

III. DETAILED NOTES ON ALL FUNDS (Continued)

H. Long-term Debt (Continued)

Year Ending June 30	Bonds - 2011 Series		Bonds - 2008 Refunding		Bonds - 2005 Series		Bonds - 2004 Pension	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2013	\$ 495,000	\$ 1,218,000	\$ -	\$ 2,025,200	\$ 1,470,000	\$ 1,848,587	\$ 1,015,000	\$ 2,751,940
2014	590,000	1,208,100	3,700,000	1,963,087	1,685,000	1,775,088	1,225,000	2,703,494
2015	-	1,196,300	7,235,000	1,733,663	1,920,000	1,690,837	1,450,000	2,644,779
2016	-	1,196,300	10,105,000	1,327,975	2,165,000	1,594,838	1,695,000	2,573,396
2017	-	1,196,300	10,895,000	831,850	2,435,000	1,508,237	1,960,000	2,488,256
2018	2,070,000	1,196,300	11,680,000	287,050	2,725,000	1,410,838	2,250,000	2,387,845
2019	2,180,000	1,134,200	-	-	3,030,000	1,295,025	2,565,000	2,270,328
2020	2,420,000	1,068,800	-	-	3,360,000	1,166,250	2,905,000	2,133,793
2021	2,540,000	996,200	-	-	3,715,000	1,019,250	3,275,000	1,977,707
2022	2,660,000	920,000	-	-	4,095,000	852,075	3,680,000	1,800,104
2023	2,715,000	813,600	-	-	4,505,000	667,800	4,110,000	1,598,698
2024	-	705,000	-	-	4,935,000	465,075	4,580,000	1,371,497
2025	-	705,000	-	-	5,400,000	243,000	5,085,000	1,118,314
2026	-	705,000	-	-	-	-	5,630,000	837,216
2027	-	705,000	-	-	-	-	6,220,000	525,989
2028	15,000,000	705,000	-	-	-	-	3,295,000	182,148
2029	1,430,517	-	-	-	-	-	-	-
2030	1,375,140	-	-	-	-	-	-	-
2031	1,321,601	-	-	-	-	-	-	-
Total	\$ 34,797,258	\$ 15,669,100	\$ 43,615,000	\$ 8,168,825	\$ 41,440,000	\$ 15,536,900	\$ 50,940,000	\$ 29,365,504

Defeased General Obligation Bonds

In prior years, the District defeased general obligation bonds outstanding by placing the proceeds of new bonds in irrevocable trust to provide for all future debt service payments on the old obligations. Accordingly, the trust account assets and the liabilities for the defeased obligations are not included in the District's basic financial statements. At June 30, 2012, \$48,305,000 of general obligation bonds are considered defeased.

Bonds - 2003 Refunding		Bonds - 2002 Series		Bonds - 2002 Refunding		Total		
Principal	Interest	Principal	Interest	Principal	Interest	Require- ments	Principal	Interest
\$2,265,000	\$234,669	\$3,375,000	\$ 84,375	\$ 2,930,000	\$225,762	\$ 19,233,533	\$ 11,550,000	\$ 7,683,533
2,365,000	144,069	-	-	2,905,000	76,256	19,635,094	12,470,000	7,165,094
215,000	49,469	-	-	-	-	17,430,048	10,820,000	6,610,048
220,000	40,600	-	-	-	-	20,213,108	14,185,000	6,028,108
230,000	31,525	-	-	-	-	20,871,169	15,520,000	5,351,169
240,000	21,750	-	-	-	-	23,563,783	18,965,000	4,598,783
250,000	11,250	-	-	-	-	12,030,803	8,025,000	4,005,803
-	-	-	-	-	-	12,348,843	8,685,000	3,663,843
-	-	-	-	-	-	12,818,157	9,530,000	3,288,157
-	-	-	-	-	-	13,302,179	10,435,000	2,867,179
-	-	-	-	-	-	13,705,098	11,330,000	2,375,098
-	-	-	-	-	-	11,351,572	9,515,000	1,836,572
-	-	-	-	-	-	11,846,314	10,485,000	1,361,314
-	-	-	-	-	-	6,467,216	5,630,000	837,216
-	-	-	-	-	-	6,745,989	6,220,000	525,989
-	-	-	-	-	-	18,477,148	18,295,000	182,148
-	-	-	-	-	-	3,165,000	1,430,517	1,734,483
-	-	-	-	-	-	3,255,000	1,375,140	1,879,860
-	-	-	-	-	-	3,355,000	1,321,601	2,033,399
\$5,785,000	\$533,332	\$3,375,000	\$ 84,375	\$ 5,835,000	\$302,018	\$249,815,054	\$185,787,258	\$ 64,027,796

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2012

IV. OTHER INFORMATION

A. Pension Plan

Plan Description - The District contributes to two pension plans administered by the Oregon Public Employees Retirement System (PERS). The Oregon Public Employees Retirement fund (OPERF) applies to the District's contribution for qualifying employees who were hired before August 29, 2003, and is a cost sharing multiple-employer defined benefit pension plan. The Oregon Public Service Retirement Plan (OPSRP) is a hybrid successor plan to the OPERF and consists of two programs:

1. The Pension Program, the defined benefit portion of the plan, applies to qualifying District employees hired after August 29, 2003. Benefits are calculated by a formula for members who attain normal retirement age. The formula takes into account final average salary and years of service.
2. Beginning January 1, 2004, all PERS member contributions go into the Individual Account Program (IAP), the defined contribution portion of the plan. PERS members retain their existing PERS accounts, but any future member contributions are deposited into the member's IAP, not the member's PERS account.

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

Funding Policy - Members of PERS are required to contribute 6.00% of their salary covered under the plan, which is invested in the OPSRP Individual Account Program. The District is required by ORS 238.225 to contribute at an actuarially determined rate for the qualifying employees under the OPERF plan, and a general service rate for the qualifying employees under the OPSRP plan. The OPERF and OPSRP rates the District paid for the year ended June 30, 2012 were 20.56% and 18.56% respectively. The contribution requirements for plan members are established ORS Chapter 238 and may be amended by an act of the Oregon Legislature.

Annual Pension Cost - Current law permits employers to pay employee contributions to the Oregon Public Employees Retirement Fund, which the District has elected to contribute. Total payroll was \$83,885,606 and covered payroll was \$79,472,313 for the year ended June 30, 2012. The amount contributed by the District for the years ended June 30, 2012, 2011 and 2010, which included the District's required amount and the employee's was \$19,916,131, \$15,757,860, and \$15,307,409 which equaled the required contributions for the years.

B. Other Postemployment Benefits

Early Termination - Stipend Benefits

Plan Description - The Board of Directors, through contract negotiations, previously authorized the District to offer early termination benefits as an incentive for employees to retire early. The program covers all licensed and administrative personnel of the District, who must be hired prior to the plan phase out date of July 1, 1998 or July 1, 1996, respectively. To be eligible, retirees must have ten years consecutive employment with the District and meet certain PERS requirements.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2012

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Benefits (Continued)

Qualifying employees are eligible to receive up to \$450 per month until age 62. Administrative employees retiring before age 58 may also be eligible for a stipend benefit in a reduced, prorated amount. Payments are made up to a maximum of seven years, but in no event past age 62. This pension-type benefit is required to be valued under GASB Statement No. 27. The District does not issue a stand-alone report for this plan. The activities of the program are reported in the Postemployment Benefits Fund. Additional funds were transferred to the Postemployment Benefits Fund to allow smoothing of General Fund retirement expenditures.

Funding Policy - There is no obligation on the part of the District to fund these benefits in advance. The District provides payments in accordance with current employee contracts primarily on a pay-as-you-go basis.

Contributions – Expenditures are recorded in the internal service fund as the termination benefits are paid. The present value of future termination benefits is recorded in the Statement of Net Assets. As of the most recent actuarial valuation date, the District reported there were 169 employees receiving stipend benefits. During the year ended June 30, 2012, the cost of this benefit amounted to \$598,550.

Annual Pension Cost and Net Pension Obligation - The District's annual pension cost (expense) is calculated on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance within the parameters of GASB Statement No. 27. The ARC is equal to the Normal Cost (the value of benefits expect to be earned in the year) plus an amortization of the unfunded liability. The amortization period can be as long as 30 years. The following table shows the components of the net pension obligation at the end of the year:

	2012	2011
Annual required contribution	\$ 853,153	\$ 828,304
Interest on net pension obligation	3,380	-
Adjustment to annual required contribution	(19,209)	-
Annual pension cost	<u>837,324</u>	<u>828,304</u>
Contributions made	<u>(598,550)</u>	<u>(753,196)</u>
Increase in net pension obligation	238,774	75,108
Net pension obligation - beginning of year	75,108	-
Net pension obligation - end of year	<u>\$ 313,882</u>	<u>\$ 75,108</u>
Percentage contributed	71.5%	90.9%

The District's annual pension cost, the contribution, the percentage of annual pension cost contributed to the plan, and the net pension obligation for 2012 were as follows:

Fiscal Year Ended June 30	Annual Pension Cost	Contribution Made	Percentage Contributed	Net Pension Obligation
2011	\$ 828,304	\$ 753,196	90.9%	\$ 75,108
2012	837,324	598,550	71.5%	313,882

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Benefits (Continued)

Actuarial Methods and Assumptions – The projected unit credit actuarial cost method was used to determine contribution levels for the stipend benefits. Contribution levels are comprised of two components: normal cost and amortization payments. Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year.

The present value of benefits accrued as of the valuation date is called the accrued liability. The difference between the accrued liability and the actuarial value of plan assets is called the unfunded accrued liability. The unfunded accrued liability is being amortized as a level percentage of payroll, over an open period of 4 years for stipend benefits, over an open period of 6 years for explicit medical and life insurance benefits, and over an open period of 20 years for implicit medical benefits.

In the July 1, 2010 valuation, the projected unit credit actuarial cost method was used. The assumptions included a discount rate of 4.5 percent. They also assume premium increase rate would be 9.0 percent for the current year, grading down to an annual rate of 5.0 percent after 20 years which is consistent with expectations for long-term health care cost inflation. The demographic assumptions, such as mortality rates, disability incidence rates, retirement rates, and withdrawal rates, are the same as those used by Oregon PERS for School Districts.

Funded Status and Funding Progress – As of July 1, 2010, the most recent actuarial valuation date, for the period ended June 30, 2012; the District's actuarial accrued liability for benefits was \$2,924,088, and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability of \$2,924,088. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, present information about the actuarial value of plan assets relative to the actuarial liability for benefits.

Postemployment Medical and Life Insurance

The District implemented GASB Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions (OPEB) for the fiscal year ending June 30, 2008. This implementation allows the District to report its liability for other postemployment benefits consistent with established generally accepted accounting principles and to reflect an actuarially determined liability for the present value of projected future benefits for retired and active employees on the financial statements.

The District's postemployment healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

Plan Description – The District administers a single-employer defined benefit healthcare plan per the requirements of collective bargaining agreements. The plan provides postemployment healthcare insurance for eligible retirees and their spouses through the District's group health insurance plans, which cover both active and retired participants. Benefit provisions are established through negotiations between the District and representatives of collective bargaining units. The District's postemployment medical plan does not issue a publically available financial report.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2012

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Benefits (Continued)

The District may pay all or a portion of a retiree's medical premium until Medicare eligibility. Retirees may not convert the benefit into an in-lieu payment to secure coverage under independent plans. This explicit benefit is required to be valued under GASB Statement No. 45. In addition to the explicit medical benefits for certain retirees, continued medical coverage is offered to the District's eligible retirees and their spouses and dependents until Medicare eligibility. The active premium rate (whether paid by the District or by the retiree) still applies. However, in some cases the premium itself does not represent the full cost of covering these retirees (since they are older than the active population, retirees can be expected to generate higher medical claims and therefore higher premiums for the active population). This additional cost is called the implicit subsidy, and is also required to be valued under GASB Statement No. 45. District-paid life insurance benefits are provided to eligible Administrative employees at retirement, until age 65. This benefit is required to be valued under GASB Statement No. 45. As of the most recent actuarial date, the District reported there were 405 retirees receiving the postemployment healthcare benefit.

The District did not establish an irrevocable trust (or equivalent arrangement) to account for the plan. Instead, the activities of the plan are reported in the Postemployment Benefits Fund.

Funding Policy – There is no obligation on the part of the District to fund these benefits in advance. The District provides payments in accordance with current employee contracts primarily on a pay-as-you-go basis.

Annual OPEB Cost and Net OPEB Obligation - The District's annual OPEB cost (expense) is calculated on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance within the parameters of GASB Statement No. 45. The ARC is equal to the Normal Cost (the value of benefits expect to be earned in the year) plus an amortization of the unfunded liability. The amortization period can be as long as 30 years. The following table shows the components of the net OPEB obligation at the end of the year:

	2012	2011
Annual required contribution	\$ 5,065,795	\$ 4,918,248
Interest on net OPEB obligation	126,020	91,770
Adjustment to annual required contribution	(320,367)	(230,284)
Annual OPEB cost	4,871,448	4,779,734
Contributions made	(3,798,608)	(4,018,634)
Increase in net OPEB obligation	1,072,840	761,100
Net OPEB obligation - beginning of year	2,800,453	2,039,353
Net OPEB obligation - end of year	<u>\$ 3,873,293</u>	<u>\$ 2,800,453</u>
Percentage contributed	78.0%	84.1%

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO THE FINANCIAL STATEMENTS (Continued)
YEAR ENDED JUNE 30, 2012

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Benefits (Continued)

The District's annual OPEB cost, the contribution, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2008 - 2012 were as follows:

Fiscal Year Ended June 30	Annual OPEB Cost	Contribution Made	Percentage Contributed	Net OPEB Obligation
2008	\$ 4,584,512	\$ 4,288,068	93.5%	\$ 1,986,578
2009	4,409,452	4,365,357	99.0%	2,039,353
2010 ⁽¹⁾	4,409,452	4,365,357	99.0%	2,039,353
2011	4,779,734	4,018,634	84.1%	2,800,453
2012	4,871,448	3,798,608	78.0%	3,873,293

⁽¹⁾ District Estimate

Actuarial Methods and Assumptions – The projected unit credit actuarial cost method was used to determine contribution levels for the stipend benefits. Contribution levels are comprised of two components: normal cost and amortization payments. Under this method, the expected accrued benefit of each participant at benefit commencement (reflecting future expected increases in salaries and medical premiums) is allocated in equal proportion over the participant's years of service from hire to expected retirement. The normal cost is the present value of benefits expected to accrue in the current year.

The present value of benefits accrued as of the valuation date is called the accrued liability. The difference between the accrued liability and the actuarial value of plan assets is called the unfunded accrued liability. The unfunded accrued liability is being amortized as a level percentage of payroll, over an open period of 4 years for stipend benefits, over an open period of 6 years for explicit medical and life insurance benefits, and over an open period of 20 years for implicit medical benefits.

In the July 1, 2010 valuation, the projected unit credit actuarial cost method was used. The assumptions included a discount rate of 4.5 percent. They also assume premium increase rate would be 9.0 percent for the current year, grading down to an annual rate of 5.0 percent after 20 years which is consistent with expectations for long-term health care cost inflation. The demographic assumptions, such as mortality rates, disability incidence rates, retirement rates, and withdrawal rates, are the same as those used by Oregon PERS for School Districts.

Funded Status and Funding Progress – As of July 1, 2010, the most recent actuarial valuation date, for the period ended June 30, 2012; the District's actuarial accrued liability for benefits was \$31,414,082, and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability of \$31,414,082. Covered payroll was \$79,472,313 for the year ended June 30, 2012. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of the plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

IV. OTHER INFORMATION (Continued)

B. Other Postemployment Benefits (Continued)

Retirement Health Insurance Account

Plan Description – As a member of Oregon Public Employees Retirement System (OPERS) the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by the OPERS. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance for eligible retirees. A comprehensive annual financial report of the funds administered by the OPERS may be obtained by writing to Oregon Public Employees Retirement System, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy – Participating school districts are contractually required to contribute at a rate assessed each year by the OPERS, currently 0.59% Tier 1 and Tier 2 payroll and 0.50% of OPSRP of annual covered payroll. The OPERS Board of Trustees sets the rates based on the annual required contribution (ARC) of the employers, an amount actuarially determined in accordance with the parameters of GASB Statement No. 45. The ARC represents a level of funding that, if paid on an outgoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed 30 years. The District's contributions to RHIA for the years ended June 30, 2012, 2011, and 2010 were approximately \$444,292, \$219,684, and \$230,802, which equaled the required contributions each year.

C. Risk Management

The Insurance Reserve Fund, an internal service fund, reflects the expected liability for unemployment claims and long-term disability claims, as well as current accounts payable for medical and dental, workers' compensation and other insurance premiums.

The District fully insures for its unemployment claims. The liability includes estimates for incurred, but not reported (IBNR) claims. IBNR claims are those that are incurred through the end of the fiscal year, but not reported until after that date.

The District's long-term disability plan is a premium only plan and has covered all claims incurred after September 1996. There are no liabilities for claims, only the current accounts payable for the premiums.

The District's workers' compensation and medical insurance are premium only plans. There are no liabilities for claims, only the current accounts payable for the premiums.

The District self-insures for fleet physical damage, and fleet liability is insured after the District pays a \$25,000 deductible per occurrence. General commercial and fleet liability, as well as property damage, is insured after the District pays a \$150,000 deductible per occurrence.

There have been no reductions in insurance coverage from the prior year and no settlements exceeding insurance coverage for the past three years.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 NOTES TO THE FINANCIAL STATEMENTS (Continued)
 YEAR ENDED JUNE 30, 2012

IV. OTHER INFORMATION (Continued)

C. Risk Management (Continued)

	<u>Unemployment</u>
Liability, June 30, 2010	\$ 336,914
Claims incurred	1,536,388
Claims paid	(283,136)
Reduction of accrual	<u>(1,078,690)</u>
Liability, June 30, 2011	\$ 511,476
Claims incurred	1,850,863
Claims paid	(439,470)
Reduction of accrual	<u>(1,563,889)</u>
Liability, June 30, 2012	<u><u>\$ 358,980</u></u>

Liabilities recorded in the Insurance Reserve Fund at June 30, 2012 are as follows:

<i>Accrued Liabilities</i>	
Unemployment	\$ 358,980
<i>Insurance Premiums Payable</i>	
Deferred medical	1,465,863
Other	<u>370,714</u>
<i>Total</i>	<u><u>\$ 2,195,557</u></u>

D. Claims and Litigation

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

Management has represented that there are no contingent liabilities that require disclosure or recognition in accordance with FASB Statement No. 5 and/or GASB Statement No. 10. Such contingent liabilities would include, but would not be confined to: notes or accounts receivable which have been discounted; pending suits; proceedings, hearings, or negotiations possibly involving retroactive adjustments; unsatisfied judgments or claims; taxes in dispute; endorsements or guarantees; and options.

E. New Pronouncements

GASB Statement No. 63 "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position" issued June 2011 will be effective for the District beginning with its fiscal year ending June 30, 2013. The Statement establishes guidance for reporting deferred outflows of resources, deferred inflows of resources, and net position in a statement of financial position.

The District will implement new GASB pronouncements in the fiscal year no later than the required effective date. Management has not yet determined if the above GASB pronouncement will have a significant financial impact to the District or in issuing its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
REQUIRED SUPPLEMENTARY INFORMATION
YEAR ENDED JUNE 30, 2012

Other Postemployment Benefit Obligation

Early Termination – Stipend Benefits

The schedule of Funding Progress under GASB Statement No. 27 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
07/01/10	\$ -	\$ 2,924,088	\$ 2,924,088	0%	TBD	TBD

Medical and Life Insurance Benefits

The schedule of Funding Progress under GASB Statement No. 45 is as follows:

Actuarial Valuation Date	Actuarial Value of Assets	Actuarial Accrued Liability (AAL)	Unfunded Actuarial Accrued Liability (UAAL)	Funded Ratio	Covered Payroll	UAAL as a Percentage of Covered Payroll
07/01/07	\$ -	\$ 35,828,398	\$ 35,828,398	0%	\$ 88,770,108	40.4%
07/01/10	-	31,414,082	31,414,082	0%	84,493,731	37.2%

COMBINING STATEMENTS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS - These funds account for revenue and expenditures of specific projects and the District's nutrition services program. Included are the following:

Nutrition Services Fund - Accounts for revenue and expenditures of the District's food programs. Principal revenue sources are cash sales of food and subsidies under the National School Lunch Act.

Student Body Fund - Accounts for fund raising and student fees designated for extracurricular activities and projects.

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS – Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Insurance Reserve Fund – Accounts for the majority of the District's insurance functions, including employee benefit plans and property and liability insurance. The fund is financed primarily by interfund charges and interest earnings.

Postemployment Benefits Fund – Accounts for receipt and disbursement of postemployment benefits.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2012

	Special Revenue Funds		Total
	Nutrition Services	Student Body	
ASSETS			
Cash and investments	\$ -	\$ 3,865,762	\$ 3,865,762
Receivables			
Accounts and other receivables	531,947	-	531,947
Inventories	101,022	1,654	102,676
<i>Total Assets</i>	<u>\$ 632,969</u>	<u>\$ 3,867,416</u>	<u>\$ 4,500,385</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ 177,086	\$ -	\$ 177,086
Due to other funds	280,277	-	280,277
<i>Total Liabilities</i>	457,363	-	457,363
Fund balances			
Nonspendable	101,022	1,654	102,676
Committed	74,584	3,865,762	3,940,346
<i>Total Fund Balances</i>	<u>175,606</u>	<u>3,867,416</u>	<u>4,043,022</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 632,969</u>	<u>\$ 3,867,416</u>	<u>\$ 4,500,385</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2012

	Special Revenue Funds		Totals
	Nutrition Services	Student Body	
REVENUES			
Local sources	\$ 1,267,365	\$ 4,726,086	\$ 5,993,451
State sources	59,052	-	59,052
Federal sources	3,044,626	-	3,044,626
<i>Total Revenues</i>	4,371,043	4,726,086	9,097,129
EXPENDITURES			
Current			
Instruction	-	4,489,604	4,489,604
Supporting services	57,314	-	57,314
Community services	4,627,638	-	4,627,638
Debt service			
Principal	-	46,837	46,837
Interest	-	8,804	8,804
<i>Total Expenditures</i>	4,684,952	4,545,245	9,230,197
REVENUES OVER (UNDER) EXPENDITURES	(313,909)	180,841	(133,068)
OTHER FINANCING SOURCES			
Transfers in	308,525	-	308,525
NET CHANGE IN FUND BALANCES	(5,384)	180,841	175,457
FUND BALANCES, Beginning of year	180,990	3,686,575	3,867,565
FUND BALANCES, End of year	\$ 175,606	\$ 3,867,416	\$ 4,043,022

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
COMBINING STATEMENT OF FUND NET ASSETS
ALL INTERNAL SERVICE FUNDS
JUNE 30, 2012

	<u>Insurance Reserve Fund</u>	<u>Postemployment Benefits Fund</u>	<u>Total</u>
ASSETS			
Current assets:			
Equity in pooled cash and investments	\$ 11,843,177	\$ 3,713,281	\$ 15,556,458
Accounts and other receivables	27,074	-	27,074
	<hr/>	<hr/>	<hr/>
<i>Total Assets</i>	11,870,251	3,713,281	15,583,532
	<hr/>	<hr/>	<hr/>
LIABILITIES			
Current liabilities:			
Accrued payroll and related charges	729,694	-	729,694
Unearned revenue	1,465,863	-	1,465,863
	<hr/>	<hr/>	<hr/>
<i>Total Current Liabilities</i>	2,195,557	-	2,195,557
	<hr/>	<hr/>	<hr/>
Noncurrent liabilities:			
Other post employment benefits obligation	-	4,187,175	4,187,175
	<hr/>	<hr/>	<hr/>
<i>Total Liabilities</i>	2,195,557	4,187,175	6,382,732
	<hr/>	<hr/>	<hr/>
FUND NET ASSETS			
Unrestricted	9,674,694	(473,894)	9,200,800
	<hr/>	<hr/>	<hr/>
<i>Total Fund Net Assets</i>	\$ 9,674,694	\$ (473,894)	\$ 9,200,800
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
ALL INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2012**

	<u>Insurance Reserve Fund</u>	<u>Postemployment Benefits Fund</u>	<u>Totals</u>
OPERATING REVENUES			
Interfund charges for services	\$ 30,111,439	\$ 2,822,758	\$ 32,934,197
Other reimbursements	43,372	-	43,372
<i>Total Operating Revenues</i>	30,154,811	2,822,758	32,977,569
OPERATING EXPENSES	30,719,675	4,441,849	35,161,524
OPERATING LOSS	(564,864)	(1,619,091)	(2,183,955)
NONOPERATING REVENUES			
Interest income	41,143	-	41,143
LOSS BEFORE TRANSFERS	(523,721)	(1,619,091)	(2,142,812)
TRANSFERS			
Transfers in	606,495	-	606,495
Transfers out	(796,827)	(1,256,000)	(2,052,827)
<i>Total Transfers</i>	(190,332)	(1,256,000)	(1,446,332)
CHANGE IN FUND NET ASSETS	(714,053)	(2,875,091)	(3,589,144)
TOTAL FUND NET ASSETS, Beginning of year	10,388,747	2,401,197	12,789,944
TOTAL FUND NET ASSETS, End of year	<u>\$ 9,674,694</u>	<u>\$ (473,894)</u>	<u>\$ 9,200,800</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
COMBINING STATEMENT OF CASH FLOWS
ALL INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2012

	<u>Insurance Reserve Fund</u>	<u>Postemployment Benefits Fund</u>	<u>Totals</u>
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers and users	\$ 43,372	\$ -	\$ 43,372
Receipts from interfund services provided	30,048,396	2,822,758	32,871,154
Payments to suppliers	(30,060,592)	-	(30,060,592)
Payments to employees	(604,986)	-	(604,986)
Payments to retirees	-	(3,130,235)	(3,130,235)
	<u> </u>	<u> </u>	<u> </u>
Net Cash Used by Operating Activities	(573,810)	(307,477)	(881,287)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers in from other funds	606,495	-	606,495
Transfers out to other funds	(796,827)	(1,256,000)	(2,052,827)
	<u> </u>	<u> </u>	<u> </u>
Net Cash Used by Noncapital Financing Activities	(190,332)	(1,256,000)	(1,446,332)
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	41,143	-	41,143
	<u> </u>	<u> </u>	<u> </u>
Net Decrease in Cash and Cash Equivalents	(722,999)	(1,563,477)	(2,286,476)
CASH AND CASH EQUIVALENTS, Beginning of year	<u>12,566,176</u>	<u>5,276,758</u>	<u>17,842,934</u>
CASH AND CASH EQUIVALENTS, End of year	<u>\$ 11,843,177</u>	<u>\$ 3,713,281</u>	<u>\$ 15,556,458</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating loss	\$ (564,864)	\$ (1,619,091)	\$ (2,183,955)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Decrease in accounts and other receivables	137,884	-	137,884
Increase in accrued payroll and related charges	54,097	-	54,097
Increase in accrued postemployment benefits payable	-	1,311,614	1,311,614
Decrease in unearned revenue	(200,927)	-	(200,927)
	<u> </u>	<u> </u>	<u> </u>
Total adjustments	(8,946)	1,311,614	1,302,668
	<u> </u>	<u> </u>	<u> </u>
Net cash used by operating activities	<u>\$ (573,810)</u>	<u>\$ (307,477)</u>	<u>\$ (881,287)</u>

**SCHEDULE OF REVENUES, EXPENDITURES/EXPENSES
AND CHANGES IN FUND BALANCES –
BUDGET AND ACTUAL**

MAJOR GOVERNMENTAL FUNDS

DEBT SERVICE FUND – The Debt Service Fund is used to account for payment of principal and interest on general obligation and pension bonds.

CAPITAL PROJECTS FUND – This fund is used to account for the acquisition or construction of major capital improvements.

CAPITAL EQUIPMENT FUND – This fund accounts for funds reserved for use in replacement and purchase of capital equipment and remodeling.

NONMAJOR SPECIAL REVENUE FUNDS

Nutrition Services Fund – Accounts for revenue and expenditures of the District's food programs. Principal revenue sources are cash sales of food and subsidies under the National School Lunch Act.

Student Body Fund – Accounts for fund raising and student fees earmarked for extracurricular activities and projects.

PROPRIETARY FUNDS

INTERNAL SERVICE FUNDS – Internal service funds are used to account for the financing of goods or services provided by one department or agency to other departments or agencies of the government and to other government units, on a cost reimbursement basis.

Insurance Reserve Fund – Accounts for the majority of the District's insurance functions, including employee benefit plans and property and liability insurance. The fund is financed primarily by interfund charges and interest earnings.

Postemployment Benefits Fund – Accounts for receipt and disbursement of postemployment benefits.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2012

	Original and Final Budget	Variance with Final Budget	Actual		GAAP Basis
			Budget Basis	Adjustments	
REVENUES					
Local sources	\$ 18,805,778	\$ 21,829	\$ 18,827,607	\$ -	\$ 18,827,607
Federal sources	900,000	(304,667)	595,333	-	595,333
<i>Total Revenues</i>	19,705,778	(282,838)	19,422,940	-	19,422,940
EXPENDITURES					
Debt service	21,203,063	171,867	21,031,196	-	21,031,196
REVENUES OVER (UNDER) EXPENDITURES					
	(1,497,285)	(110,971)	(1,608,256)	-	(1,608,256)
FUND BALANCE, Beginning of year					
	10,345,839	178,887	10,524,726	-	10,524,726
FUND BALANCE, End of year					
	\$ 8,848,554	\$ 67,916	\$ 8,916,470	\$ -	\$ 8,916,470

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>	<u>Actual</u>		<u>GAAP Basis</u>
				<u>Budget Basis</u>	<u>Adjustments</u>	
REVENUES						
Local sources	\$ 620,000	\$ 620,000	\$ 160,072	\$ 780,072	\$ -	\$ 780,072
State sources	-	-	3,614	3,614	-	3,614
<i>Total Revenues</i>	620,000	620,000	163,686	783,686	-	783,686
EXPENDITURES						
Current						
Instruction	1,000	1,000	1,000	-	-	-
Supporting services	2,207,512	6,051,437	581,116	5,470,321	(4,386,915)	1,083,406
Community services	1,000	1,000	1,000	-	-	-
Facilities acquisition and construction	11,465,334	7,465,334	1,590,635	5,874,699	(5,874,699)	-
Capital outlay	-	-	-	-	10,261,614	10,261,614
<i>Total Expenditures</i>	13,674,846	13,518,771	2,173,751	11,345,020	-	11,345,020
REVENUES OVER (UNDER) EXPENDITURES						
	(13,054,846)	(12,898,771)	2,337,437	(10,561,334)	-	(10,561,334)
OTHER FINANCING SOURCES (USES)						
Transfers out	(1,000)	(157,075)	1,000	(156,075)	-	(156,075)
Construction bonds issued	35,000,000	35,000,000	(2,742)	34,997,258	-	34,997,258
Bond premium	-	-	792,356	792,356	-	792,356
Sale of capital assets	-	-	3,715	3,715	-	3,715
<i>Total Other Financing Sources (Uses)</i>	34,999,000	34,842,925	794,329	35,637,254	-	35,637,254
NET CHANGE IN FUND BALANCE	21,944,154	21,944,154	3,131,766	25,075,920	-	25,075,920
FUND BALANCE , Beginning of year	7,545,000	7,545,000	(602,081)	6,942,919	-	6,942,919
FUND BALANCE , End of year	<u>\$ 29,489,154</u>	<u>\$ 29,489,154</u>	<u>\$ 2,529,685</u>	<u>\$ 32,018,839</u>	<u>\$ -</u>	<u>\$ 32,018,839</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - CAPITAL EQUIPMENT FUND
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>	<u>Budget Basis</u>	<u>Actual Adjustments</u>	<u>GAAP Basis</u>
REVENUES						
Local sources	\$ 20,000	\$ 20,000	\$ (87)	\$ 19,913	\$ -	\$ 19,913
State sources	406,000	406,000	1,599	407,599	-	407,599
<i>Total Revenues</i>	426,000	426,000	1,512	427,512	-	427,512
EXPENDITURES						
Current						
Instruction	1,641,000	888,094	561,417	326,677	-	326,677
Supporting services	2,657,000	2,652,333	2,321,799	330,534	(9,189)	321,345
Community services	1,000	1,000	1,000	-	-	-
Debt service						
Principal	837,000	837,000	65,880	771,120	-	771,120
Interest	102,000	102,000	(3,509)	105,509	-	105,509
Operating contingency	1,554,000	1,554,000	1,554,000	-	-	-
Capital outlay	-	-	-	-	1,391,627	1,391,627
<i>Total Expenditures</i>	6,792,000	6,034,427	4,500,587	1,533,840	1,382,438	2,916,278
REVENUES OVER (UNDER) EXPENDITURES	(6,366,000)	(5,608,427)	4,502,099	(1,106,328)	(1,382,438)	(2,488,766)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	1,492,207	1,492,207	-	1,492,207
Transfers out	(1,000)	(758,573)	8,474	(750,099)	-	(750,099)
Capital leases	-	-	-	-	1,382,438	1,382,438
<i>Total Other Financing Sources</i>	(1,000)	(758,573)	1,500,681	742,108	1,382,438	2,124,546
NET CHANGE IN FUND BALANCE	(6,367,000)	(6,367,000)	6,002,780	(364,220)	-	(364,220)
FUND BALANCE , Beginning of year	6,367,000	6,367,000	846,401	7,213,401	-	7,213,401
FUND BALANCE , End of year	\$ -	\$ -	\$ 6,849,181	\$ 6,849,181	\$ -	\$ 6,849,181

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (NUTRITION SERVICES)
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>	<u>Actual</u>		<u>GAAP Basis</u>
				<u>Budget Basis</u>	<u>Adjustments</u>	
REVENUES						
Local sources	\$ 1,484,352	\$ 1,484,352	\$ (216,987)	\$ 1,267,365	\$ -	\$ 1,267,365
State sources	54,219	54,219	4,833	59,052	-	59,052
Federal sources	3,306,696	3,306,696	(256,686)	3,050,010	(5,384)	3,044,626
<i>Total Revenues</i>	4,845,267	4,845,267	(468,840)	4,376,427	(5,384)	4,371,043
EXPENDITURES						
Current						
Supporting services	64,946	84,946	27,632	57,314	-	57,314
Community services	4,998,121	4,978,121	350,483	4,627,638	-	4,627,638
Operating contingency	132,000	132,000	132,000	-	-	-
<i>Total Expenditures</i>	5,195,067	5,195,067	510,115	4,684,952	-	4,684,952
REVENUES OVER (UNDER) EXPENDITURES	(349,800)	(349,800)	41,275	(308,525)	(5,384)	(313,909)
OTHER FINANCING SOURCES						
Transfers in	349,800	349,800	41,275	308,525	-	308,525
NET CHANGE IN FUND BALANCE	-	-	-	-	(5,384)	(5,384)
FUND BALANCE, Beginning of year	74,584	74,584	-	74,584	106,406	180,990
FUND BALANCE, End of year	<u>\$ 74,584</u>	<u>\$ 74,584</u>	<u>\$ -</u>	<u>\$ 74,584</u>	<u>\$ 101,022</u>	<u>\$ 175,606</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (STUDENT BODY)
YEAR ENDED JUNE 30, 2012

	<u>Original and Final Budget</u>	<u>Variance with Final Budget</u>	<u>Actual</u>		<u>GAAP Basis</u>
			<u>Budget Basis</u>	<u>Adjustments</u>	
REVENUES					
Local sources	\$ 5,900,000	\$ (1,173,914)	\$ 4,726,086	\$ -	\$ 4,726,086
EXPENDITURES					
Current					
Instruction	7,090,000	2,544,755	4,545,245	(55,641)	4,489,604
Debt service					
Principal	-	-	-	46,837	46,837
Interest	-	-	-	8,804	8,804
Operating contingency	500,000	500,000	-	-	-
<i>Total Expenditures</i>	<u>7,590,000</u>	<u>3,044,755</u>	<u>4,545,245</u>	<u>-</u>	<u>4,545,245</u>
REVENUES OVER (UNDER) EXPENDITURES	(1,690,000)	1,870,841	180,841	-	180,841
FUND BALANCE, Beginning of year	<u>3,900,000</u>	<u>(213,425)</u>	<u>3,686,575</u>	<u>-</u>	<u>3,686,575</u>
FUND BALANCE, End of year	<u>\$ 2,210,000</u>	<u>\$ 1,657,416</u>	<u>\$ 3,867,416</u>	<u>\$ -</u>	<u>\$ 3,867,416</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS -
BUDGET AND ACTUAL - INTERNAL SERVICE FUND (INSURANCE RESERVE FUND)
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>	<u>Actual</u>		<u>GAAP Basis</u>
				<u>Budget Basis</u>	<u>Adjustments</u>	
REVENUES						
Local sources	\$ 38,424,000	\$ 38,424,000	\$ (8,271,418)	\$ 30,152,582	\$ -	\$ 30,152,582
State sources	-	-	43,372	43,372	-	43,372
<i>Total Revenues</i>	38,424,000	38,424,000	(8,228,046)	30,195,954	-	30,195,954
EXPENSES						
Current						
Instruction	1,000	1,000	1,000	-	-	-
Supporting services	41,070,766	40,275,053	9,555,378	30,719,675	-	30,719,675
Community services	1,000	1,000	1,000	-	-	-
Facilities acquisition and construction	1,000	1,000	1,000	-	-	-
Operating contingency	745,000	635,411	635,411	-	-	-
<i>Total Expenses</i>	41,818,766	40,913,464	10,193,789	30,719,675	-	30,719,675
REVENUES OVER (UNDER) EXPENSES	(3,394,766)	(2,489,464)	1,965,743	(523,721)	-	(523,721)
OTHER FINANCING SOURCES (USES)						
Transfers in	599,000	599,000	7,495	606,495	-	606,495
Transfers out	(147,000)	(1,052,302)	255,475	(796,827)	-	(796,827)
<i>Total Other Financing Sources (Uses)</i>	452,000	(453,302)	262,970	(190,332)	-	(190,332)
NET CHANGE IN FUND NET ASSETS	(2,942,766)	(2,942,766)	2,228,713	(714,053)	-	(714,053)
FUND NET ASSETS , Beginning of year	8,146,000	8,146,000	2,242,747	10,388,747	-	10,388,747
FUND NET ASSETS , End of year	\$ 5,203,234	\$ 5,203,234	\$ 4,471,460	\$ 9,674,694	\$ -	\$ 9,674,694

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS
BUDGET AND ACTUAL - INTERNAL SERVICE FUND (POSTEMPLOYMENT BENEFITS FUND)
YEAR ENDED JUNE 30, 2012

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Variance with Final Budget</u>	<u>Actual</u>		<u>GAAP Basis</u>
				<u>Budget Basis</u>	<u>Adjustments</u>	
REVENUES						
Local sources	\$ 2,750,000	\$ 2,750,000	\$ 72,758	\$ 2,822,758	\$ -	\$ 2,822,758
EXPENDITURES						
Current						
Supporting services	3,363,600	3,463,600	333,365	3,130,235	1,311,614	4,441,849
Operating contingency	1,000,000	900,000	900,000	-	-	-
Total Expenditures	4,363,600	4,363,600	1,233,365	3,130,235	1,311,614	4,441,849
REVENUES OVER (UNDER) EXPENDITURES	(1,613,600)	(1,613,600)	1,306,123	(307,477)	(1,311,614)	(1,619,091)
OTHER FINANCING SOURCES (USES)						
Transfers out	(1,256,000)	(1,256,000)	-	(1,256,000)	-	(1,256,000)
NET CHANGE IN FUND NE ASSETS	(2,869,600)	(2,869,600)	1,306,123	(1,563,477)	(1,311,614)	(2,875,091)
FUND NET ASSETS , Beginning of year	5,400,000	5,400,000	(123,242)	5,276,758	(2,875,561)	2,401,197
FUND NET ASSETS (DEFICIT) , End of year	<u>\$ 2,530,400</u>	<u>\$ 2,530,400</u>	<u>\$ 1,182,881</u>	<u>\$ 3,713,281</u>	<u>\$ (4,187,175)</u>	<u>\$ (473,894)</u>

***CAPITAL ASSETS USED IN THE OPERATION OF
GOVERNMENTAL FUNDS***

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
COMPARATIVE SCHEDULES BY SOURCE¹
JUNE 30, 2012 AND 2011

	2012	2011
Governmental funds capital assets:		
Land	\$ 1,621,220	\$ 1,621,220
Construction in progress	8,942,476	1,196,604
Athletic field improvements	11,938,173	10,645,150
Buildings and improvements	261,865,397	260,776,876
Equipment	7,693,616	7,453,670
Vehicles	11,995,623	10,844,408
Total governmental funds capital assets	<u>\$ 304,056,505</u>	<u>\$ 292,537,928</u>
Investment in governmental funds capital assets by source:		
General fund	\$ 5,228,669	\$ 5,315,376
Capital projects fund		
Equipment	2,171,556	2,037,358
Construction in progress	8,942,476	1,196,604
Athletic field improvements	11,921,985	10,628,962
Building improvements since 1993	217,541,567	216,453,046
Federal, state and local funds		
Equipment	647,801	647,801
Athletic field improvements	16,188	16,188
Buildings and improvements	19,561	19,561
Vehicles	86,142	86,142
Capital equipment fund	11,397,253	10,053,583
Internal service fund	139,853	139,853
Nutrition services fund	17,965	17,965
Subtotal	<u>258,131,016</u>	<u>246,612,439</u>
Land, buildings and improvements prior to 1993 ²	<u>45,925,489</u>	<u>45,925,489</u>
Total governmental funds capital assets	<u>\$ 304,056,505</u>	<u>\$ 292,537,928</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Capital assets purchased by the internal service fund as presented above, were subsequently transferred for use in governmental activities. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets.

²Historical information for the source of these capital assets is not available.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS
SCHEDULE BY FUNCTION AND ACTIVITY¹
JUNE 30, 2012

	<u>Land</u>	<u>Athletic Field Improvements</u>	<u>Buildings and Improvements</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Construction in Progress</u>	<u>Total</u>
Direct classroom services							
Regular instruction	\$ 750,548	\$ -	\$ 146,177,850	\$ 362,797	\$ -	\$ 8,942,476	\$ 156,233,671
Special programs	177,614	-	34,592,798	135,790	-	-	34,906,202
Total direct classroom services	<u>928,162</u>	<u>-</u>	<u>180,770,648</u>	<u>498,587</u>	<u>-</u>	<u>8,942,476</u>	<u>191,139,873</u>
Classroom support services							
Extracurricular activities	25,741	11,938,173	5,013,449	66,985	-	-	17,044,348
Counselors, nurses and student support	67,838	-	15,687,705	68,172	-	-	15,823,715
Libraries, curriculum and staff development	23,333	-	6,582,875	131,907	-	-	6,738,115
School administration	132,383	-	25,783,452	451,351	-	-	26,367,186
Community services	5,884	-	1,165,492	619,889	-	-	1,791,265
Total classroom support services	<u>255,179</u>	<u>11,938,173</u>	<u>54,232,973</u>	<u>1,338,304</u>	<u>-</u>	<u>-</u>	<u>67,764,629</u>
Building support services							
Facilities operation and maintenance	205,225	-	5,963,084	2,918,502	1,587,952	-	10,674,763
Student transportation	165,100	-	2,393,399	91,226	10,010,948	-	12,660,673
Computing and information services	3,675	-	2,158,464	2,746,465	53,019	-	4,961,623
Warehouse and purchasing	1,492	-	876,369	-	343,704	-	1,221,565
Total building support services	<u>375,492</u>	<u>-</u>	<u>11,391,316</u>	<u>5,756,193</u>	<u>11,995,623</u>	<u>-</u>	<u>29,518,624</u>
Central support services							
Executive administration	931	-	547,362	21,293	-	-	569,586
Financial services	2,984	-	1,752,738	34,544	-	-	1,790,266
Human resources	2,743	-	1,611,103	17,415	-	-	1,631,261
Communications and intergovernmental relations	560	-	329,007	9,315	-	-	338,882
Total central support services	<u>7,218</u>	<u>-</u>	<u>4,240,210</u>	<u>82,567</u>	<u>-</u>	<u>-</u>	<u>4,329,995</u>
Nutrition Services	<u>55,169</u>	<u>-</u>	<u>11,230,250</u>	<u>17,965</u>	<u>-</u>	<u>-</u>	<u>11,303,384</u>
Total governmental funds capital assets	<u>\$ 1,621,220</u>	<u>\$ 11,938,173</u>	<u>\$ 261,865,397</u>	<u>\$ 7,693,616</u>	<u>\$ 11,995,623</u>	<u>\$ 8,942,476</u>	<u>\$ 304,056,505</u>

¹This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Capital assets purchased by the internal service fund are included as governmental activities in the statement of net assets.

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OTHER FINANCIAL SCHEDULES

These schedules provide supplemental data relating to grant programs, property tax levies, bond and bond interest transactions, and supplemental information required by the State Department of Education.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
COMPUTATION OF DISTRICT PROPERTY TAX LEVY
YEARS ENDED JUNE 30, 2012 AND 2011

A property tax is levied annually on all assessed real and personal property in the District. The property tax is used to balance the General Fund budget, after taking into consideration revenues from other sources, and to provide funds to make the annual payments of principal and interest on the District's bonded indebtedness. After adjusting the amount of this levy for tax offsets, special assessments and the Measure 5 legal reduction in tax rates funded by the State of Oregon, the balance of the tax requirement is entered on the Lane County tax rolls as the District tax. The computation of the District tax for 2012 and 2011 follows:

	2012			2011		
	General Fund		Debt Service Fund	General Fund		Debt Service Fund
	Permanent	Local Option		Permanent	Local Option	
Tax Rate	\$ 4.75	\$ 1.50	\$ 1.30	\$ 4.75	\$ 1.50	\$ 1.30
Amount tax rate will raise	57,315,210	18,336,991	15,653,120	56,026,827	17,921,149	15,487,068
Rounding gain (loss)	518	867	1,010	1,008	706	1,380
Measure 5 compression loss	(801,057)	(8,031,721)	-	(644,982)	(6,029,940)	-
Taxes imposed for District	<u>\$ 56,514,671</u>	<u>\$ 10,306,137</u>	<u>\$ 15,654,130</u>	<u>\$ 55,382,853</u>	<u>\$ 11,891,915</u>	<u>\$ 15,488,448</u>
District tax rate per \$1,000 of TAV ⁽¹⁾	<u>\$ 4.68</u>	<u>\$ 0.85</u>	<u>\$ 1.29</u>	<u>\$ 4.69</u>	<u>\$ 1.01</u>	<u>\$ 1.30</u>

⁽¹⁾ Lane County Taxable Assessed Value (TAV):

2012 \$12,059,996,273

2011 \$11,789,130,543

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF PROPERTY TAX TRANSACTIONS
YEAR ENDED JUNE 30, 2012

	Current Levy and Taxes July 1, 2012	Tax Collections	Discounts and Adjustments	Taxes Receivable June 30, 2012		
				Total	General Fund	Debt Service Fund
2011-2012	\$ 82,474,938	\$ 77,396,043	\$ 2,294,039	\$ 2,784,856	\$ 2,272,314	\$ 512,542
2010-2011	2,506,257	815,366	94,978	1,595,913	1,301,089	294,824
2009-2010	1,353,259	151,802	41,328	1,160,129	941,698	218,431
2008-2009	698,866	358,551	26,356	313,959	259,202	54,757
2007-2008	257,655	154,391	11,051	92,213	75,287	16,926
2006-2007	81,364	11,291	11,732	58,341	45,874	12,467
2005-2006	54,155	(3,088)	9,613	47,630	38,336	9,294
Prior	577,526	15,998	59,590	501,938	444,694	57,244
Totals	\$ 88,004,020	\$ 78,900,354	\$ 2,548,687	\$ 6,554,979	\$ 5,378,494	\$ 1,176,485

SUMMARY OF PROPERTY TAX REVENUE

	Total
Tax collection shown above	\$ 78,900,354
Decrease in taxes available to meet current demands, net	46,317
Interest on tax collection	364,783
Assessment of additional taxes and penalties, Lane County	126,275
Payments in lieu of tax and other adjustments	356,664
Total Tax Revenue (Budgetary Basis)	\$ 79,794,393

GENERAL FUND

DEBT SERVICE FUND

\$ 64,671,561
15,122,840
\$ 79,794,401

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**DEBT INFORMATION**

YEAR ENDED JUNE 30, 2012

	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Principal Issued</u>	<u>Principal Outstanding</u>
SECURED BY THE FULL FAITH & CREDIT OF THE DISTRICT				
2002 Refunding	2/15/02	7/1/13	\$ 21,035,000	\$ 5,835,000
2002 School Improvement	11/1/02	7/1/12	70,000,000	3,375,000
2003 Refunding	2/1/03	1/1/19	17,630,000	5,785,000
2005 School Improvement	8/25/05	2/1/25	46,000,000	41,440,000
2008 Refunding	9/23/08	7/1/17	47,295,000	43,615,000
2011A School Improvement	8/11/11	6/15/23	15,870,000	15,670,000
2011B School Improvement	8/11/11	6/15/28	15,000,000	15,000,000
2011C School Improvement	8/11/11	6/15/31	4,127,258	4,127,258
<i>Total General Obligation Bonds</i>			236,957,258	134,847,258
Pension Bonds	2/19/04	6/30/28	53,435,000	50,940,000
<i>Total GO and Pension Bonds</i>			290,392,258	185,787,258
CAPITAL LEASE PURCHASE AGREEMENTS				
Bank of America	1/2/03	7/15/12	1,350,352	158,466
Capital One Public Funding LLC	7/29/05	7/29/15	406,115	177,879
Capital One Public Funding LLC	3/17/06	8/1/15	66,142	29,067
Capital One Public Funding LLC	9/8/06	7/28/16	581,013	317,472
SunTrust	6/13/07	7/15/17	310,575	201,553
SunTrust	7/25/07	7/25/17	104,667	68,319
SunTrust	9/30/08	7/15/18	472,302	350,078
SunTrust	11/21/08	7/15/13	523,800	218,873
Bank of America	4/26/10	7/26/14	552,470	334,004
Capital One Public Funding LLC	2/9/11	7/12/15	1,128,750	901,597
US Bancorp Government Leasing and Finance	7/15/11	6/15/12	1,382,438	1,382,438
<i>Total Capital Lease Purchase Agreements</i>			6,878,624	4,139,746
<i>Total Gross Direct and Net Direct Debt</i>			<u>\$ 297,270,882</u>	<u>\$ 189,927,004</u>

Source: Lane County School District 4J

SHORT-TERM BORROWING

The District currently has no short-term debt.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

DEBT INFORMATION (Continued)

YEAR ENDED JUNE 30, 2012

FUTURE DEBT PLANS

In May 2011, voters authorized the issuance of general obligation bonds totaling \$70 million, \$35 million of which were issued in August 2011. The remaining \$35 million is expected to be issued in 2014.

DEBT MANAGEMENT

The District has never defaulted on a debt obligation. The District has not used bond proceeds for operational purposes.

DEBT SUMMARY

Gross and net property-tax backed debt ⁽¹⁾	\$ 134,847,258
Net overlapping debt	<u>73,491,561</u>
Total net property-tax backed plus overlapping debt	<u><u>\$ 208,338,819</u></u>

PER CAPITA RATIOS

		<u>Amount per Capita</u>	<u>Percentage</u>
2011-12 estimated District population	153,667		
2011-12 real market value	<u>\$ 22,338,321,599</u>	<u>\$ 145,368</u>	
Gross and net property-tax backed debt	\$ 134,847,258	\$ 878	0.60%
Net overlapping debt	<u>73,491,561</u>	<u>478</u>	<u>0.33%</u>
Total net direct plus overlapping debt	<u><u>\$ 208,338,819</u></u>	<u><u>\$ 1,356</u></u>	<u><u>0.93%</u></u>

⁽¹⁾ Gross property-tax backed debt is all Unlimited-tax General Obligation and Limited-tax General Obligation bonds. Net property-tax backed debt subtracts Self-supporting Unlimited-tax General Obligation and Self-supporting Limited-tax General Obligation debt, of which the District has none.

Sources: Debt Management Division, Oregon State Treasury; School District 4J

DEBT LIMITATION

ORS 328.245 limits the general obligation debt which an Oregon school district may have outstanding at any time to an amount calculated by multiplying the number of grades, kindergarten through eighth, for which the district operates schools by a factor of .0055 of the real market value, and the number of grades, nine through twelve, for which the district operates schools by a factor of .0075. The District's aggregate percentage debt limitation is therefore 7.95 percent of the real market value of the District. This is calculated as follows:

Kindergarten through eighth grade	9 x .0055	4.95%
Ninth through twelfth grade	4 x .0075	<u>3.00</u>
<i>Total Allowable Percentage</i>		<u><u>7.95%</u></u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**DEBT INFORMATION (Continued)**

YEAR ENDED JUNE 30, 2012

DEBT CAPACITY

The limitation on general obligation indebtedness for the District is calculated by multiplying the Real Market Value of taxable property by the allowable percent, as calculated above. The following table shows the general obligation debt capacity of the District.

Real Market Value (2011-12)	\$ 22,338,321,599
General obligation debt capacity (7.95% of Real Market Value)	1,775,896,567
Outstanding obligations subject to limit	134,847,259
Less: Amount available in debt service fund	<u>8,855,882</u>
Remaining debt capacity	<u>\$ 1,649,905,190</u>
Percent of general obligation debt capacity issued	7.59%

LEVY ELECTION HISTORY

<u>Date</u>	<u>Type of Election</u>	<u>Amount Requested</u>	<u>Votes</u>			<u>Percent Passed (Failed)</u>
			<u>Yes</u>	<u>No</u>	<u>Margin</u>	
11/02/92	G.O. Bond	\$ 73,400,000	38,717	27,939	10,778	58.1%
11/08/94	G.O. Bond	6,000,000	28,378	22,632	5,746	55.6
11/03/98	G.O. Bond	12,200,000	32,294	16,824	15,470	65.7
05/16/00	Local Option	27,100,000*	28,449	16,229	12,220	63.7
05/21/02	G.O. Bond	116,000,000	26,248	12,681	13,567	67.4
11/02/04	Local Option	31,250,000**	53,674	20,845	32,829	72.0
11/04/08	Local Option	80,140,000***	49,568	28,297	21,271	63.7
05/17/11	G.O. Bond	70,000,000	27,162	15,838	11,324	63.2

* Estimated. Voters authorized a Local Option Levy of \$1.50 per \$1,000 of assessed value, that was levied for five years from 2000-2001 through 2004-2005.

** Estimated. Voters authorized a Local Option Levy of \$1.50 per \$1,000 of assessed value, that was levied for five years from 2005-2006 through 2009-2010.

*** Estimated. Voters authorized a Local Option Levy of \$1.50 per \$1,000 of assessed value, to be levied for five years beginning in 2010-2011.

Source: School District No. 4J; Lane County Elections Department

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SUMMARY OF 2011-12 AND 2012-13 ADOPTED GENERAL FUND BUDGETS
YEAR ENDED JUNE 30, 2012

	<u>2011-12</u> <u>Budget</u>	<u>2012-13</u> <u>Budget</u>
	<i>(in thousands)</i>	
RESOURCES		
State School Funding		
Property taxes	\$ 52,570	\$ 54,783
Property taxes, prior years	1,909	1,982
State School Fund	62,857	59,552
Other SSF revenues	2,825	1,822
Local option property tax	10,839	9,499
Transfers	1,376	4,488
Other sources	<u>3,504</u>	<u>3,474</u>
<i>Total Revenues</i>	135,880	135,600
Beginning net working capital	<u>6,382</u>	<u>7,670</u>
<i>Total Budget Resources</i>	<u>\$ 142,262</u>	<u>\$ 143,270</u>
REQUIREMENTS		
Salaries	\$ 69,690	\$ 71,798
Benefits	46,521	46,110
Services	13,249	14,292
Supplies	3,322	3,454
Equipment	55	53
Other	1,718	1,389
Contingency	<u>4,389</u>	<u>2,730</u>
<i>Total Expenditures</i>	138,944	139,826
Unappropriated balance	<u>3,318</u>	<u>3,444</u>
<i>Total Requirements</i>	<u>\$ 142,262</u>	<u>\$ 143,270</u>

Source: Lane County School District 4J

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SUMMARY SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS - ALL SCHOOLS
YEAR ENDED JUNE 30, 2012

	<u>Cash Balances</u> <u>June 30, 2011</u>	<u>Cash</u> <u>Receipts</u>	<u>Cash</u> <u>Disbursements</u>	<u>Cash Balances</u> <u>June 30, 2012</u>
HIGH SCHOOLS				
Churchill	\$ 267,215	\$ 462,554	\$ 520,337	\$ 209,432
Community Living Program	12,766	9,266	9,797	12,235
Life Skills Network	8,774	52	187	8,639
North Eugene	270,447	555,066	541,823	283,690
Opportunity Center	16,707	3,996	6,215	14,488
SEHS-PC	38,904	18,687	57,591	-
SEHS-Scrip	6,120	1,100	7,220	-
Sheldon	505,550	1,043,110	1,049,955	498,705
South Eugene	616,835	1,156,232	1,054,569	718,498
<i>Total High Schools</i>	1,743,318	3,250,063	3,247,694	1,745,687
MIDDLE SCHOOLS				
Cal Young	54,129	100,497	121,127	33,499
Colin Kelly	52,886	68,515	71,576	49,825
Kennedy	60,089	60,989	68,829	52,249
Madison	112,345	83,035	111,458	83,922
Monroe	128,573	90,235	106,271	112,537
Monroe PTP	619	-	619	-
Roosevelt	100,282	229,436	109,232	220,486
Roosevelt PG	56,223	8,508	64,731	-
Spencer Butte	125,223	133,765	185,954	73,034
<i>Total Middle Schools</i>	690,369	774,980	839,797	625,552
K-8 SCHOOLS				
Arts and Technolog Academy at Jefferson	38,815	59,446	50,432	47,829
ELEMENTARY SCHOOLS				
Adams	10,621	39,936	39,358	11,199
Awbrey Park	41,692	26,686	29,788	38,590
Bertha Holt	135,932	72,203	44,083	164,052
Bertha Holt PAHS	67,714	5,786	22,824	50,676
Buena Vista (previously Meadowlark)	28,421	29,278	53,431	4,268
Camas Ridge	180,175	206,756	154,758	232,173
Cesar Chavez	2,378	34,970	36,303	1,045
Coburg	14,087	-	14,087	-
Corridor	22,358	86,557	89,655	19,260
Corridor PTO	61,712	-	58,257	3,455
Crest Drive	14,974	22	14,996	-
Edgewood	28,098	177,634	116,563	89,169
Edgewood PGA	78,053	30,559	33,674	74,938
Edison	85,904	144,828	124,965	105,767
Fox Hollow	34,125	192,943	81,189	145,879
Fox Hollow PGA	115,646	62,544	178,190	-
Gilham	52,698	77,412	65,262	64,848
Gilham PG	49,206	15,031	64,237	-
Howard	18,084	13,191	22,708	8,567
McCornack	21,895	45,288	39,425	27,758
McCornack PTO	2,865	123	2,988	-
Meadowlark PTO	48,470	228	48,698	-
Parker	75,339	20	75,359	-
Parker Community Organization	55,330	834	56,164	-
River Road	19,871	9,652	7,087	22,436
Spring Creek	22,278	13,571	16,672	19,177
Twin Oaks	37,507	17,272	23,462	31,317
Willagillespie	86,495	137,849	51,666	172,678
Yujin Gakuen	20,376	18,588	14,783	24,181
<i>Total Elementary Schools</i>	1,432,304	1,459,761	1,580,632	1,311,433
<i>Total All Schools</i>	\$ 3,904,806	\$ 5,544,250	\$ 5,718,555	\$ 3,730,501

LANE COUNTY SCHOOL DISTRICT NO. 4J, Eugene, Oregon
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

	Pass Through Entity Identifying Number	Federal CFDA Number	Original Program or Grant Amount	Current Year's Revenues and Expenditures
Direct Programs				
U.S. Department of Education				
Indian Education 2010-2011	S060A101100	84.060A	\$ 274,558	\$ 54,543
Indian Education 2011-2012	S060A111100	84.060A	286,888	264,422
Churchill High School Smaller Learning Community	S215L060138	84.215L	280,278	2,620
Alcohol Abuse Reduction 2011-12	Q184A090006-11	84.184A	449,980	436,027
Carol M. White Physical Education Program 2011-12	Q215F090921-11	84.215F	275,466	242,847
Total Direct Programs				1,000,459
Passed Through Oregon State Department of Education				
Title 1				
Title I Disadvantaged 2010-2011	19402	84.010	3,125,257	1,086,939
Title I Disadvantaged 2011-2012	22612	84.010	3,068,114	2,281,716
Title I D Formula 2010-2011	19536	84.010	45,792	5,602
Title I D Formula 2011-2012	22545	84.010	83,327	77,198
Total Title I, Part A Cluster				3,451,455
Long Term Care & Treatment 2011-2012	9133-A2	84.013	11,879	11,879
Career & Technical Education				
Carl Perkins Voc Ed 2010-2011	19145	84.048	142,616	5,727
Carl Perkins Voc Ed 2011-2012	22122	84.048	141,793	123,283
Applied Academic Research and Development Project 2011-2012	23431	84.048	2,700	2,597
Title II A				
Title II A/Class Size Reduction 2010-2011	19608	84.367	785,297	386,691
Title II A/Class Size Reduction 2011-2012	22796	84.367	653,825	391,030
Title II D				
Title II-D-Enhancing Education Thru Technology 2009-2010	17388	84.318	261,675	1,062
Title II-D-Enhancing Education Thru Technology 2010-2011	17388	84.318	261,675	36,313
ARRA - Title IID - Enhancing Education Through Technology	18353	84.386	267,782	35,226
Title II-D-21st Century Technology Rich Learning & Teaching	22238	84.318	102,520	99,428
ARRA-Title II-D-21st Century Technology Rich Learning & Teaching	22233	84.386	134,980	134,980
Total Educational Technology State Grants Cluster				307,009
Title III				
Title III English Language Acquisition 2010-2011	20166	84.365	55,616	13,814
Title III English Language Acquisition 2011-2012	22967	84.365	52,903	46,897
Title V				
Charter Schools Title V-B Planning - Competitive (Knowledge)	19237	84.282	56,000	14,710
Charter Schools Title V-B Planning - Competitive (Technology)	19243	84.282	56,000	11,866
Homeless Children and Youth				
McKinney Homeless Educ. 2010-2011 (passed thru Lane ESD)	N/A	84.196	11,482	197
McKinney Homeless Educ. 2011-2012 (passed thru Lane ESD)	N/A	84.196	12,482	8,363
Total of Education of Homeless Children and Youth Cluster				8,560
Total of Career/Technical & Title Programs				4,775,518
Special Education and Rehabilitation Services				
IDEA 2010-2011	20285	84.027	3,183,938	554,005
IDEA 2011-2012	23570	84.027	3,007,759	2,764,853
Positive Behavior Support 2011-2012	N/A	84.027	5,000	1,868
SPR&I 2011-2012 Grant Award	23075	84.027	9,125	9,125
IDEA Enhancement Grant 2011-2012	23789	84.027	12,731	12,731
Long Term Care & Treatment 2011-2012	9133-A2	84.027	8,924	8,924
Extended Assessment 2011-2012	24024	84.027	4,500	4,500
Rgnl Deaf & Hard of Hearing 2011-2012 (Lane ESD)	N/A	84.027	325,226	347,675
Rgnl Vision Impaired 2011-2012 (Lane ESD)	N/A	84.027	296,559	278,631
Rgnl Orthopedic Impaired 2011-2012 (Lane ESD)	N/A	84.027	74,609	61,912
TBI Liaison 2011-2012 - Discretionary	N/A	84.027	10,000	7,611
Juvenile Detention Education Program (JDEP) 2011-12	9117	84.027	7,323	7,323
IDEA Part B, Section 619 2009-10	21780	84.027	54,000	45,367
ARRA - IDEA Part B, Section 611 - Formula	15182	84.391	3,665,341	111,638
IDEA Part B, Section 619 2010-11	21956	84.173	25,192	25,192
IDEA Part B, Section 519 2011-12	24186	84.173	28,061	22,737
Total Special Education Cluster (IDEA)				4,264,092

See Notes to Schedule of Expenditures of Federal Awards.

LANE COUNTY SCHOOL DISTRICT NO. 4J, Eugene, Oregon
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

	Pass Through Entity Identifying Number	Federal CFDA Number	Original Program or Grant Amount	Current Year's Revenues and Expenditures
Passed Through Oregon State Department of Education (continued)				
21st Century Community Learning Centers				
21st Ctry Comm Learning Ctrs 2010-2011	19319	84.287	\$ 505,981	\$ 5,000
21st Ctry Comm Learning Ctrs 2011-2012	23413	84.287	377,079	377,079
Ed Jobs - ARRA 10-11 - Formula	20776	84.410	49,078	49,078
EdJobs - ARRA YCEP - JDEP 10-11 Formula	21161	84.410	3,216	3,216
Total U.S. Department of Education Passed Through Oregon Dept. of Education				9,473,983
Passed Through Oregon Department of Transportation				
U.S. Department of Transportation				
Student Traffic Safety Program (ODOT) 2010-2012	27097	20.205	150,000	64,498
Total Highway Planning and Construction Cluster				64,498
Passed Through Lane County, Oregon				
U.S. Department of Health and Human Services				
Family Resource Ctr 2011-2012 (Lane County CCF)	N/A	93.556	11,675	11,675
Family Resource Ctr 2011-2012 (Lane County CCF)	N/A	93.667	10,300	10,300
Passed through Oregon Employment Department - Child Care Division				
Ed Options East Teen Parent Child Care Program	OED #12-027	93.575	8,000	1,836
Ed Options West Teen Parent Child Care Program	OED #12-028	93.575	29,800	29,800
Passed through Oregon Department of Education				
Quality Improvement 10-11	19217	93.575	10,000	8,534
Quality Improvement 11-12	23996	93.575	10,000	7,710
Federally Mandated Crib Replacement/Safety Improvements	24712	93.575	1,440	1,440
Consortia Development-Phase 2 Training	24644	93.575	1,850	1,553
Total Child Care and Development Block Grant Cluster				50,873
Passed through University of Oregon				
Department of Education				
Individual Pos. Behavior Support (2009-2010) (UO)	223281-4J	84.326M	8,000	8,000
Electronic Text to Improve Mathematics Achievement	223810I	84.327H	11,000	4,216
U.S. Department of Justice				
Project Stay Out	232381C	16.548	46,310	21,860
National Science Foundation				
Strategic Integ. of Science and Math (UO)	206291A	47.076	173,658	20,329
Total Passed Through University of Oregon				54,405
Passed through Oregon State University				
Title IIB Math Sci Partnership	N/A	84.366	26,000	10,815
Passed Through State Board of Education on behalf of U of O				
National Science Foundation				
NSF - Strategic Integration of Mathematics and Science	206291C	47.076	40,817	9,174
Passed through Lane Workforce Partnership				
U.S. Department of Labor				
Workforce Investment Act (Lane Wkfc)	20403	17.259	50,339	46,045
Passed through Lane Education Service District				
Postschool Achievement Through Higher Skills (PATHS)	N/A	84.324B	6,000	1,758
U.S. Department of Energy				
ARRA SEP Bus Engine Block Heater Controls	SEP 10-1082	81.041	45,000	44,373
Total of Pass Through Funds				303,916

See Notes to Schedule of Expenditures of Federal Awards.

LANE COUNTY SCHOOL DISTRICT NO. 4J, Eugene, Oregon
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

	<i>Pass Through Entity Identifying Number</i>	<i>Federal CFDA Number</i>	<i>Original Program or Grant Amount</i>	<i>Current Year's Revenues and Expenditures</i>
U.S. Department of Agriculture				
National School Breakfast Program	N/A	10.553	\$ 759,000	\$ 693,855
National School Lunch Program	N/A	10.555	2,159,704	2,044,347
National School Summer Food	N/A	10.559	35,014	35,014
Total Child Nutrition Cluster				2,773,216
National School Child & Adult Care	N/A	10.558	53,965	56,469
Fresh Fruit & Vegetable Program - Howard	23309	10.582	1,656	283
Fresh Fruit & Vegetable Program - Howard	24435	10.582	14,156	14,156
Fresh Fruit & Vegetable Program - Chavez Elementary	23268	10.582	2,784	2,282
Fresh Fruit & Vegetable Program - Chavez Elementary	24476	10.582	20,918	18,393
Fresh Fruit & Vegetable Program - River Road Elementary	23308	10.582	2,502	1,859
Fresh Fruit & Vegetable Program - River Road Elementary	24477	10.582	20,491	19,965
Total U.S. Dept. of Agriculture Passed Through Oregon State Dept. of Education				2,886,623
Forest Fees	N/A	10.665	969,307	969,307
Total of Schools and Roads Cluster				969,307
				\$ 14,634,288
Reconciliation of Federal Expenditures to Federal Revenue				
Federal revenue reported above				\$ 14,634,288
Federal revenue not required to be reported in this Schedule of Expenditures of Federal Awards				774,668
Total revenue received from Federal sources				\$ 15,408,956

See Notes to Schedule of Expenditures of Federal Awards.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED JUNE 30, 2012

PURPOSE OF THE SCHEDULE

The accompanying schedule of expenditures of federal awards (the "Schedule") is a supplementary schedule to the Lane County School District No. 4J, Eugene, Oregon's financial statements and is presented for purposes of additional analysis. Because the Schedule presents only a selected portion of the activities of Lane County School District No. 4J, it is not intended to and does not present either the financial position, changes in fund balances, or the operating funds' revenues, expenditures and changes in fund balances for Lane County School District No. 4J, Eugene, Oregon.

SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

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."

Federal Financial Assistance

Pursuant to the Single Audit Act Amendments of 1996 and OMB Circular A-133, federal financial assistance is defined as assistance provided by a federal agency, either directly or indirectly, in the form of grants, contracts, cooperative agreements, loans, loan guarantees, property, interest subsidies, insurance or direct appropriations. Accordingly, non-monetary federal assistance, including federal surplus property, is included in federal financial assistance and, therefore, is reported on the Schedule, if applicable. Federal financial assistance does not include direct federal cash assistance to individuals. Solicited contracts between the state and federal government for which the federal government procures tangible goods or services are not considered to be federal financial assistance.

Major Programs

The Single Audit Act Amendments of 1996 and OMB Circular A-133 establish criteria to be used in defining major federal financial assistance programs. Major programs for the Lane County School District No. 4J, Eugene, Oregon are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in OMB Circular A-133. Programs with similar requirements may be grouped into a cluster for testing purposes.

Reporting Entity

The reporting entity is fully described in notes to the financial statements. Additionally, the Schedule includes all federal programs administered by the Lane County School District No. 4J, Eugene, Oregon for the year ended June 30, 2012.

Revenue and Expenditure Recognition

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded as received in cash or on the accrual basis where measurable and available. Expenditures are recorded when the liability is incurred.

BUDGETARY COMPARISON SCHEDULES

Pursuant to the provisions of Oregon Revised Statute 297.465, Oregon Administrative Rule #162-010-0130, *Minimum Standards for Audits of Oregon Municipal Corporations*, requires an individual schedule of revenues, expenditures/expenses, and changes in fund balances/net assets, budget and actual be displayed for each fund where legally adopted budgets are required.

In accordance with GASB Statement No. 34, the District's General Fund and any major special revenue fund (the Federal, State and Local Programs Fund) are presented as Basic Financial Statements. However, the level of detail provided in those statements is insufficient for state reporting purposes. Therefore, greater detail for the General Fund and the Federal, State and Local Programs Fund is presented in the following pages as supplemental information in addition to the budgetary comparisons of all other funds with legally adopted budgets.

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL - GENERAL FUND
YEAR ENDED JUNE 30, 2012

Code	Function	Actual	Budget	Variance
LOCAL REVENUE				
1111	Taxes - current year's levy	\$ 53,524,146	\$ 52,615,000	\$ 909,146
1112	Taxes - prior years' levies	792,894	1,559,000	(766,106)
1120	Local option levy	10,024,845	10,839,000	(814,155)
1190	Penalties and interest on taxes	282,810	250,000	32,810
1200	Local governmental units	34,374	55,000	(20,626)
1310	Regular day school tuition	110,470	202,000	(91,530)
1411	Transportation fees from individuals	-	20,000	(20,000)
1500	Earnings on investments	272,795	262,000	10,795
1700	Extracurricular activities income	755,987	702,000	53,987
1800	Community service income	62,068	88,000	(25,932)
1910	Rentals	484,123	232,000	252,123
1940	Services provided other Local Education agencies	47,730	47,000	730
1980	Fees charged to grants	537,251	505,000	32,251
1990	Refunds and miscellaneous	1,882,707	1,537,210	345,497
1000	<i>Total Local Revenue</i>	68,812,200	68,913,210	(101,010)
INTERMEDIATE REVENUE				
2101	County school fund	485,395	150,000	335,395
2900	Revenue for/on behalf of the District	9,400	18,000	(8,600)
2000	<i>Total Intermediate Revenue</i>	494,795	168,000	326,795
STATE REVENUE				
3101	State school fund (except 3102 and 3106)	59,841,232	59,105,591	735,641
3103	Common school fund	1,656,562	1,490,000	166,562
3199	Other unrestricted grants-in-aid	749,804	800,000	(50,196)
3299	Other restricted grants-in-aid	3,676,175	3,681,235	(5,060)
3900	Revenue for/on behalf of the District	48,318	40,000	8,318
3000	<i>Total State Revenue</i>	65,972,091	65,116,826	855,265
REVENUE FROM FEDERAL SOURCES				
4500	Restricted revenue from the Federal government through the state	50,636	49,078	1,558
4700	Grants-in-aid from the Federal government through other intermediate agencies	-	180,000	(180,000)
4801	Federal forest fees	969,307	1,185,000	(215,693)
4000	<i>Total Federal Revenue</i>	1,019,943	1,414,078	(394,135)
	<i>Total Revenue</i>	136,299,029	135,612,114	686,915
OTHER SOURCES				
5200	Transfer from other funds	2,930,476	2,444,950	485,526
5400	FUND BALANCES, Beginning	7,987,230	7,987,230	-
6000	TOTAL RESOURCES	<u>\$ 147,216,735</u>	<u>\$ 146,044,294</u>	<u>\$ 1,172,441</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
(BUDGETARY BASIS) - BUDGET AND ACTUAL - GENERAL FUND (Continued)
YEAR ENDED JUNE 30, 2012

Code	Function	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Supplies & Materials
INSTRUCTION					
1100	Regular programs				
1111	Elementary	\$ 16,104,983	\$ 9,894,210	\$ 34,769	\$ 389,444
1113	Elementary extracurricular	18,835	9,488	-	-
1121	Middle/JHS	7,985,705	4,806,192	17,583	225,989
1122	Middle/JHS extracurricular	135,017	42,169	-	1,081
1131	High school	12,906,113	7,046,741	88,977	274,051
1132	High school extracurricular	1,359,398	459,172	171,525	79,693
1200	Special programs				
1210	Talented and gifted	103,393	37,145	551	-
1220	Restrictive programs for students with disabilities	2,195,094	1,672,340	457,858	14,568
1250	Less restrictive programs for students with disabilities	4,375,795	2,980,634	90,497	1,927
1260	Treatment and habilitation	53,633	31,128	38,987	1,366
1271	Remediation	14,207	4,280	18,501	10,187
1280	Early intervention/other special programs	714,934	407,439	2,619,307	22,065
1288	Charter school flow through	-	-	3,538,800	-
1290	Other special programs	881,084	557,821	13,391	17,876
1400	Summer school programs	94,612	32,283	13,652	2,497
	<i>Total Instruction</i>	<u>46,942,803</u>	<u>27,981,042</u>	<u>7,104,398</u>	<u>1,040,744</u>
SUPPORTING SERVICES					
2100	Students				
2110	Attendance and social work	375,804	258,500	302,421	-
2120	Guidance services	1,397,864	821,442	12,332	11,826
2130	Health services	679,325	435,073	22,946	11,655
2140	Psychological services	762,098	437,341	-	7,405
2150	Speech pathology and audiology services	747,581	453,328	2,160	3,280
2160	Educational services	304,290	170,751	69	1,857
2190	Service area direction, students	642,198	310,546	148,425	12,216
2200	Instructional staff and educational media	2,335,993	1,193,020	357,597	210,570
2300	General administration				
2310	Board of education	-	-	178,395	590
2320	Executive administration	394,119	150,951	87,259	7,480
2400	School administration				
2410	Principals services	6,944,822	4,117,201	368,926	199,007
2500	Business				
2520	Fiscal services	879,304	507,304	109,579	21,658
2540	Operation and maintenance	3,930,667	2,798,244	3,267,254	829,317
2550	Student transportation	2,727,458	2,205,158	449,764	945,368
2570	Internal services	228,514	148,029	13,309	11,542
2600	Central				
2630	Information services	203,151	115,663	102,708	8,919
2640	Staff services	762,789	474,552	49,406	40,978
2660	Technology services	1,858,192	1,100,246	996,779	81,931
2700	District retirement	-	2,500,000	-	-
	<i>Total Supporting Services</i>	<u>25,174,169</u>	<u>18,197,349</u>	<u>6,469,329</u>	<u>2,405,599</u>
ENTERPRISE AND COMMUNITY SERVICES					
3320	Community recreation services	51,365	39,820	24,974	-
3500	Custody and care of children services	175,872	94,894	96	-
	<i>Total Enterprise and Community Services</i>	<u>227,237</u>	<u>134,714</u>	<u>25,070</u>	<u>-</u>
FACILITIES ACQUISITION AND CONSTRUCTION					
	<i>Total Facilities Acquisition and Construction</i>	-	-	-	-
DEBT SERVICE					
5100	Debt Service	-	-	-	-
OTHER USES					
5200	Interfund Transfers	-	-	-	-
6110	OPERATING CONTINGENCY	-	-	-	-
7000	ENDING BALANCE	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ 72,344,209</u>	<u>\$ 46,313,105</u>	<u>\$ 13,598,797</u>	<u>\$ 3,446,343</u>

<i>500 Capital Outlay</i>	<i>600 Other Objects</i>	<i>700 Transfers & Flow- through Payments</i>	<i>Actual Fund Total</i>	<i>Appropriations</i>	<i>Variance</i>
\$ -	\$ -	\$ -	\$ 26,423,406		
-	-	-	28,323		
-	-	-	13,035,469		
-	-	-	178,267		
-	24,274	-	20,340,156		
-	85,041	-	2,154,829		
-	-	-	141,089		
-	-	-	4,339,860		
-	-	-	7,448,853		
-	-	-	125,114		
-	-	-	47,175		
-	496	-	3,764,241		
-	-	49,681	3,588,481		
-	-	-	1,470,172		
-	-	-	143,044		
-	109,811	49,681	83,228,479	\$ 83,954,987	\$ 726,508
-	-	-	936,725		
-	-	-	2,243,464		
-	2,674	-	1,151,673		
-	-	-	1,206,844		
-	-	-	1,206,349		
-	225	-	477,192		
-	1,886	-	1,115,271		
-	4,734	-	4,101,914		
-	17,443	-	196,428		
-	3,663	-	643,472		
6,400	4,459	-	11,640,815		
-	3,559	-	1,521,404		
28,424	577,270	-	11,431,176		
-	52,330	-	6,380,078		
-	4,550	-	405,944		
-	895	-	431,336		
-	470	-	1,328,195		
152,785	845	-	4,190,778		
-	-	-	2,500,000		
187,609	675,003	-	53,109,058	53,998,240	889,182
-	-	-	116,159		
-	-	-	270,862		
-	-	-	387,021	500,356	113,335
-	-	-	-	1,000	1,000
-	-	-	-	1,000	1,000
-	-	2,378,702	2,378,702	2,722,984	344,282
-	-	-	-	436,731	436,731
-	-	8,113,475	8,113,475	4,428,996	(3,684,479)
\$ 187,609	\$ 784,814	\$ 10,541,858	\$ 147,216,735	\$ 146,044,294	\$ (1,172,441)

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL - DEBT SERVICE FUND
YEAR ENDED JUNE 30, 2012

<u>Code</u>	<u>Function</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	LOCAL REVENUE			
1111	Taxes - current year's levy	\$ 14,825,609	\$ 14,597,778	\$ 227,831
1112	Taxes - prior years' levies	227,749	484,000	(256,251)
1190	Penalties and interest on taxes	81,973	50,000	31,973
1500	Earnings on investments	39,006	34,000	5,006
1900	Charges to other funds	3,653,270	3,640,000	13,270
1000	<i>Total Local Revenue</i>	18,827,607	18,805,778	21,829
	REVENUE FROM FEDERAL SOURCES			
4990	Other revenue from Federal sources	595,333	900,000	(304,667)
	<i>Total Revenue</i>	19,422,940	19,705,778	(282,838)
5400	FUND BALANCES, Beginning	10,524,726	10,345,839	178,887
6000	TOTAL RESOURCES	<u>\$ 29,947,666</u>	<u>\$ 30,051,617</u>	<u>\$ (103,951)</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
 (BUDGETARY BASIS) - BUDGET AND ACTUAL - DEBT SERVICE FUND (Continued)
 YEAR ENDED JUNE 30, 2012

Code	Function	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Supplies & Materials
	DEBT SERVICE				
5100	Principal	\$ -	\$ -	\$ -	\$ -
5100	Interest	-	-	-	-
	<i>Total Debt Service</i>	-	-	-	-
7000	ENDING BALANCE	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>500 Capital Outlay</u>	<u>600 Other Objects</u>	<u>700 Transfers & Flow- through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ 12,310,000	\$ -	\$ 12,310,000		
-	8,721,196	-	8,721,196		
-	21,031,196	-	21,031,196	\$ 21,203,063	171,867
-	-	8,916,470	8,916,470	8,848,554	(67,916)
<u>\$ -</u>	<u>\$ 21,031,196</u>	<u>\$ 8,916,470</u>	<u>\$ 29,947,666</u>	<u>\$ 30,051,617</u>	<u>\$ 103,951</u>

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2012

Code	Function	Actual	Budget	Variance
LOCAL REVENUE				
1200	Local governmental units other than District	\$ 504,365	\$ 530,000	\$ (25,635)
1500	Earnings on investments	145,480	-	145,480
1990	Refunds and miscellaneous	130,227	90,000	40,227
1000	<i>Total Local Revenue</i>	780,072	620,000	160,072
STATE REVENUE				
3900	Revenue for/on behalf of District	3,614	-	3,614
	<i>Total Revenue</i>	783,686	620,000	163,686
OTHER FINANCING SOURCES				
5110	Construction bonds issued	34,997,258	35,000,000	(2,742)
5120	Bond premium	792,356	-	792,356
5300	Sale of capital assets	3,715	-	3,715
	<i>Total Other Sources</i>	35,793,329	35,000,000	793,329
5400	FUND BALANCES, Beginning	6,942,919	7,545,000	(602,081)
6000	TOTAL RESOURCES	\$ 43,519,934	\$ 43,165,000	\$ 354,934

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
(BUDGETARY BASIS) - BUDGET AND ACTUAL - CAPITAL PROJECTS FUND (Continued)
YEAR ENDED JUNE 30, 2012

Code	Function	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Supplies & Materials
INSTRUCTION					
	<i>Total Instruction</i>	\$ -	\$ -	\$ -	\$ -
SUPPORTING SERVICES					
2500	Business				
2520	Fiscal services	-	-	427,912	-
2540	Operation and maintenance	1,253,686	799,266	321,769	294,590
2660	Technology services	54,443	30,493	38,074	1,569,073
2700	District retirement	-	15,945	-	-
	<i>Total Supporting Services</i>	1,308,129	845,704	787,755	1,863,663
ENTERPRISE AND COMMUNITY SERVICES					
	<i>Total Enterprise and Community Services</i>	-	-	-	-
FACILITIES ACQUISITION AND CONSTRUCTION					
4110	Service area direction	-	561	633	18,110
4120	Site acquisition and development services	-	-	354,384	76,507
4150	Building acquisition, construction and improvement services	299	-	1,463,837	469,662
	<i>Total Facilities Acquisition and Construction</i>	299	561	1,818,854	564,279
OTHER USES					
5200	Interfund Transfers	-	-	-	-
7000	ENDING BALANCE	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ 1,308,428</u>	<u>\$ 846,265</u>	<u>\$ 2,606,609</u>	<u>\$ 2,427,942</u>

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers & Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
-	-	-	427,912		
190,015	-	-	2,859,326		
475,055	-	-	2,167,138		
-	-	-	15,945		
665,070	-	-	5,470,321	6,051,437	581,116
-	-	-	-	1,000	1,000
-	50	-	19,354		
1,176,819	-	-	1,607,710		
2,313,837	-	-	4,247,635		
3,490,656	50	-	5,874,699	7,465,334	1,590,635
-	-	156,075	156,075	157,075	1,000
-	-	32,018,839	32,018,839	29,489,154	(2,529,685)
<u>\$ 4,155,726</u>	<u>\$ 50</u>	<u>\$ 32,174,914</u>	<u>\$ 43,519,934</u>	<u>\$ 43,165,000</u>	<u>\$ (354,934)</u>

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL - CAPITAL EQUIPMENT FUND
YEAR ENDED JUNE 30, 2012

Code	Function	Actual	Budget	Variance
	LOCAL REVENUE			
1500	Earnings on investments	\$ 5,730	\$ -	\$ 5,730
1990	Refunds and miscellaneous	14,183	20,000	(5,817)
1000	<i>Total Local Revenue</i>	19,913	20,000	(87)
	STATE REVENUE			
3221/3222	SSF Transportation	407,599	406,000	1,599
	OTHER FINANCING SOURCES			
5200	Interfund transfers	1,492,207	-	1,492,207
5400	FUND BALANCES, Beginning	7,213,401	6,367,000	846,401
6000	TOTAL RESOURCES	<u>\$ 9,133,120</u>	<u>\$ 6,793,000</u>	<u>\$ 2,340,120</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL - CAPITAL EQUIPMENT FUND (Continued)
YEAR ENDED JUNE 30, 2012

Code	Function	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Supplies & Materials
INSTRUCTION					
1100	Regular programs				
1111	Elementary	\$ -	\$ -	\$ -	\$ 90,398
1121	Middle/JHS	-	-	-	74,626
1131	High school	-	-	19,915	141,470
1200	Special programs				
1250	Less restrictive programs for students with disabilities	-	-	-	268
	<i>Total Instruction</i>	-	-	19,915	306,762
SUPPORTING SERVICES					
2100	Students				
2120	Guidance services	-	-	-	328
2190	Service area direction, students	-	-	-	21,073
2200	Instructional staff and educational media	-	-	9,394	43,250
2300	General administration				
2320	Office of the superintendent	-	-	-	8,409
2400	School administration				
2410	Principals services	-	-	-	109,338
2500	Business				
2520	Fiscal services	-	-	-	7,517
2540	Operation and maintenance	-	-	-	11,376
2570	Internal services	-	-	-	7,956
2600	Central				
2630	Information services	-	-	-	7,228
2660	Technology services	-	-	-	10,287
	<i>Total Supporting Services</i>	-	-	9,394	226,762
ENTERPRISE AND COMMUNITY SERVICES					
	<i>Total Enterprise and Community Services</i>	-	-	-	-
DEBT SERVICE					
5100	Principal	-	-	-	-
5100	Interest	-	-	-	-
	<i>Total Debt Service</i>	-	-	-	-
OTHER USES					
5200	Interfund Transfers	-	-	-	-
6000	OPERATING CONTINGENCY	-	-	-	-
7000	ENDING BALANCE	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	\$ -	\$ -	\$ 29,309	\$ 533,524

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers & Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ 90,398		
-	-	-	74,626		
-	-	-	161,385		
-	-	-	268		
-	-	-	326,677	\$ 888,094	\$ 561,417
-	-	-	328		
-	-	-	21,073		
-	-	-	52,644		
5,858	-	-	14,267		
7,700	-	-	117,038		
-	-	-	7,517		
80,820	-	-	92,196		
-	-	-	7,956		
-	-	-	7,228		
-	-	-	10,287		
94,378	-	-	330,534	2,652,333	2,321,799
-	-	-	-	1,000	1,000
-	771,120	-	771,120		
-	105,509	-	105,509		
-	876,629	-	876,629	939,000	62,371
-	-	750,099	750,099	758,573	8,474
-	-	-	-	1,554,000	1,554,000
-	-	6,849,181	6,849,181	-	(6,849,181)
<u>\$ 94,378</u>	<u>\$ 876,629</u>	<u>\$ 7,599,280</u>	<u>\$ 9,133,120</u>	<u>\$ 6,793,000</u>	<u>\$ (2,340,120)</u>

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) BUDGET AND ACTUAL - FEDERAL, STATE AND LOCAL PROGRAMS FUND
YEAR ENDED JUNE 30, 2012

Code	Function	Actual	Budget	Variance
LOCAL REVENUE				
1310	Regular day school tuition	\$ 82,060	\$ 90,000	\$ (7,940)
1500	Earnings on investments	172	-	172
1910	Rentals	42,874	56,800	(13,926)
1920	Private contributions	552,391	691,342	(138,951)
1990	Refunds and miscellaneous	2,950,685	3,380,447	(429,762)
1000	<i>Total Local Revenue</i>	3,628,182	4,218,589	(590,407)
INTERMEDIATE REVENUE				
2199	Regular day school tuition	15,512	-	15,512
STATE REVENUE				
3204	Drivers education	65,550	90,000	(24,450)
3990	Other revenue from State sources	1,447,654	1,624,757	(177,103)
3000	<i>Total State Revenue</i>	1,513,204	1,714,757	(201,553)
REVENUE FROM FEDERAL SOURCES				
4300	Restricted grants-in-aid; direct	321,585	290,000	31,585
4500	Restricted grants-in-aid; through State	10,128,701	10,171,003	(42,302)
4700	Grants-in-aid from the Federal government through other intermediate agencies	1,868	-	1,868
4990	Other revenue from Federal sources	296,900	397,718	(100,818)
4000	<i>Total Federal Revenue</i>	10,749,054	10,858,721	(109,667)
	<i>Total Revenue</i>	15,905,952	16,792,067	(886,115)
5400	FUND BALANCES, Beginning	-	-	-
6000	TOTAL RESOURCES	\$ 15,905,952	\$ 16,792,067	\$ (886,115)

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE

(BUDGETARY BASIS) BUDGET AND ACTUAL - FEDERAL, STATE AND LOCAL PROGRAMS FUND (Continued)

YEAR ENDED JUNE 30, 2012

<u>Code</u>	<u>Function</u>	<u>100</u> <u>Salaries</u>	<u>200</u> <u>Employee</u> <u>Benefits</u>	<u>300</u> <u>Purchased</u> <u>Services</u>	<u>400</u> <u>Supplies &</u> <u>Materials</u>
INSTRUCTION					
1100	Regular programs				
1111	Elementary	\$ 208,463	\$ 133,832	\$ 25,969	\$ 236,860
1113	Elementary extracurricular	-	-	1,000	-
1121	Middle/JHS	103,504	69,049	8,512	20,799
1122	Middle/JHS extracurricular	-	-	2,754	-
1131	High school	132,368	78,575	159,965	67,241
1132	High school extracurricular	750	259	4,825	5,121
1200	Special programs				
1210	Talented and gifted	-	-	-	717
1220	Restrictive programs for students with disabilities	1,514,771	959,594	102,661	37,716
1250	Less restrictive programs for students with disabilities	1,464,167	1,019,128	13,511	15,477
1260	Early intervention	69,603	38,647	-	-
1270	Educationally disadvantaged	1,479,128	1,033,274	282,623	57,737
1280	Early intervention/other special programs	121,732	77,494	206,424	16,297
1288	Charter school flow through	-	-	23,502	953
1290	Other special programs	94,425	52,778	10,470	2,214
1400	Summer school programs	87,954	31,110	3,449	4,163
	<i>Total Instruction</i>	5,276,865	3,493,740	845,665	465,295
SUPPORTING SERVICES					
2100	Students				
2110	Attendance and social work	92,820	64,481	20,267	10,027
2120	Guidance services	81,629	62,127	3,679	5,148
2130	Health services	140,869	91,564	125,729	17,775
2140	Psychological services	109,795	63,202	-	-
2150	Speech pathology and audiology services	110,463	64,392	-	4,941
2160	Educational services	94,330	57,964	-	-
2190	Service area direction, students	88,480	54,118	8,526	4,037
2200	Instructional staff and educational media	1,448,398	718,388	350,869	267,184
2400	School administration				
2410	Principals services	12,200	11,063	755	2,971
2500	Business				
2520	Fiscal services	-	-	-	-
2540	Operation and maintenance	1,713	1,080	-	1,005
2550	Student transportation	34,547	-	2,578	7,169
2600	Central				
2640	Staff services	19,694	10,995	-	10,900
2660	Technology services	3,818	2,954	15,641	7,503
2700	District retirement	-	287,999	-	-
	<i>Total Supporting Services</i>	2,238,756	1,490,327	528,044	338,660
ENTERPRISE AND COMMUNITY SERVICES					
3190	Other food services	2,755	1,038	-	52,883
3390	Other community services	213,964	131,567	123,384	27,628
	<i>Total Enterprise and Community Services</i>	216,719	132,605	123,384	80,511
FACILITIES ACQUISITION AND CONSTRUCTION					
4150	Building acquisition, construction and improvement services	-	-	16,790	2,354
	<i>Total Facilities Acquisition and Construction</i>	-	-	16,790	2,354
7000	Ending balance	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ 7,732,340</u>	<u>\$ 5,116,672</u>	<u>\$ 1,513,883</u>	<u>\$ 886,820</u>

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers and Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ 605,124		
-	-	-	1,000		
5,734	-	-	207,598		
-	-	-	2,754		
6,928	-	-	445,077		
-	-	-	10,955		
-	-	-	717		
-	701	-	2,615,443		
-	-	-	2,512,283		
-	-	-	108,250		
-	-	-	2,852,762		
-	-	-	421,947		
-	1,069	-	25,524		
-	-	-	159,887		
-	-	-	126,676		
12,662	1,770	-	10,095,997	\$ 10,497,997	\$ 402,000
-	-	-	187,595		
-	-	-	152,583		
-	308	-	376,245		
-	-	-	172,997		
-	-	-	179,796		
-	-	-	152,294		
-	-	-	155,161		
-	-	-	2,784,839		
-	-	-	26,989		
-	537,276	-	537,276		
-	-	-	3,798		
-	-	-	44,294		
-	-	-	41,589		
-	-	-	29,916		
-	-	-	287,999		
-	537,584	-	5,133,371	5,624,183	490,812
-	-	-	56,676		
-	470	-	497,013		
-	470	-	553,689	546,692	(6,997)
103,751	-	-	122,895		
103,751	-	-	122,895	123,195	300
-	-	-	-	-	-
<u>\$ 116,413</u>	<u>\$ 539,824</u>	<u>\$ -</u>	<u>\$ 15,905,952</u>	<u>\$ 16,792,067</u>	<u>\$ 886,115</u>

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
(BUDGETARY BASIS) - BUDGET AND ACTUAL - NUTRITION SERVICES FUND
YEAR ENDED JUNE 30, 2012

Code	Function	Actual	Budget	Variance
LOCAL REVENUE				
1600	Food service sales	\$ 1,242,025	\$ 1,484,352	\$ (242,327)
1990	Refunds and miscellaneous	25,340	-	25,340
1000	<i>Total Local Revenue</i>	1,267,365	1,484,352	(216,987)
STATE REVENUE				
3102	State school fund - school lunch match	47,455	54,219	(6,764)
3299	Other restricted grants-in-aid	11,597	-	11,597
3900	Revenue for/on behalf of the District	-	-	-
3000	<i>Total State Revenue</i>	59,052	54,219	4,833
REVENUE FROM FEDERAL SOURCES				
4500	Restricted grants-in-aid through the State - school nutrition	2,825,935	3,058,704	(232,769)
4900	Revenue for/on behalf of the District	224,075	247,992	(23,917)
4000	<i>Total Federal Revenue</i>	3,050,010	3,306,696	(256,686)
	<i>Total Revenue</i>	4,376,427	4,845,267	(468,840)
OTHER SOURCES				
5200	Interfund transfers	308,525	349,800	(41,275)
5400	FUND BALANCES, Beginning	74,584	74,584	-
6000	TOTAL RESOURCES	<u>\$ 4,759,536</u>	<u>\$ 5,269,651</u>	<u>\$ (510,115)</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
(BUDGETARY BASIS) - BUDGET AND ACTUAL - NUTRITION SERVICES FUND (Continued)
YEAR ENDED JUNE 30, 2012

Code	Function	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Supplies & Materials
SUPPORTING SERVICES					
2500	Business				
2520	Fiscal services	\$ 26,201	\$ 17,537	\$ 2,822	\$ -
2540	Operation and maintenance	-	-	-	-
2700	District retirement	-	10,754	-	-
	<i>Total Supporting Services</i>	26,201	28,291	2,822	-
ENTERPRISE AND COMMUNITY SERVICES					
3000	Nutrition services				
3120	Food preparation and dispensing services	1,347,512	1,151,342	76,088	2,052,696
	<i>Total Enterprise and Community Services</i>	1,347,512	1,151,342	76,088	2,052,696
6000	OPERATING CONTINGENCY	-	-	-	-
7000	Ending balance	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ 1,373,713</u>	<u>\$ 1,179,633</u>	<u>\$ 78,910</u>	<u>\$ 2,052,696</u>

<i>500 Capital Outlay</i>	<i>600 Other Objects</i>	<i>700 Transfers & Flow- through Payments</i>	<i>Actual Fund Total</i>	<i>Appropriations</i>	<i>Variance</i>
\$ -	\$ -	\$ -	\$ 46,560		
-	-	-	-		
-	-	-	10,754		
-	-	-	57,314	\$ 84,946	\$ 27,632
-	-	-	4,627,638		
-	-	-	4,627,638	4,978,121	350,483
-	-	-	-	132,000	132,000
-	-	74,584	74,584	74,584	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,584</u>	<u>\$ 4,759,536</u>	<u>\$ 5,269,651</u>	<u>\$ 510,115</u>

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL - STUDENT BODY FUND
YEAR ENDED JUNE 30, 2012

<u>Code</u>	<u>Function</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	LOCAL REVENUE			
1700	Extracurricular activities income	\$ 4,726,086	\$ 5,900,000	\$ (1,173,914)
5400	FUND BALANCES, Beginning	<u>3,686,575</u>	<u>3,900,000</u>	<u>(213,425)</u>
6000	TOTAL RESOURCES	<u>\$ 8,412,661</u>	<u>\$ 9,800,000</u>	<u>\$ (1,387,339)</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
(BUDGETARY BASIS) - BUDGET AND ACTUAL - STUDENT BODY FUND (Continued)
YEAR ENDED JUNE 30, 2012

Code	Function	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Supplies & Materials
	INSTRUCTION				
1100	Regular programs				
1113	Elementary extracurricular	\$ -	\$ -	\$ 232,682	\$ 1,025,077
1122	Middle/JHS extracurricular	-	-	105,862	446,391
1132	High school extracurricular	-	-	641,698	1,079,120
	<i>Total Instruction</i>	-	-	980,242	2,550,588
6110	OPERATING CONTINGENCY	-	-	-	-
7000	ENDING BALANCE	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 980,242</u>	<u>\$ 2,550,588</u>

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers & Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ 9,190	\$ 86,664	\$ -	\$ 1,353,613		
-	89,564	-	641,817		
-	828,997	-	2,549,815		
9,190	1,005,225	-	4,545,245	\$ 7,090,000	\$ 2,544,755
-	-	-	-	500,000	500,000
-	-	3,867,416	3,867,416	2,210,000	(1,657,416)
<u>\$ 9,190</u>	<u>\$ 1,005,225</u>	<u>\$ 3,867,416</u>	<u>\$ 8,412,661</u>	<u>\$ 9,800,000</u>	<u>\$ 1,387,339</u>

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET ASSETS
(BUDGETARY BASIS) - BUDGET AND ACTUAL - INSURANCE RESERVE FUND
YEAR ENDED JUNE 30, 2012

<u>Code</u>	<u>Function</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
	LOCAL REVENUE			
1500	Earnings on investments	\$ 41,143	\$ 24,000	\$ 17,143
1990	Refunds and miscellaneous	30,111,439	38,400,000	(8,288,561)
1000	<i>Total Local Revenue</i>	30,152,582	38,424,000	(8,271,418)
	STATE REVENUE			
3990	Other revenue from State sources	43,372	-	43,372
	<i>Total Revenue</i>	30,195,954	38,424,000	(8,228,046)
	OTHER SOURCES			
5200	Interfund transfers	606,495	599,000	7,495
5400	FUND NET ASSETS, Beginning	10,388,747	8,146,000	2,242,747
6000	TOTAL RESOURCES	<u>\$ 41,191,196</u>	<u>\$ 47,169,000</u>	<u>\$ (5,977,804)</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET ASSETS
(BUDGETARY BASIS) - BUDGET AND ACTUAL - INSURANCE RESERVE FUND (Continued)
YEAR ENDED JUNE 30, 2012

		100	200	300	400
Function		Salaries	Employee Benefits	Purchased Services	Supplies & Materials
INSTRUCTION					
	<i>Total Instruction</i>	\$ -	\$ -	\$ -	\$ -
SUPPORTING SERVICES					
2300	General administration				
2310	Board of directors	-	-	11,181	-
2500	Business				
2520	Fiscal services	-	29,070,223	887,394	41,924
2540	Operation and maintenance	7,640	5,746	-	2,863
2600	Central				
2640	Staff services	379,321	201,578	34,517	10,891
2690	Claims	2,500	212	-	12,771
2700	District retirement	-	7,989	-	-
	<i>Total Supporting Services</i>	389,461	29,285,748	933,092	68,449
ENTERPRISE AND COMMUNITY SERVICES					
	<i>Total Enterprise and Community Services</i>	-	-	-	-
OTHER USES					
5200	Interfund transfers	-	-	-	-
FACILITIES ACQUISITION AND CONSTRUCTION					
	<i>Total Facilities Acquisition and Construction</i>	-	-	-	-
6000	CONTINGENCY	-	-	-	-
7000	ENDING FUND NET ASSETS	-	-	-	-
8000	<i>Total Expenditures and Ending Fund Net Assets</i>	<u>\$ 389,461</u>	<u>\$ 29,285,748</u>	<u>\$ 933,092</u>	<u>\$ 68,449</u>

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers & Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
-	-	-	11,181		
16,410	17,595	-	30,033,546		
-	500	-	16,749		
-	689	-	626,996		
-	7,731	-	23,214		
-	-	-	7,989		
16,410	26,515	-	30,719,675	40,275,053	9,555,378
-	-	-	-	1,000	1,000
-	-	796,827	796,827	1,052,302	255,475
-	-	-	-	1,000	1,000
-	-	-	-	635,411	635,411
-	-	9,674,694	9,674,694	5,203,234	(4,471,460)
<u>\$ 16,410</u>	<u>\$ 26,515</u>	<u>\$ 10,471,521</u>	<u>\$ 41,191,196</u>	<u>\$ 47,169,000</u>	<u>\$ 5,977,804</u>

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LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET ASSETS
(BUDGETARY BASIS) - BUDGET AND ACTUAL - POSTEMPLOYMENT BENEFITS FUND
YEAR ENDED JUNE 30, 2012

Code	Function	Actual	Budget	Variance
	LOCAL REVENUE			
1990	Refunds and miscellaneous	\$ 2,822,758	\$ 2,750,000	\$ 72,758
5400	FUND NET ASSETS, Beginning	5,276,758	5,400,000	(123,242)
6000	TOTAL RESOURCES	<u>\$ 8,099,516</u>	<u>\$ 8,150,000</u>	<u>\$ (50,484)</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET ASSETS

(BUDGETARY BASIS) - BUDGET AND ACTUAL - POSTEMPLOYMENT BENEFITS FUND (Continued)

YEAR ENDED JUNE 30, 2012

Code	Function	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Supplies & Materials
SUPPORTING SERVICES					
2700	District retirement	\$ 737,455	\$ 2,392,780	\$ -	\$ -
	<i>Total Supporting Services</i>	737,455	2,392,780	-	-
OTHER USES					
5200	Interfund Transfers	-	-	-	-
6000	OPERATING CONTINGENCY	-	-	-	-
7000	ENDING FUND NET ASSETS	-	-	-	-
8000	<i>Total Expenditures and Ending Fund Net Assets</i>	<u>\$ 737,455</u>	<u>\$ 2,392,780</u>	<u>\$ -</u>	<u>\$ -</u>

<i>500 Capital Outlay</i>	<i>600 Other Objects</i>	<i>700 Transfers & Flow- through Payments</i>	<i>Actual Fund Total</i>	<i>Appropriations</i>	<i>Variance</i>
\$ -	\$ -	\$ -	\$ 3,130,235		
-	-	-	3,130,235	\$ 3,463,600	\$ 333,365
-	-	1,256,000	1,256,000	1,256,000	-
-	-	-	-	900,000	900,000
-	-	3,713,281	3,713,281	2,530,400	(1,182,881)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,713,281</u>	<u>\$ 8,099,516</u>	<u>\$ 8,150,000</u>	<u>\$ 50,484</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF SUPPLEMENTAL INFORMATION FOR STATE SCHOOL
FUND APPORTIONMENT TO OTHER LEAs
YEAR ENDED JUNE 30, 2012

A. ENERGY BILLS FOR HEATING – ALL FUNDS

Expenditures for Electricity and Heating Fuel:

Function 2540	<u>Objects 325 and 326</u>
Function 2550	\$ 1,967,915
	26,116

B. REPLACEMENT OF EQUIPMENT - GENERAL FUND

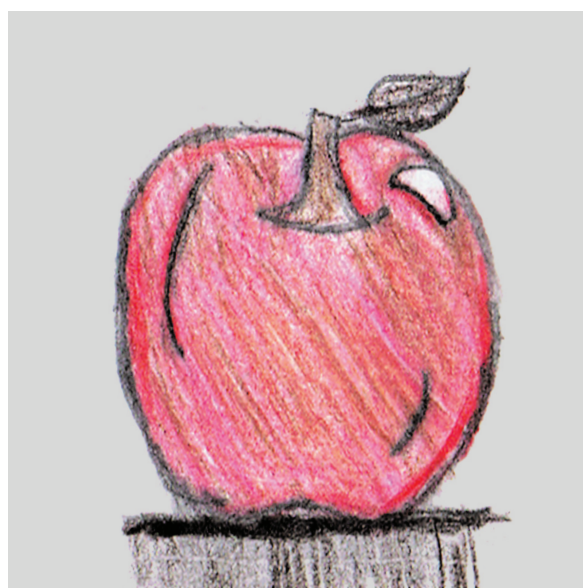
All General Fund Expenditures in Object 542, except for the following exclusions:

Exclude these functions:

1113, 1122, 1132	Co-curricular activities	2550	Pupil Transportation	<u>Amount</u>
1140	Pre-kindergarten	3100	Food Service	\$ -
1300	Continuing education	3300	Community Services	
1400	Summer school	4150	Construction	



Statistical Section



STATISTICAL SECTION

This part of the District's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the District's overall financial health.

Contents	Page
Financial Trends	95
<p>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</p>	
Revenue Capacity	102
<p>These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.</p>	
Debt Capacity	108
<p>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.</p>	
Demographic and Economic Information	113
<p>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</p>	
Operating Information	119
<p>These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.</p>	

Sources: Unless otherwise noted, the information in the schedules is derived from the comprehensive annual financial reports for the relevant year.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
CONDENSED STATEMENT OF NET ASSETS - LAST TEN FISCAL YEARS
(accrual basis of accounting)

	<i>Fiscal Year</i>									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
ASSETS										
Cash and investments	\$ 87,816,627	\$ 66,608,066	\$ 73,961,174	\$ 81,077,923	\$ 95,736,164	\$ 104,463,528	\$ 108,043,786	\$ 84,820,548	\$ 111,541,154	\$ 126,535,793
Receivables and inventories	12,322,747	12,208,476	12,728,951	15,573,558	11,995,589	13,483,019	2,029,802	2,129,262	2,229,050	2,396,689
Pension assets	38,906,977	41,338,663	43,770,349	46,202,035	48,633,721	51,065,407	51,065,407	51,065,407	51,065,407	-
Capital assets (net)	145,382,865	143,035,930	147,911,767	151,192,272	149,666,372	148,961,252	143,239,398	125,787,550	100,222,418	72,530,652
<i>Total Assets</i>	<u>284,429,216</u>	<u>263,191,135</u>	<u>278,372,241</u>	<u>294,045,788</u>	<u>306,031,846</u>	<u>317,973,206</u>	<u>304,378,393</u>	<u>263,802,767</u>	<u>265,058,029</u>	<u>201,463,134</u>
LIABILITIES										
Debt due within one year	36,389,855	37,792,910	34,373,469	34,872,936	38,688,227	35,122,093	35,930,410	39,192,814	39,486,811	35,534,342
Debt due in more than one year	185,100,823	160,092,755	172,893,813	185,142,146	192,576,026	199,961,017	213,064,818	174,645,214	183,039,752	136,910,291
<i>Total Liabilities</i>	<u>221,490,678</u>	<u>197,885,665</u>	<u>207,267,282</u>	<u>220,015,082</u>	<u>231,264,253</u>	<u>235,083,110</u>	<u>248,995,228</u>	<u>213,838,028</u>	<u>222,526,563</u>	<u>172,444,633</u>
NET ASSETS										
Invested in capital assets, net of related debt	27,635,523	23,742,183	20,443,719	17,581,497	15,987,837	14,772,028	11,441,729	11,118,522	9,785,954	9,541,803
Restricted	7,683,373	-	1,045,402	2,790,498	2,933,884	4,033,374	2,353,395	1,689,281	3,872,681	6,112,072
Unrestricted	27,619,642	41,563,287	49,615,838	53,658,711	55,845,872	64,084,694	41,588,041	37,156,936	28,872,831	13,364,626
<i>Total Net Assets</i>	<u>\$ 62,938,538</u>	<u>\$ 65,305,470</u>	<u>\$ 71,104,959</u>	<u>\$ 74,030,706</u>	<u>\$ 74,767,593</u>	<u>\$ 82,890,096</u>	<u>\$ 55,383,165</u>	<u>\$ 49,964,739</u>	<u>\$ 42,531,466</u>	<u>\$ 29,018,501</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
CHANGES IN NET ASSETS - LAST TEN FISCAL YEARS
(accrual basis of accounting)

Governmental Activities	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Expenses										
Direct classroom services	\$ 94,330,605	\$ 99,263,091	\$ 101,930,051	\$ 103,102,339	\$ 102,821,704	\$ 93,067,887	\$ 90,369,299	\$ 80,955,925	\$ 79,250,460	\$ 79,791,432
Classroom support	36,420,795	37,963,462	38,800,754	40,233,622	40,533,869	39,324,976	37,389,343	32,342,640	30,907,121	31,969,309
Building support services	23,909,245	25,925,334	25,179,039	24,324,614	25,394,584	23,093,650	21,355,531	19,412,622	18,085,609	21,794,823
Central support services	17,995,190	16,436,854	16,357,891	16,621,013	16,896,055	11,162,296	10,469,404	8,767,139	13,709,298	16,452,744
Nutrition services	4,783,293	5,009,082	5,091,489	5,156,642	5,424,214	4,945,942	4,684,654	4,545,052	4,445,155	4,427,250
Interest on long-term liabilities	7,924,330	7,288,427	7,679,671	10,374,493	9,025,104	9,179,263	9,309,771	7,697,004	6,115,395	4,614,932
Total expenses	<u>185,363,458</u>	<u>191,886,250</u>	<u>195,038,895</u>	<u>199,812,723</u>	<u>200,095,530</u>	<u>180,774,014</u>	<u>173,578,002</u>	<u>153,720,382</u>	<u>152,513,038</u>	<u>159,050,490</u>
Program revenues										
Charges for services										
Direct classroom services	354,821	458,433	469,124	515,627	720,467	1,006,531	1,238,072	1,084,038	652,257	761,854
Classroom support	593,553	475,901	644,200	518,340	531,340	809,070	870,167	662,762	845,946	937,710
Building support services	1,915,050	1,461,292	991,381	1,112,279	1,154,312	1,542,812	1,240,764	760,202	1,070,459	873,089
Central support services	5,375,567	5,284,580	5,460,632	4,933,327	3,678,507	3,658,494	3,640,068	3,219,590	6,863,056	6,916,853
Nutrition services	999,910	1,176,124	1,369,409	1,543,431	1,970,201	1,861,178	1,875,180	1,892,476	1,840,406	1,792,234
Operating grants and contributions										
Direct classroom services	15,104,827	17,152,693	18,223,047	19,817,404	14,327,127	11,926,625	10,895,347	10,995,298	11,434,271	8,809,321
Classroom support	9,692,232	10,277,140	10,714,126	10,062,775	10,747,607	15,142,838	15,315,990	13,691,325	12,562,596	9,931,376
Building support services	4,571,336	4,749,581	5,741,338	4,609,784	4,530,411	4,739,184	4,145,315	3,531,705	3,743,808	2,971,586
Central support services	-	-	-	-	93,171	38,375	83,074	184,548	132,811	11,271
Nutrition services	3,188,796	3,294,144	3,353,276	3,014,490	2,729,384	2,634,819	2,239,429	2,300,888	2,322,563	2,138,748
Interest on long-term liabilities	595,333	-	-	-	-	-	-	-	-	-
Capital grants and contributions										
Building support services	411,213	485,786	656,760	2,678,012	434,949	502,258	2,022,694	1,819,079	496,256	531,249
Total program revenues	<u>42,802,638</u>	<u>44,815,674</u>	<u>47,623,293</u>	<u>48,805,469</u>	<u>40,917,476</u>	<u>43,862,184</u>	<u>43,566,100</u>	<u>40,141,911</u>	<u>41,964,429</u>	<u>35,675,291</u>
Total governmental activities net expense	<u>(142,560,820)</u>	<u>(147,070,576)</u>	<u>(147,415,602)</u>	<u>(151,007,254)</u>	<u>(159,178,054)</u>	<u>(136,911,830)</u>	<u>(130,011,902)</u>	<u>(113,578,471)</u>	<u>(110,548,609)</u>	<u>(123,375,199)</u>
General revenues										
Property taxes	80,467,457	80,181,322	83,267,030	82,545,519	76,571,114	75,243,972	69,204,217	60,626,025	56,740,907	56,838,117
Federal aid not restricted to specific purposes	1,151,636	2,168,267	2,234,228	2,488,977	2,777,437	2,633,094	2,588,498	2,540,427	2,543,120	2,473,752
State aid not restricted to specific purposes	57,150,875	55,599,589	55,263,995	62,864,883	66,810,401	68,077,308	59,374,071	52,681,908	62,926,660	52,222,259
Earnings on investments	586,127	481,152	620,487	2,035,193	4,649,939	5,165,714	4,115,453	1,794,235	1,517,038	1,392,135
Other federal and local sources	837,793	1,114,166	3,104,115	335,795	246,660	5,794,817	148,089	3,369,149	1,268,466	1,163,368
Total general revenues	<u>140,193,888</u>	<u>139,544,495</u>	<u>144,489,855</u>	<u>150,270,367</u>	<u>151,055,551</u>	<u>156,914,905</u>	<u>135,430,328</u>	<u>121,011,744</u>	<u>124,996,191</u>	<u>114,089,631</u>
Change in net assets	<u>\$ (2,366,932)</u>	<u>\$ (7,526,081)</u>	<u>\$ (2,925,747)</u>	<u>\$ (736,887)</u>	<u>\$ (8,122,503)</u>	<u>\$ 20,003,075</u>	<u>\$ 5,418,426</u>	<u>\$ 7,433,273</u>	<u>\$ 14,447,582</u>	<u>\$ (9,285,568)</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
FUND BALANCES, GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

FUND BALANCES	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
General Fund										
Unreserved	\$ -	\$ -	\$ 12,125,084	\$ 13,990,673	\$ 17,053,588	\$ 20,845,607	\$ 10,815,344	\$ 6,165,685	\$ 10,067,999	\$ 373,978
Nonspendable for:										
Inventory	222,655	226,905	-	-	-	-	-	-	-	-
Committed	6,814,951	6,794,000	-	-	-	-	-	-	-	-
Unassigned	1,075,869	966,325	-	-	-	-	-	-	-	-
Total General Fund	<u>\$ 8,113,475</u>	<u>\$ 7,987,230</u>	<u>\$ 12,125,084</u>	<u>\$ 13,990,673</u>	<u>\$ 17,053,588</u>	<u>\$ 20,845,607</u>	<u>\$ 10,815,344</u>	<u>\$ 6,165,685</u>	<u>\$ 10,067,999</u>	<u>\$ 373,978</u>
All Other Governmental Funds										
Reserved	\$ -	\$ -	\$ 12,751,242	\$ 16,689,036	\$ 21,081,040	\$ 28,019,482	\$ 37,226,200	\$ 12,097,145	\$ 45,895,838	\$ 79,846,930
Unreserved, reported in :										
Capital Projects Fund	-	-	10,968,084	10,811,559	12,531,376	13,782,621	8,127,796	7,108,271	3,313,841	2,880,521
Special Revenue Funds	-	-	17,935,636	19,503,208	19,664,365	20,297,170	21,398,516	23,552,024	16,800,894	11,915,685
Nonspendable for:										
Inventory	102,676	107,993	-	-	-	-	-	-	-	-
Restricted for:										
Debt Service	8,855,882	10,524,726	-	-	-	-	-	-	-	-
Capital Projects	24,708,508									
Committed for:										
Debt Service	60,588									
Capital Projects	7,310,331	6,942,919	-	-	-	-	-	-	-	-
Capital Equipment	6,849,181	7,213,401	-	-	-	-	-	-	-	-
Nutrition Services	74,584	74,584	-	-	-	-	-	-	-	-
Student Body	3,865,762	3,684,988	-	-	-	-	-	-	-	-
Total all Other Governmental Funds	<u>\$ 51,827,512</u>	<u>\$ 28,548,611</u>	<u>\$ 41,654,962</u>	<u>\$ 47,003,803</u>	<u>\$ 53,276,781</u>	<u>\$ 62,099,273</u>	<u>\$ 66,752,512</u>	<u>\$ 42,757,440</u>	<u>\$ 66,010,573</u>	<u>\$ 94,643,136</u>

In 2011, the District adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. This statement changed the categories for reporting fund balance in governmental funds. Accordingly, beginning in 2011 the fund balances are reported in this manner for statistical purposes.

The Postemployment Benefits Fund, previously reported as a Special Revenue Fund, is reported as an Internal Service Fund beginning in 2011 and no longer included here.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS - LAST TEN FISCAL YEARS
(modified accrual basis of accounting)

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
REVENUES										
Local sources	\$ 98,061,425	\$ 97,614,083	\$ 104,651,423	\$ 104,911,703	\$ 101,126,216	\$ 107,757,019	\$ 101,240,156	\$ 88,649,140	\$ 82,679,828	\$ 74,750,684
Intermediate sources	510,307	261,882	213,036	244,349	159,545	445,910	610,468	1,056,643	755,269	714,998
State sources	67,955,560	63,655,198	63,501,859	74,432,133	77,778,621	74,562,394	64,936,210	58,487,376	67,929,728	56,643,831
Federal sources	15,408,956	22,142,062	24,229,048	20,508,435	16,140,160	16,873,156	15,882,855	14,515,572	14,477,800	14,798,904
<i>Total Revenues</i>	181,936,248	183,673,225	192,595,366	200,096,620	195,204,542	199,638,479	182,669,689	162,708,731	165,842,625	146,908,417
EXPENDITURES										
Current										
Instruction	98,140,757	102,831,117	105,671,797	107,441,707	106,988,926	98,248,573	94,408,695	85,235,899	82,251,079	83,301,511
Supporting services	59,607,935	62,319,729	64,516,801	67,457,790	67,933,961	64,577,675	60,775,241	53,970,390	102,574,390	52,856,211
Community services	5,568,348	5,863,722	5,747,364	5,913,925	6,047,451	5,620,404	5,263,602	5,108,995	4,815,505	4,865,236
Facilities acquisition and construction	122,895	47,017	36,579	-	-	2,931	-	-	-	2,308,664
Debt service										
Principal	13,127,957	11,781,728	10,792,290	9,425,158	7,689,789	7,048,490	7,016,990	6,670,381	5,881,784	3,952,550
Interest	8,835,509	8,305,629	8,766,255	8,703,658	10,767,967	11,251,596	8,853,157	8,488,767	7,126,550	3,087,132
Refunding bonds issuance costs	-	-	-	223,320	-	-	-	-	-	157,088
Capital outlay	11,749,800	5,363,344	7,217,973	11,743,236	9,890,891	14,287,800	26,797,974	33,283,020	36,434,432	4,412,047
<i>Total Expenditures</i>	197,153,201	196,512,286	202,749,059	210,908,794	209,318,985	201,037,469	203,115,659	192,757,452	239,083,740	154,940,439
REVENUES OVER (UNDER) EXPENDITURES	(15,216,953)	(12,839,061)	(10,153,693)	(10,812,174)	(14,114,443)	(1,398,990)	(20,445,970)	(30,048,721)	(73,241,115)	(8,032,022)
OTHER FINANCING SOURCES (USES)										
Transfers in	4,731,208	4,118,948	2,097,401	3,246,510	6,018,811	8,828,064	6,795,051	8,705,438	6,665,968	2,807,934
Transfers out	(3,284,876)	(4,393,584)	(2,131,079)	(3,311,453)	(5,298,514)	(8,551,078)	(7,113,099)	(8,884,487)	(6,978,519)	(2,870,698)
Construction bonds issued	34,997,258	-	-	-	-	-	46,000,000	-	-	70,000,000
Bond premium (discount)	792,356	-	-	-	-	-	964,027	-	-	3,063,658
Pension bonds issued	-	-	-	-	-	-	-	-	53,435,000	-
Refunding bonds issued	-	-	-	51,247,038	-	-	-	-	-	17,630,000
Payment to refunded bond escrow agent	-	-	-	(51,018,536)	-	-	-	-	-	(17,591,048)
Capital leases	1,382,438	1,128,750	645,136	1,312,720	779,635	1,179,526	1,241,633	-	169,266	1,350,352
Sale of capital assets	3,715	17,500	1,380,450	-	-	5,271,907	30,000	3,072,323	1,010,858	149,068
Insurance recoveries	-	-	947,357	-	-	47,595	1,173,089	-	-	-
<i>Total Other Financing Sources (Uses)</i>	38,622,099	871,614	2,939,265	1,476,279	1,499,932	6,776,014	49,090,701	2,893,274	54,302,573	74,539,266
NET CHANGE IN FUND BALANCES	23,405,146	(11,967,447)	(7,214,428)	(9,335,895)	(12,614,511)	5,377,024	28,644,731	(27,155,447)	(18,938,542)	66,507,244
FUND BALANCES, Beginning of year	36,535,841	48,503,288 ⁽¹⁾	60,994,474	70,330,369	82,944,880	77,567,856	48,923,125	76,078,572	95,017,114	28,509,870
FUND BALANCES, End of year	<u>\$ 59,940,987</u>	<u>\$ 36,535,841</u>	<u>\$ 53,780,046</u>	<u>\$ 60,994,474</u>	<u>\$ 70,330,369</u>	<u>\$ 82,944,880</u>	<u>\$ 77,567,856</u>	<u>\$ 48,923,125</u>	<u>\$ 76,078,572</u>	<u>\$ 95,017,114</u>
Debt service as a percentage of noncapital expenditures	11.8%	10.5%	10.0%	9.1%	9.3%	9.8%	8.7%	9.2%	6.3%	4.7%

⁽¹⁾ As restated

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
 GOVERNMENT-WIDE EXPENSES BY FUNCTION
 LAST TEN FISCAL YEARS

Year Ended June 30	Direct Classroom Services				Classroom Support Services			
	Total	Regular Programs	Special Programs	Extra- Curricular Activities	Student Support	Libraries, Curriculum and Staff Development	School Adminis- tration	Community Services
2012	\$ 185,363,458	\$ 64,023,884	\$ 30,306,721	\$ 6,241,786	\$ 10,043,450	\$ 6,893,162	\$ 12,276,326	\$ 966,071
2011	191,886,250	68,213,481	31,049,610	6,865,932	10,061,735	7,383,178	12,519,186	1,133,431
2010	195,038,895	69,899,822	32,030,229	7,622,882	9,673,765	7,871,977	12,743,090	889,040
2009	199,812,723	72,672,924	30,429,415	7,188,363	10,589,123	8,346,919	13,229,656	879,561
2008	200,095,530	73,910,359	28,911,345	7,706,799	10,459,082	8,606,827	12,942,806	818,355
2007	180,774,014	66,231,895	26,835,992	7,858,094	9,393,923	9,016,567	12,256,432	799,960
2006	173,578,002	64,111,697	26,257,602	7,510,618	9,004,371	8,308,400	11,785,679	780,275
2005	153,720,382	59,142,738	21,813,187	6,583,125	7,521,980	6,769,001	10,711,580	756,954
2004	152,513,038	57,319,883	21,930,577	6,189,384	7,329,759	6,137,655	10,621,624	628,699
2003	159,050,490	58,444,971	21,346,461	6,331,391	8,048,135	6,126,101	10,654,284	809,398

⁽¹⁾ Beginning in the year ended June 30, 2008, District Retirement includes OPEB obligation.

Source: Statement of Activities

<i>Building Support Services</i>				<i>Central Support Services</i>						
<i>Facilities Operation and Maint- enance</i>	<i>Student Transpor- tation</i>	<i>Computing and Information Services</i>	<i>Warehouse and Purchasing</i>	<i>Executive Adminis- tration</i>	<i>Financial Services</i>	<i>Human Resources/ Employee Insurance Benefits</i>	<i>District Retirement ⁽¹⁾</i>	<i>Communi- cations and Intergov- ernmental Relations</i>	<i>Nutrition Services</i>	<i>Interest on Long-term Liabilities</i>
\$ 9,756,182	\$ 7,272,494	\$ 6,414,653	\$ 465,916	\$ 888,302	\$ 2,020,861	\$ 7,764,944	\$ 6,873,535	\$ 447,548	\$ 4,783,293	\$ 7,924,330
14,355,067	6,554,478	4,573,349	442,440	875,254	1,524,798	6,847,567	6,682,136	507,099	5,009,082	7,288,427
13,218,800	6,781,067	4,695,410	483,762	900,836	1,523,279	7,739,972	5,662,659	531,145	5,091,489	7,679,671
13,040,261	6,569,960	4,215,762	498,631	1,381,942	1,831,784	6,567,715	6,265,746	573,826	5,156,642	10,374,493
13,654,032	6,696,347	4,468,300	575,905	1,424,786	1,642,545	5,217,921	8,026,836	583,967	5,424,214	9,025,104
13,959,093	4,992,424	3,627,345	514,788	1,132,648	1,380,810	3,910,593	4,235,312	502,933	4,945,942	9,179,263
12,753,287	4,678,687	3,374,263	549,294	1,007,292	1,515,251	5,224,242	2,226,056	496,563	4,684,654	9,309,771
11,217,355	4,694,127	3,052,425	448,715	651,854	1,109,802	3,473,740	3,059,276	472,467	4,545,052	7,697,004
11,942,756	3,137,342	2,595,370	410,141	508,297	1,635,008	7,627,879	3,506,204	431,910	4,445,155	6,115,395
14,523,828	4,463,197	2,449,686	358,112	699,508	1,868,581	7,911,426	5,514,088	459,141	4,427,250	4,614,932

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
GENERAL FUND REVENUES BY SOURCES (BUDGETARY BASIS)
LAST TEN FISCAL YEARS

Year Ended June 30	Local Sources			
	Total	Property Taxes	Investment Income	Other
2012	\$ 139,229,505	\$ 64,659,069	\$ 272,795	\$ 3,880,336
2011	139,888,020	65,721,797	318,373	3,208,192
2010	142,166,287	68,620,232	426,344	3,376,928
2009	148,963,517	65,236,044	1,240,044	3,075,285
2008	148,715,416	62,193,573	3,237,565	3,395,825
2007	143,207,078	59,296,323	2,865,578	2,723,471
2006	125,817,389	56,150,066	2,027,924	2,718,023
2005	111,894,521	51,354,473	1,064,131	2,620,929
2004	120,780,570	47,940,442	503,103	3,009,139
2003	112,812,986	44,595,388	516,431	3,429,912

Source: Schedule of Revenues, Expenditures, and Changes in Fund Balance by Year
Includes revenues and other financing sources

State Sources						
School Support Fund	Common School Fund	Transportation Grant	Other	Intermediate Sources	Federal Sources	Other Sources
\$ 55,435,585	\$ 1,656,562	\$ 4,405,647	\$ 4,474,297	\$ 494,795	\$ 1,019,943	\$ 2,930,476
53,918,632	1,602,589	4,674,092	1,132,910	261,882	7,175,493	1,874,060
53,545,917	1,666,545	5,462,238	976,187	213,036	6,910,860	968,000
60,102,338	1,304,229	4,340,404	6,494,805	244,349	5,949,385	976,634
64,931,659	1,878,321	4,234,833	4,453,452	159,545	2,911,292	1,319,351
65,069,832	1,666,349	3,837,737	698,152	445,910	2,785,726	3,818,000
53,565,468	1,597,696	3,142,267	346,533	586,129	2,683,283	3,000,000
49,111,926	1,416,527	2,662,701	352,504	622,723	2,688,607	-
62,410,456	478,426	2,364,881	773,233	674,360	2,626,530	-
57,469,499	1,149,696	2,259,277	120,587	632,277	2,639,919	-

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
GENERAL FUND EXPENDITURES AND TRANSFERS TO OTHER FUNDS
(BUDGETARY BASIS)
LAST TEN FISCAL YEARS

Year Ended June 30	Total	Instruction	Support Services			
			Student Services	Instructional Staff	General Adminis- tration	School Adminis- tration
2012	\$ 139,103,260	\$ 83,228,479	\$ 8,337,518	\$ 4,101,914	\$ 839,900	\$ 11,640,815
2011	144,025,874	85,997,215	8,397,741	3,921,940	837,694	11,810,625
2010	144,031,876	87,340,570	8,020,213	4,266,328	868,289	11,905,845
2009	152,026,432	91,212,826	8,726,094	5,373,745	1,359,760	12,490,948
2008	152,507,435	89,703,733	8,620,867	5,129,029	1,408,820	12,049,479
2007	133,176,815	77,881,307	4,842,674	4,578,396	1,122,012	11,632,855
2006	125,376,456	74,996,549	5,156,522	3,668,397	945,078	11,083,448
2005	117,947,267	67,787,367	4,348,495	3,027,913	620,991	9,868,557
2004	111,124,327	65,170,109	4,190,707	2,939,050	472,049	9,570,247
2003	114,067,614	69,309,092	5,949,242	3,390,227	672,510	9,687,665

Source: *Schedule of Revenues, Expenditures, and Changes in Fund Balance by Year*
Includes expenditures and other financing uses

Support Services

<i>Business Services</i>	<i>Central Services</i>	<i>District Retirement</i>	<i>Community Services</i>	<i>Interfund Transfers</i>
\$ 19,738,602	\$ 5,950,309	\$ 2,500,000	\$ 387,021	\$ 2,378,702
20,515,684	6,132,475	3,097,108	467,108	2,848,284
21,099,158	6,115,181	2,500,000	285,213	1,631,079
21,216,355	5,696,921	2,892,639	245,691	2,811,453
21,229,859	5,718,356	3,024,104	324,674	5,298,514
18,625,781	4,817,545	3,781,743	343,424	5,551,078
17,077,964	4,275,104	3,740,327	319,968	4,113,099
15,935,581	3,639,175	3,538,190	296,511	8,884,487
15,129,180	3,277,432	3,146,547	250,487	6,978,519
16,171,361	3,417,172	3,124,100	375,547	1,970,698

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS

Year Ended June 30 ⁽¹⁾	Taxable Assessed Value ⁽²⁾	Percent Change	Total Levy ⁽³⁾	Percent Change	Tax Rate per \$1,000 ⁽⁴⁾	Collected and Adjusted within the Fiscal Year of the Levy		Collections and Adjustments in Subsequent Years	Total Collections and Adjustments to Date	
						Amount	Percent Collected Year of Levy ⁽⁴⁾		Amount	Percent Collected 06/30/2012 ⁽⁴⁾
2012	\$ 12,070,171,533	2.30 %	\$ 82,474,939	(0.35) %	\$ 6.8329	\$ 79,774,601	96.73 %	\$ -	\$ 79,774,601	96.73 %
2011	11,798,847,376	1.06	82,763,217	(3.15)	7.0142	80,370,202	97.11	817,677	81,187,879	98.10
2010	11,674,870,928	4.30	85,457,917	3.02	7.3196	82,595,077	96.65	1,723,349	84,318,426	98.67
2009	11,193,424,874	3.14	82,950,341	3.87	7.4105	80,320,815	96.83	2,336,804	82,657,620	99.65
2008	10,852,594,702	5.55	79,859,440	3.20	7.3584	74,777,925	93.64	4,989,333	79,767,258	99.88
2007	10,281,818,660	4.28	77,379,818	8.56	7.5257	73,242,886	94.65	4,078,556	77,321,442	99.92
2006	9,859,887,317	3.97	71,281,365	13.93	7.2295	67,364,563	94.51	3,869,183	71,233,746	99.93
2005	9,483,125,975	4.49	62,568,429	8.03	6.5871	58,765,673	93.92	3,761,730	62,527,403	99.93
2004	9,075,796,054	3.97	57,918,849	(1.30)	6.3818	54,417,169	93.95	3,462,887	57,880,056	99.93
2003	8,729,173,782	3.08	58,679,866	15.68	6.7224	54,558,438	92.98	4,074,035	58,632,473	99.92

⁽¹⁾Includes Local Option Levy.

⁽²⁾These figures represent assessed values for Lane and Linn Counties after removal of certain offsets, including the value of urban renewal areas.

⁽³⁾The levy is total taxes to be collected after the effects of compression and the addition of offsets and penalties and other taxes. The levy has been adjusted by certain offsets before calculation of the tax rate.

⁽⁴⁾Tax rates and percent collected are for Lane County only. Tax rates reflect post-Measure 5 compression amounts.

Note:

The net taxes levied are combined for Lane and Linn counties. Responsibility for the collection of all property taxes rests within the County's Department of Assessment and Taxation. Current taxes are assessed as of July, become due as of November 15 and become delinquent as of May 15. Assessed taxes become a lien upon real property in the fourth year of delinquency. Proceeds of tax sales are applied to delinquent taxes, interest and other costs attributable to the property sold.

The net levy is the actual imposed tax after adjustments and constitutional property tax limitations due to the passing of Measure 5 in 1990 and Measure 50 in 1997. Additional information can be found on Assessed Values of Taxable Property within School District Boundaries on page 105.

Source: Lane County Department of Assessment and Taxation
Linn County Tax Collection Department

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
DIRECT DISTRICT TAX RATES
LAST TEN FISCAL YEARS

District Direct Rates

<i>Fiscal Year</i>	<i>General Tax Permanent Rate ⁽¹⁾</i>	<i>Local Option ⁽¹⁾</i>	<i>General Obligation Debt Service Bonds</i>	<i>Total Direct Tax Rate</i>
2012	\$ 4.7485	\$ 1.5000	\$ 1.2866	\$ 7.5351
2011	4.7485	1.5000	1.3024	7.5509
2010	4.7485	1.5000	1.3929	7.6414
2009	4.7485	1.5000	1.3757	7.6242
2008	4.7485	1.5000	1.3404	7.5889
2007	4.7485	1.5000	1.6072	7.8557
2006	4.7485	1.5000	1.3975	7.6460
2005	4.7485	1.5000	1.0334	7.2819
2004	4.7485	1.5000	1.0365	7.2850
2003	4.7485	1.5000	1.4770	7.7255

Source: Oregon Property Tax Statistics for the appropriate fiscal year.

⁽¹⁾ Tax rates do not reflect post Measure 5 compression loss.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF PROPERTY TAX TRANSACTIONS
LAST TEN FISCAL YEARS

	<u>2011-2012</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>2008-2009</u>	<u>2007-2008</u>
GENERAL FUND					
Levy extended by Assessor	<u>\$ 66,820,808</u>	<u>\$ 67,274,768</u>	<u>\$ 69,076,852</u>	<u>\$ 67,433,941</u>	<u>\$ 65,196,549</u>
Tax rate per \$1,000 assessed value	<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>
Reduction of taxes receivable ⁽¹⁾					
Current year	\$ 65,519,719	\$ 65,216,364	\$ 66,621,682	\$ 63,603,885	\$ 63,256,929
1st year prior	757,315	1,357,575	2,792,548	1,093,583	828,632
2nd year prior	155,897	466,929	382,922	311,836	241,694
3rd year prior	311,377	249,304	187,743	168,833	147,589
4th year prior	138,524	105,986	96,573	88,995	69,845
5th and prior years	<u>92,174</u>	<u>26,304</u>	<u>108,877</u>	<u>33,051</u>	<u>64,278</u>
<i>Total Prior</i>	<u>1,455,287</u>	<u>2,206,098</u>	<u>3,568,663</u>	<u>1,696,298</u>	<u>1,352,038</u>
<i>Total General Fund</i>	<u>\$ 66,975,006</u>	<u>\$ 67,422,462</u>	<u>\$ 70,190,345</u>	<u>\$ 65,300,183</u>	<u>\$ 64,608,967</u>
DEBT SERVICE FUND					
Levy extended by Assessor	<u>\$ 15,654,130</u>	<u>\$ 15,488,449</u>	<u>\$ 16,381,066</u>	<u>\$ 15,516,400</u>	<u>\$ 14,662,891</u>
Tax rate per \$1,000 assessed value	<u>\$ 1.29</u>	<u>\$ 1.30</u>	<u>\$ 1.39</u>	<u>\$ 1.38</u>	<u>\$ 1.34</u>
Reduction of taxes receivable ⁽¹⁾					
Current year	\$ 15,359,306	\$ 15,040,596	\$ 15,819,130	\$ 14,660,649	\$ 14,251,334
1st year prior	153,029	306,272	624,800	226,194	225,016
2nd year prior	37,233	102,664	83,727	82,947	58,612
3rd year prior	73,530	57,792	51,017	42,515	27,804
4th year prior	26,918	22,753	19,526	14,037	13,671
5th and prior years	<u>12,962</u>	<u>5,151</u>	<u>6,290</u>	<u>6,896</u>	<u>5,520</u>
<i>Total prior</i>	<u>\$ 303,672</u>	<u>\$ 494,632</u>	<u>\$ 785,360</u>	<u>\$ 372,589</u>	<u>\$ 330,623</u>
<i>Total Debt Service Fund</i>	<u>\$ 15,662,978</u>	<u>\$ 15,535,228</u>	<u>\$ 16,604,490</u>	<u>\$ 15,033,238</u>	<u>\$ 14,581,957</u>

⁽¹⁾ Amounts include interest on deficiencies, discounts allowed for early payment, and adjustments and cancellations made by the County Assessor.

Source: Lane County Department of Assessment and Taxation
Linn County Department of Assessment and Taxation

<u>2006-2007</u>	<u>2005-2006</u>	<u>2004-2005</u>	<u>2003-2004</u>	<u>2002-2003</u>
<u>\$ 60,855,183</u>	<u>\$ 57,369,015</u>	<u>\$ 52,650,371</u>	<u>\$ 48,437,891</u>	<u>\$ 45,697,027</u>
<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>
\$ 59,279,706	\$ 55,897,134	\$ 52,016,649	\$ 46,843,389	\$ 43,908,558
899,896	999,151	960,780	1,015,071	1,152,962
243,724	338,955	389,730	402,457	408,567
161,223	235,825	201,048	239,485	196,029
89,160	100,120	112,178	102,693	102,483
23,009	35,452	21,885	53,981	34,577
<u>1,417,012</u>	<u>1,709,503</u>	<u>1,685,621</u>	<u>1,813,687</u>	<u>1,894,618</u>
<u>\$ 60,696,718</u>	<u>\$ 57,606,637</u>	<u>\$ 53,702,270</u>	<u>\$ 48,657,076</u>	<u>\$ 45,803,176</u>
<u>\$ 16,524,635</u>	<u>\$ 13,912,350</u>	<u>\$ 9,918,059</u>	<u>\$ 9,480,958</u>	<u>\$ 12,982,839</u>
<u>\$ 1.61</u>	<u>\$ 1.40</u>	<u>\$ 1.05</u>	<u>\$ 1.04</u>	<u>\$ 1.48</u>
\$ 16,125,607	\$ 13,577,001	\$ 9,799,749	\$ 9,196,475	\$ 12,510,454
201,849	166,311	166,173	262,610	160,041
45,362	62,445	104,723	56,072	83,919
31,126	65,048	28,011	49,191	50,828
23,544	13,948	23,041	26,627	24,432
3,840	6,958	4,212	13,622	3,630
<u>\$ 305,721</u>	<u>\$ 314,710</u>	<u>\$ 326,160</u>	<u>\$ 408,122</u>	<u>\$ 322,850</u>
<u>\$ 16,431,328</u>	<u>\$ 13,891,711</u>	<u>\$ 10,125,909</u>	<u>\$ 9,604,597</u>	<u>\$ 12,833,304</u>

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
ASSESSED VALUES OF TAXABLE PROPERTY WITHIN SCHOOL DISTRICT BOUNDARIES
LAST TEN FISCAL YEARS (in thousands of dollars)

Fiscal Year Ending June 30	Assessed Value (not including exempt property)				Total Assessed Value	Add: Non- Profit Housing	Less: Urban Renewal Excess	Total Net Assessed Value	Total Direct Tax Rate	Amount Tax Rate will Raise	Less: Reductions and Adjustments	Total Taxes Imposed Net Levy
	Real Property	Personal Property	Manufactured Structure	Public Utility								
2012	\$ 11,625,292	\$ 348,882	\$ 46,020	\$ 267,448	\$ 12,287,642	\$ 9,329	\$ 226,803	\$ 12,070,168	\$ 7.5351	\$ 91,307	\$ 8,832	\$ 82,475
2011	11,347,527	365,658	44,148	248,961	12,006,294	9,058	216,506	11,798,846	7.5509	89,438	6,675	82,763
2010	11,171,805	395,347	53,663	247,360	11,868,175	8,794	211,395	11,665,574	7.6414	89,551	4,093	85,458
2009	10,746,643	400,726	57,081	192,877	11,397,327	8,538	212,440	11,193,425	7.6242	85,683	2,733	82,950
2008	10,416,221	384,883	56,134	200,093	11,057,331	8,289	213,025	10,852,595	7.5889	82,707	2,847	79,859
2007	9,870,799	352,297	55,105	183,130	10,461,331	8,235	187,747	10,281,819	7.8557	80,974	3,594	77,380
2006	9,447,834	339,879	55,101	190,251	10,033,065	7,995	181,196	9,859,864	7.6460	75,716	4,434	71,281
2005	9,048,355	325,527	51,890	242,801	9,668,573	7,763	193,237	9,483,099	7.2819	69,174	6,606	62,568
2004	8,669,201	310,919	49,395	215,682	9,245,197	-	169,401	9,075,796	7.2850	66,192	8,273	57,919
2003	8,284,951	315,680	51,533	236,327	8,888,491	7,317	166,634	8,729,174	7.7255	67,528	8,849	58,680

Notes:

Beginning July 1, 1997 property taxes were based on an assessed value. Assessed value is defined as the lower of "maximum assessed value" or "real market value". For the 1997-1998 tax year, "maximum assessed value" was set at the 1995-1996 real market value less 10 percent. Assessed value for later years is limited to 3 percent annual increases.

The net levy is the actual imposed tax after adjustments and constitutional property tax limitations due to the passing of Measure 5 in 1990 and Measure 50 in 1997.

Source:

FY 2011-2012: Lane County Department of Assessment and Taxation.

FY 2003-2012: Oregon Property Tax Statistics Supplement for the appropriate fiscal year.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
COMPARISON OF GENERAL FUND BUDGET TO TAX LEVY
LAST TEN FISCAL YEARS

<u>Year Ended June 30</u>	<u>General Fund Budget</u>	<u>General Fund Levy</u>	<u>Percentage of Levy to Budget</u>
2012	\$ 142,262,000	\$ 66,820,808	46.97 %
2011	149,301,760	67,274,768	45.06
2010	148,631,000	69,076,852	46.48
2009	168,681,634	67,433,941	39.98
2008	164,312,578	65,196,549	39.68
2007	146,812,500	60,855,183	41.45
2006	132,117,000	57,369,015	43.42
2005	126,088,700	52,650,371	41.76
2004	115,473,200	48,437,891	41.95
2003	121,651,990	45,697,027	37.56

Source: Lane County Department of Assessment and Taxation
Linn County Department of Assessment and Taxation
Statement of Revenues, Expenditures and Changes in Fund Balance by Year

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
PROPERTY TAX RATES⁽¹⁾ - ALL OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS (Dollars per \$1,000)

	% within School District⁽²⁾	2011-2012	2010-2011	2009-2010	2008-2009
Bailey-Spencer RFPD	100.00 %	\$ 2.39	\$ 2.39	\$ 2.39	\$ 2.39
City of Coburg	100.00	5.32	5.36	5.50	5.48
City of Eugene	81.46	8.04	8.33	8.32	7.73
City of Springfield	9.03	6.99	7.06	7.13	7.19
Coburg RFPD	92.54	1.37	1.37	1.37	1.37
Creswell RFPD	N/A	N/A	N/A	N/A	N/A
Eugene Urban Renewal Downtown	81.46	0.26	0.25	0.24	0.25
Emerald PUD	9.74	-	-	-	-
Eugene RFPD #1	99.62	1.85	1.85	2.00	2.00
Glenwood Water	99.96	3.54	3.69	3.85	3.85
Goshen RFPD	14.36	1.72	1.72	1.72	1.72
Junction City Water Control	2.71	0.28	0.29	0.29	0.30
Lane Rural Fire/Rescue	3.35	2.12	2.12	2.12	2.12
Lane County	46.04	1.39	1.39	1.40	1.40
Lane County Fire District 1	21.77	1.98	1.98	1.98	1.98
Lane ESD	46.20	0.22	0.22	0.22	0.22
Lane Community College	46.13	0.88	0.86	0.85	0.87
LeBleu Road	100.00	-	-	-	-
Linn County	0.13	7.54	7.55	7.64	7.62
Mohawk Valley RFPD	2.08	1.91	1.91	1.91	2.41
Rainbow Water & Fire District	2.24	3.76	3.58	3.62	3.73
River Road Park & Recreation	98.09	3.88	3.89	3.90	3.46
River Road Water Subdistrict #1	2.38	0.28	0.28	0.28	0.28
River Road Water	98.02	1.97	1.97	1.97	1.97
Santa Clara RFPD	98.50	1.04	1.04	1.04	1.04
Santa Clara Water District	85.23	-	-	-	-
South Lane County Fire & Rescue	0.03	1.03	1.03	1.03	1.03
Springfield Economic Development Agency	10.28	-	-	-	-
Willakenzie RFPD	52.87	3.07	3.07	3.07	3.07
Willamalane Park & Rec	10.52	2.01	2.01	2.01	2.15
Zumwalt Fire	81.72	2.34	2.34	2.34	2.34

⁽¹⁾ Gross tax rate before Measure 5 limitations applied.

⁽²⁾ Percentage within School District is provided by Lane County Department of Assessment and Taxation and is calculated as the portion of taxable value that is within the District's boundaries divided by each overlapping Government's total taxable value.

Source: Lane County Department of Assessment and Taxation
Linn County Department of Assessment and Taxation

	<u>2007-2008</u>	<u>2006-2007</u>	<u>2005-2006</u>	<u>2004-2005</u>	<u>2003-2004</u>	<u>2002-2003</u>
\$	2.39	\$ 2.39	\$ 2.39	\$ 2.39	\$ 2.39	\$ 2.39
	5.49	5.38	5.54	5.48	5.44	3.75
	7.89	8.79	8.90	9.28	9.22	8.41
	6.13	6.12	6.10	6.15	6.17	5.15
	1.39	1.65	1.73	1.78	1.78	1.33
	N/A	N/A	N/A	N/A	N/A	1.02
	0.26	0.26	0.26	-	-	-
	-	-	-	-	-	-
	2.54	2.54	2.54	1.72	2.54	2.54
	3.89	4.14	4.14	4.14	3.19	1.90
	1.72	1.72	1.72	1.72	1.72	1.72
	0.31	0.31	0.29	0.32	0.34	0.32
	2.12	2.12	2.12	2.12	2.12	2.12
	1.40	1.41	1.41	1.41	1.43	1.44
	1.98	1.98	1.98	1.98	1.98	1.98
	0.22	0.22	0.22	0.22	0.22	0.22
	0.83	0.85	0.88	0.89	0.86	0.88
	-	-	-	-	-	-
	7.59	7.84	7.65	7.28	7.29	7.73
	2.41	2.48	2.55	2.51	2.56	2.68
	3.73	3.15	3.18	3.21	3.25	3.10
	3.48	3.48	3.50	3.06	3.45	3.52
	0.28	0.28	0.28	0.28	0.28	0.28
	1.97	1.97	1.97	1.97	1.97	1.97
	1.04	1.04	1.04	1.04	1.04	1.04
	-	-	-	-	-	-
	1.03	1.03	1.03	1.03	1.03	N/A
	-	-	-	-	-	-
	3.07	3.07	3.07	3.07	3.07	1.88
	2.15	2.18	2.33	2.33	2.35	2.42
	2.34	2.34	2.34	2.34	2.34	2.34

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
JUNE 30, 2012

Overlapping Issuer	Net Property-tax Backed Debt ⁽¹⁾	Percentage Within School District ⁽²⁾	Overlapping Debt ⁽³⁾
River Road Park & Recreation District	\$ 520,000	98.10 %	\$ 510,121
Coburg RFPD	500,000	92.75	463,729
City of Eugene	28,910,000	83.10	24,024,730
Lane ESD	7,645,000	49.16	3,758,374
Lane County	48,960,000	49.00	23,988,099
Lane Community College	31,910,000	48.37	15,433,463
City of Springfield	25,845,000	20.54	5,307,452
Harrisburg Rural Fire Protection District	165,000	3.39	5,593
Total			73,491,561
Direct District net property-tax backed debt			179,482,258
Total direct and overlapping debt			<u>\$ 252,973,819</u>

(1) Net Property-tax Backed Debt is all General Obligation (GO) Bonds and Full Faith & Credit bonds, less Self-supporting Unlimited-tax GO and less Self-supporting Full Faith & Credit debt.

(2) The percentage within School District is provided by the Municipal Debt Advisory Commission and is calculated as the portion of another overlapping issuer's real market value that is within the District's boundaries divided by each issuer's total real market value.

(3) The overlapping debt is the issuer's Net Property-tax Backed Debt times the percentage of taxable value within the District's boundaries.

Source: Municipal Debt Advisory Commission, State of Oregon

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
LEGAL DEBT MARGIN INFORMATION
LAST TEN FISCAL YEARS, (DOLLARS IN THOUSANDS)

Legal Debt Margin Calculation for Fiscal Year 2012	
Real Market Value	<u>\$ 18,472,921</u>
Debt Limit (7.95%) ⁽¹⁾	\$ 1,468,597
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	134,847
Less: Amount Available in Debt Service Funds	<u>8,855</u>
Amount of Debt Applicable to Debt Limit	<u>125,992</u>
Legal Debt Margin	<u><u>\$ 1,342,605</u></u>

	Fiscal Year									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Debt limit	\$ 1,468,597	\$ 1,486,559	\$ 1,601,141	\$ 1,692,305	\$ 1,591,775	\$ 1,402,753	\$ 1,149,304	\$ 1,020,733	\$ 922,233	\$ 875,483
Total net debt applicable to limit	<u>125,992</u>	<u>100,828</u>	<u>110,624</u>	<u>120,130</u>	<u>130,252</u>	<u>136,731</u>	<u>153,165</u>	<u>113,294</u>	<u>119,685</u>	<u>124,372</u>
Legal debt margin	<u><u>\$ 1,342,605</u></u>	<u><u>\$ 1,385,731</u></u>	<u><u>\$ 1,490,517</u></u>	<u><u>\$ 1,572,176</u></u>	<u><u>\$ 1,461,523</u></u>	<u><u>\$ 1,266,022</u></u>	<u><u>\$ 996,139</u></u>	<u><u>\$ 907,439</u></u>	<u><u>\$ 802,549</u></u>	<u><u>\$ 751,111</u></u>
Total net debt applicable to the limit as a percentage of debt limit	8.58%	6.78%	6.91%	7.10%	8.18%	9.75%	13.33%	11.10%	12.98%	14.21%

⁽¹⁾ ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market values of all taxable properties within the district:
For each grade from kindergarten through eighth for which the District operates schools, fifty-five one-hundredths of one percent (.0055) of the real market value.
For each grade from ninth through twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of the real market value.

<i>Allowable Percentage of Real Market Value:</i>	
<i>Kindergarten through eighth grade, 9 x .0055</i>	4.95%
<i>Ninth through twelfth grade, 4 x .0075</i>	<u>3.00%</u>
<i>Allowable Percentage</i>	<u><u>7.95%</u></u>

Source: Long-term debt footnote and Assessed True Cash Value Property Schedule

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
RATIO OF ANNUAL DEBT SERVICE REQUIREMENTS FOR GENERAL BONDED
DEBT TO TOTAL GENERAL FUND EXPENDITURES AND TRANSFERS
LAST TEN FISCAL YEARS

Year Ended June 30	Principal	Interest	Total Bonded Debt Service	Total General Fund Expenditures and Transfers	Ratio
2012	\$ 11,485,000	\$ 5,931,405	\$ 17,416,405	\$ 139,103,260	0.1252
2011	10,360,000	5,365,756	15,725,756	144,025,874	0.1092
2010	9,560,000	5,794,765	15,354,765	144,031,876	0.1066
2009	8,515,000	5,737,129	14,252,129	152,179,562	0.0937
2008	6,808,929	7,822,887	14,631,816	153,078,711	0.0956
2007	6,525,790	8,321,351	14,847,141	133,226,509	0.1114
2006	6,129,431	5,933,043	12,062,474	125,376,456	0.0962
2005	6,390,477	5,560,998	11,951,475	117,947,267	0.1013
2004	4,687,306	6,003,738	10,691,044	111,124,327	0.0962
2003	3,687,992	3,017,341	6,705,333	114,067,614	0.0588

Source: Combined Statement of Revenues, Expenditures and Changes in Fund Balance

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUATION AND
NET GENERAL BONDED DEBT PER CAPITA AND PER STUDENT
LAST TEN FISCAL YEARS

Year Ended June 30	District Population (Estimated)	Average Daily Membership (Resident) K-12⁽¹⁾	Assessed Valuation	Net Bonded Debt	Ratio of Net Bonded Debt to Assessed Valuation	Net Bonded Debt Per Capita	Net Bonded Debt Per Student
2012	153,667	15,248	\$ 12,070,171,533	\$ 134,847,258	0.0112	\$ 878	\$ 8,843
2011	152,428	15,762	11,798,847,376	111,335,000	0.0094	730	7,064
2010	150,188	16,027	11,674,870,928	121,695,000	0.0104	810	7,593
2009	149,160	16,104	11,193,424,874	131,255,000	0.0117	880	8,150
2008	148,132	16,192	10,852,594,702	139,829,999	0.0129	944	8,636
2007	147,105	16,476	10,281,818,660	146,638,929	0.0143	997	8,900
2006	146,077	16,746	9,859,887,317	153,164,719	0.0155	1,049	9,146
2005	145,049	16,984	9,483,125,975	113,294,150	0.0119	781	6,671
2004	144,021	17,105	9,075,796,054	119,684,627	0.0132	831	6,997
2003	142,993	17,379	8,729,173,782	124,371,933	0.0142	870	7,156

⁽¹⁾Excludes District sponsored public charter schools and alternative education providers.
821 ADM were excluded from the 2012 count.

Source: State of Oregon Department of Education
Lane County Department of Assessment and Taxation
Lane County School District 4J
Lane Council of Governments

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS

<i>Fiscal Year</i>	<i>Governmental Activities</i>			<i>Total Primary Government</i>	<i>Percentage of Personal Income ⁽¹⁾</i>	<i>Per Capita ⁽¹⁾</i>	<i>Per Student ⁽²⁾</i>
	<i>General Obligation Bonds</i>	<i>Pension Bonds</i>	<i>Capital Leases</i>				
2012	\$ 134,847,258	\$ 50,940,000	\$ 4,139,746	\$ 189,927,004	1.555%	\$ 1,236	\$ 12,456
2011	111,335,000	51,765,000	3,528,428	166,628,428	1.386%	1,093	10,572
2010	121,695,000	52,410,000	3,223,243	177,328,243	1.539%	1,181	10,936
2009	131,255,000	52,895,000	3,325,396	187,475,396	1.613%	1,257	11,642
2008	139,830,000	53,235,000	2,582,834	195,647,834	1.734%	1,321	12,083
2007	146,638,929	53,435,000	2,484,059	202,557,988	1.932%	1,377	12,294
2006	153,164,719	53,435,000	1,827,233	208,426,952	2.094%	1,427	12,446
2005	113,294,150	53,435,000	1,473,159	168,202,309	1.792%	1,160	9,904
2004	119,684,627	53,435,000	1,753,062	174,872,689	1.982%	1,214	10,223
2003	124,371,931	-	2,793,123	127,165,054	1.470%	889	7,317

⁽¹⁾ See page 111 for estimated District population data and 114 for personal income data. These ratios are calculated using personal income for the prior calendar year.

⁽²⁾ See page 119 for average daily membership data.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Year Ended June 30	City of Eugene				Lane County		State of Oregon	
	Estimated Population ⁽¹⁾	Percent Change	Area (Square Miles)	Average Density Persons/Square Mile	Estimated Population ⁽¹⁾	Percent Change	Estimated Population ⁽¹⁾	Percent Change
2012	158,335	0.84 %	40.5	3,910	354,210	0.30 %	3,883,740	0.68 %
2011	157,010	⁽²⁾ 0.46	40.5	3,877	353,155	⁽²⁾ 0.33	3,857,625	⁽²⁾ 0.53
2010	156,295	⁽²⁾ 1.08	40.5	3,859	352,010	⁽²⁾ 1.24	3,837,300	⁽²⁾ 0.36
2009	154,620	3.77	40.5	3,818	347,690	0.52	3,823,465	0.85
2008	149,004	1.81	40.5	3,679	345,880	1.81	3,791,075	2.73
2007	146,356	0.13	40.5	3,614	339,740	1.09	3,690,505	1.63
2006	146,160	1.05	40.5	3,609	336,085	0.82	3,631,440	1.36
2005	144,640	0.51	41.5	3,485	333,350	1.20	3,582,600	1.16
2004	143,910	1.07	41.5	3,468	329,400	0.38	3,541,500	1.05
2003	142,380	1.30	41.5	3,431	328,150	0.69	3,504,700	0.95

⁽¹⁾ Based on preliminary estimates by Population Research Center as of November 15, 2012.

⁽²⁾ Revised.

Source: Portland State University Center for Population Research and Census

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Year Ended December 31	County Population	County Personal Income (thousands of dollars)	County Per Capita Personal Income	County Unemployment Rate
2011	353,416	\$ 12,214,306	\$ 34,561	9.5%
2010	351,983	12,020,514	34,151	11.1
2009	351,109	11,525,524	32,826	11.9
2008	345,880	11,594,589	33,522	6.6
2007	343,140	11,284,845	32,887	5.3
2006	339,740	10,483,145	31,364	5.5
2005	336,085	9,951,218	29,609	6.2
2004	329,400	9,384,503	28,490	7.3
2003	328,150	8,822,401	26,885	7.4
2002	325,900	8,653,611	26,553	6.7

Source: Population information: Portland State University Center for Population Research and Census
 Personal income: US Department of Commerce, Bureau of Economic Analysis
 State of Oregon Employment Division, Department of Human Resources

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON

MAJOR TAXPAYERS - CURRENT YEAR AND NINE YEARS AGO

JUNE 30, 2012

Name	2012			2003		
	2011-12 Assessed Valuation	Rank ⁽¹⁾	Percentage of District Total Assessed Value	2002-03 Assessed Valuation	Rank ⁽¹⁾	Percentage of District Total Assessed Value
Valley River Center	\$ 104,445,512	1	0.87 %	\$ 74,780,663	3	0.86 %
Comcast Corporation	101,770,300	2	0.84			
Symantec Corporation	77,845,836	3	0.65			
PeaceHealth	526,588,286	4	4.37			
Qwest Corp	68,750,500	5	0.57	121,130,981	2	1.39
McKay Investment Company	51,502,848	6	0.43	17,370,416	10	0.20
Hynix Semiconductor Mfg	44,527,430	7	0.37	481,780,187	1	5.52
Northwest Natural Gas Co	44,323,100	8	0.37	30,400,000	6	0.35
Chase Village LLC	34,396,437	9	0.29			
Molecular Probes Inc	37,761,527	10	0.31			
Sony Music Entertainment Inc				64,861,420	4	0.74
SHLP Financing LLC				27,647,044	5	0.32
Guard Publishing Co				26,482,470	7	0.30
Shorewood Packaging Corp				25,939,911	8	0.30
Symantec 2001 Trust				24,976,723	9	0.29
<i>Total Major Taxpayers</i>	1,091,911,776		9.07	895,369,815		10.27
<i>Other</i>	10,968,084,497		90.93	7,833,803,967		89.73
<i>Total All Taxpayers</i>	<u>\$ 12,059,996,273</u>		<u>100.00 %</u>	<u>\$ 8,729,173,782</u>		<u>100.00 %</u>

⁽¹⁾ Ranking is based on amount of tax and not assessed valuation.

Source: Lane County Department of Assessment and Taxation

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
MAJOR EMPLOYERS - LANE COUNTY - CURRENT YEAR AND NINE YEARS AGO
JUNE 30, 2012

Company	2012 ⁽⁵⁾			2003		
	Number of Employees	Rank	Percentage of Total Employment	Number of Employees	Rank	Percentage of Total Employment
University of Oregon	4,000	1	2.96 %	3,760 ⁽²⁾	2	2.75 %
PeaceHealth Corporation	3,400 ⁽¹⁾	2	2.51	4,125 ⁽¹⁾	1	3.02
City of Eugene	2,200	3	1.63	1,465 ⁽³⁾	8	1.07
Lane County School District 4J	2,025 ⁽³⁾	4	1.50	1,988 ⁽²⁾	5	1.46
Lane Community College	2,000 ⁽²⁾	5	1.48	2,000	4	1.46
U.S. Government	1,800	6	1.33	2,000 ⁽³⁾	3	1.46
Lane County	1,462	7	1.08	1,786	6	1.31
Springfield School District	1,406	8	1.04	1,500	7	1.10
State of Oregon	1,100	9	0.81	1,200 ⁽³⁾	9	0.88
McKenzie-Willamette Medical Ctr	750	10	0.55	1,200	10	0.88
<i>Total Major Employers</i>	20,143		14.89	21,024		15.39
<i>Other</i>	115,213		85.11	115,512		84.61
<i>Total All Employers</i>	135,356 ⁽⁴⁾		100.00 %	136,536		100.00 %

⁽¹⁾ Includes PeaceHealth Medical Group, Sacred Heart Medical, Cottage Grove Hospital.

⁽²⁾ Includes part-time employees and student instructors.

⁽³⁾ Includes part-time employees.

⁽⁴⁾ Bureau of Labor Statistics March 2012 preliminary total.

⁽⁵⁾ Updated information not available at the time of printing. Statistics are the same as 2010 census.

Source: Eugene/Springfield Metropolitan Partnership, as cited by www.springfield-chamber.org
Oregon Employment Department

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
AVERAGE ANNUAL UNEMPLOYMENT AS A PERCENT OF LABOR FORCE
LAST TEN YEARS

<u>Year Ending December 31</u>	<u>Eugene MSA</u>	<u>State of Oregon</u>	<u>United States</u>
2011	9.5 %	9.5 %	8.9 %
2010	11.1	10.7 ⁽¹⁾	9.6
2009	12.2	11.1	9.3
2008	6.7	6.5	5.8
2007	5.2	5.2	4.6
2006	5.4	5.3	4.6
2005	6.2	6.2	5.1
2004	7.3	7.3	5.5
2003	8.0	8.1	6.0
2002	7.1	7.6	5.8

⁽¹⁾ Revised

Source: State of Oregon Employment Division, Department of Human Resources

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS FOR THE CITY OF EUGENE
LAST TEN FISCAL YEARS**

Year Ended June 30	Assessed Property Value* (in thousands)	Commercial Permits⁽¹⁾	Construction Value⁽¹⁾ (in thousands)	Residential Permits⁽¹⁾	Construction Value⁽¹⁾ (in thousands)	Bank Deposits⁽²⁾ (in thousands)
2012	\$ 12,059,996	606	\$ 68,953	734	\$ 64,516	\$ 2,827,768
2011	11,789,130	553	48,881	744	57,200	2,852,086
2010	11,665,574	523	37,907	755	62,531	2,833,992
2009	11,184,444	585	67,635	746	47,182	2,799,212
2008	10,843,906	751	74,606	1,005	68,984	2,618,900
2007	10,273,387	690	57,431	1,202	110,173	2,875,140
2006	9,851,811	785	89,408	1,537	186,210	2,486,628
2005	9,475,300	801	80,764	1,417	196,722	1,904,709
2004	9,068,240	726	77,290	1,283	141,664	1,896,363
2003	8,721,850	713	76,732	1,237	146,081	1,609,621

* Lane County School District No. 4J only.

Source: ⁽¹⁾ City of Eugene, Department of Public Works

⁽²⁾ Federal Deposit Insurance Corporation

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
AVERAGE DAILY MEMBERSHIP AND PER PUPIL EXPENDITURES
LAST TEN FISCAL YEARS

Year Ended June 30	Average Daily Membership (K-12) ⁽¹⁾	Total Government- wide Expenses ⁽³⁾	Government-	Total General Fund Expenditures ⁽³⁾	General Fund Per Pupil (ADM)	General Fund Instruction Expenditures ⁽³⁾	General Fund	General Fund Other Expenditures ⁽³⁾	General Fund
			wide Expenses Per Pupil (ADM)				Instruction Expenditures Per Pupil (ADM)		Other Expenditures Per Pupil (ADM)
2012	16,241	\$ 185,363,458	\$ 11,413	\$ 136,724,558	\$ 8,418	\$ 83,228,479	\$ 5,125	\$ 53,496,079	\$ 3,294
2011	16,546 ⁽²⁾	191,886,250	11,597	141,177,590	8,532	85,997,215	5,197	55,180,375	3,335
2010	16,705	195,038,895	11,675	142,400,797	8,524	87,340,570	5,228	55,060,227	3,296
2009	16,812	199,812,723	11,885	149,214,979	8,876	91,212,826	5,425	58,002,153	3,450
2008	16,998	200,095,530	11,772	147,208,921	8,660	89,703,733	5,277	57,505,188	3,383
2007	17,282	180,774,014	10,460	127,625,737	7,385	77,881,307	4,506	49,744,430	2,878
2006	17,563	173,578,002	9,883	121,263,357	6,904	74,996,549	4,270	46,266,808	2,634
2005	17,570	153,720,382	8,749	117,947,267	6,713	67,787,367	3,858	50,159,900	2,855
2004	17,709	152,513,038	8,612	111,124,327	6,275	65,170,109	3,680	45,954,218	2,595
2003	17,964	159,050,490	8,854	114,067,614	6,350	69,308,489	3,858	44,759,125	2,492

⁽¹⁾ Includes District sponsored public charter schools and alternative education providers.

⁽²⁾ Revised in 2012 to reflect final numbers for fiscal year.

⁽³⁾ Budgetary basis.

Source: State of Oregon Department of Education
Statement of Activities
General Fund Expenditures and Transfers to other Funds

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
FULL TIME EQUIVALENT EMPLOYEES BY ACTIVITY/FUNCTION
LAST TEN FISCAL YEARS

Activity/Function	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Direct classroom services										
Regular instruction	661.6	730.6	767.2	789.2	792.6	776.1	775.6	778.6	767.2	770.9
Special programs	321.0	360.5	380.1	350.6	347.0	345.3	338.6	317.9	307.4	288.5
Total direct classroom services	982.6	1,091.1	1,147.3	1,139.8	1,139.6	1,121.4	1114.2	1096.5	1074.6	1059.4
Classroom support services										
Extracurricular activities	6.6	6.6	5.9	6.2	7.5	6.0	6.4	5.4	4.3	3.7
Student support	101.4	107.7	110.1	122.7	122.2	122.9	120.7	107.6	107.4	103.5
Libraries, curriculum and staff development	48.0	55.7	59.5	62.6	68.5	65.5	60.1	57.3	51.1	50.5
School administration	124.1	130.7	134.2	143.0	139.8	150.3	152.1	143.8	145.0	145.4
Community services	10.3	13.2	10.0	9.9	11.5	12.3	10.7	9.6	9.1	10.7
Total classroom support services	290.4	313.9	319.7	344.4	349.5	357.0	350.0	323.7	316.9	313.8
Building support services										
Facilities operation and maintenance	126.6	145.1	154.1	159.2	152.8	145.2	158.5	150.5	153.1	153.8
Student transportation	76.4	77.5	79.4	85.1	71.1	63.3	59.6	62.6	58.4	57.8
Computing and information services	38.7	38.8	41.5	33.6	30.4	20.7	21.2	21.2	18.7	19.3
Warehouse and purchasing	4.6	4.7	5.7	6.0	7.3	6.3	6.5	5.5	6.5	6.5
Total building support services	246.3	266.1	280.7	283.9	261.6	235.5	245.8	239.8	236.7	237.4
Central support services										
Executive administration	4.2	3.2	4.3	7.8	7.2	6.1	4.7	2.5	2.5	4.0
Financial services	15.4	14.4	15.9	15.9	13.9	14.8	14.8	14.4	14.0	14.0
Human resources/employee insurance benefits	20.0	18.6	17.6	18.2	18.9	25.0	19.6	19.3	18.0	20.3
Communications and intergovernmental relations	2.5	3.0	3.2	3.1	3.0	3.0	3.2	3.2	3.1	3
Total central support services	42.1	39.2	41.0	45.0	43.0	48.9	42.3	39.4	37.6	41.3
Nutrition services										
	63.4	68.1	72.1	68.0	71.6	72.1	73.7	75.1	74.8	69.9
Total employees	1,624.8	1,778.4	1,860.8	1,881.1	1,865.3	1,834.9	1,826.0	1,774.5	1,740.6	1,721.8
Licensed Staff										
	834.6	922.5	962.9	976.4	969.4	951.5	959.3	931.1	919.2	915.8
Classified Staff										
	687.2	752.2	791.5	789.8	784.3	772.3	754.7	735.5	715.8	699.9
Professional Staff										
	27.0	19.6	24.3	26.3	25.2	23.2	22.5	21.0	17.2	17.1
Total Classified and Professional	714.2	771.8	815.8	816.1	809.5	795.5	777.2	756.5	733.0	717.0
Administrative Staff										
	64.7	73.1	71.1	77.6	75.4	76.9	78.1	76.4	77.6	78.6
Supervisory Staff										
	11.3	11.0	11.0	11.0	11.0	11.0	11.4	10.5	10.8	10.4
Total Administrators and Supervisors	76.0	84.1	82.1	88.6	86.4	87.9	89.5	86.9	88.4	89.0
Total employees	1,624.8	1,778.4	1,860.8	1,881.1	1,865.3	1,834.9	1,826.0	1,774.5	1,740.6	1,721.8

Note: FTE as of June

Source: Human Resources Information System

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
LICENSED, CLASSIFIED, AND ADMINISTRATIVE FULL-TIME
EQUIVALENT EMPLOYEES - GENERAL FUND
LAST TEN FISCAL YEARS

Year Ended June 30	Licensed	Classified and Professional⁽³⁾	Administrative and Supervisory⁽⁴⁾	Total	Average Daily Membership (Resident) K-12⁽²⁾	Licensed Staffing Ratio
2012	750.8	540.3	70.3	1,361.4	15,248	20.3
2011	833.0	585.0	77.5	1,495.5	15,762	18.9
2010	839.0	608.1	72.5	1,519.6	16,027	19.1
2009	882.8	598.5	79.2	1,560.5	16,104	18.2
2008 ⁽¹⁾	885.2	611.5	79.1	1,575.8	16,192	18.3
2007	818.3	572.1	77.4	1,467.9	16,476	20.1
2006	822.4	564.1	76.1	1,462.6	16,746	20.4
2005	831.4	555.7	66.0	1,453.1	16,943	20.4
2004	805.4	537.7	66.1	1,409.2	17,105	21.2
2003	822.0	569.0	69.0	1,460.0	17,379	21.1

⁽¹⁾ Increase reflects on-load of staff previously funded with City of Eugene Levy funds 2004-2007.

⁽²⁾ Excludes District sponsored public charter schools and alternative education providers.

⁽³⁾ Beginning 2006 includes Professional.

⁽⁴⁾ Beginning 2006 includes Supervisors.

Note: FTE as of June

EUGENE SCHOOL DISTRICT NO. 4J
BARGAINING UNITS & CONTRACT STATUS
JUNE 30, 2012

<u>Collective Bargaining Unit</u>	<u>No. of Employees</u>	<u>Termination Date of Current Contract</u>	<u>Status of Negotiations</u>
Oregon Education Association/ Eugene Education Association	883	06/30/2013	Settled
Oregon School Employees Association	836	06/30/2014	Settled

Source: Oregon Education Association/Eugene Education Association
Oregon School Employees Association

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
LICENSED PROFESSIONAL SALARY PLAN
YEAR ENDING JUNE 30, 2012

LEVEL	BACHELORS	BACHELORS + 23	BACHELORS + 45	BACHELORS + 60 MASTERS	BACHELORS + 83 B+68 W/ MASTERS MASTERS + 23	BACHELORS +105 B+90 W/ MASTERS MASTERS + 45	DOCTORATE MASTERS + 90
1	\$34,058	\$35,318	\$36,625	\$37,980	\$39,385	\$40,842	\$42,353
2	34,688	35,971	37,302	38,682	40,113	41,597	43,136
3	35,330	36,637	37,993	39,399	40,857	42,369	43,937
4	36,637	37,993	39,399	40,857	42,369	43,937	45,563
5	37,993	39,399	40,857	42,369	43,937	45,563	47,249
6	39,399	40,857	42,369	43,937	45,563	47,249	48,997
7	40,857	42,369	43,937	45,563	47,249	48,997	50,810
8	42,369	43,937	45,563	47,249	48,997	50,810	52,690
9	*	43,937	45,563	47,249	48,997	50,810	52,690
10	45,563	47,249	48,997	50,810	52,690	54,640	56,662
11	47,249	48,997	50,810	52,690	54,640	56,662	58,758
12	48,997	50,810	52,690	54,640	56,662	58,758	60,932
13	50,810	52,690	54,640	56,662	58,758	60,932	63,186
Longevity (16)	52,690	54,640	56,662	58,758	60,932	63,186	65,524
Longevity (16+)	54,640	56,662	58,758	60,932	63,186	65,524	67,948
Longevity (17)	NA	NA	NA	NA	NA	67,490	69,986

* Highest entry level.

LICENSED STAFFING PER LEVEL AND EDUCATION IN FULL-TIME EQUIVALENT EMPLOYEES—JUNE 2012

LEVEL	BACHELORS	BACHELORS + 23	BACHELORS + 45	BACHELORS + 60 MASTERS	BACHELORS + 83 B+68 W/ MASTERS MASTERS + 23	BACHELORS +105 B+90 W/ MASTERS MASTERS + 45	DOCTORATE MASTERS + 90	TOTAL
1	0.0	0.0	0.0	2.6	4.3	0.5	1.2	8.6
2	0.5	0.0	1.0	3.9	5.3	1.6	0.0	12.3
3	1.6	0.0	0.0	3.0	3.5	5.9	0.0	14.0
4	0.0	0.0	0.0	4.3	15.4	4.5	0.6	24.8
5	0.0	0.0	1.0	12.6	20.0	8.0	0.0	41.6
6	3.0	0.0	1.0	11.2	8.6	10.7	4.8	39.3
7	3.0	2.0	1.0	15.7	17.1	16.1	3.0	57.9
8	3.0	0.0	0.0	15.3	14.5	14.1	3.0	49.9
9	2.5	0.0	1.0	17.3	14.6	8.4	1.0	44.8
10	0.3	0.5	0.0	7.0	9.0	17.9	2.0	36.7
11	0.0	0.0	0.0	15.0	7.7	15.4	3.6	41.7
12	3.0	2.0	0.0	8.8	9.7	18.7	6.6	48.8
13	3.6	0.0	1.0	9.5	11.0	16.7	3.8	45.6
Longevity (16)	7.0	5.0	4.8	28.7	26.8	17.8	9.1	99.2
Longevity (16+)	10.6	7.0	8.0	41.8	33.1	53.8	17.6	171.9
Longevity (17)						69.1	28.4	97.5
Total	38.1	16.5	18.8	196.7	200.6	279.2	84.7	834.6

Average Education: Bachelor's +90 with Master's
Average Salary: \$51,708

Source: Eugene Education Association Collective Bargaining Agreement.
Human Resource Information System.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
NUTRITION AND TRANSPORTATION SERVICES INFORMATION
LAST TEN FISCAL YEARS

	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Breakfast Program:										
Paid Breakfasts Served	69,079	80,617	75,466	86,906	99,441	80,683	67,338	60,583	44,976	41,744
Free Breakfasts Served	347,884	337,179	352,510	325,119	300,421	268,803	242,860	239,964	231,067	243,368
Reduced Breakfasts Served	38,655	39,383	50,529	46,936	46,696	34,128	33,403	31,374	21,731	23,091
Lunch Program:										
Paid Lunches Served	285,617	372,168	425,932	478,193	497,358	504,989	479,532	459,032	439,433	387,441
Free Lunches Served	641,936	650,842	676,620	615,451	569,180	554,097	538,406	541,274	521,887	516,759
Reduced Lunches Served	82,432	93,648	117,056	116,851	117,973	104,879	109,223	103,591	91,847	79,049
Supper/Snack Program:										
Paid Suppers/Snacks Served										
Free Suppers/Snacks Served	17,617	28,913	40,831	35,068	28,840	26,419	18,436	21,449	27,048	31,569
Reduced Suppers/Snacks Served										
A la Carte Sales	\$ 153,006	\$ 186,274	\$ 230,736	\$ 315,740	\$ 574,353	\$ 605,771	\$ 712,648	\$ 787,917	\$ 786,211	\$ 953,179
Percentage of Students Eligible to Receive Free or Reduced-Price Meals	42.37%	40.01%	38.79%	35.60%	32.70%	32.50%	30.70%	33.10%	28.20%	26.00%
Pupil transportation statistics:										
Number of Buses	95	92	93	93	88	87	83	83	81	81
Number of Vans	12	12	12	12	10	10	10	10	10	10
Total Miles Traveled ⁽¹⁾	1,409,582	1,302,505	1,326,201	1,391,374	1,447,550	1,267,489	1,317,538	1,265,765	1,142,656	1,112,387
Number of students transported daily	5,042	5,197	4,985	4,832	5,056	4,855	4,407	4,567	4,437	4,490

⁽¹⁾ While District enrollment has decreased over the last ten fiscal years, total miles traveled increased due to school consolidations.

Source: Lane County School District 4J

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHOOL BUILDING AND STUDENT ENROLLMENT INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Enrollment Summary: ⁽¹⁾										
Elementary Schools	6,153.5	6,392.0	6,470.5	6,684.0	6,665.0	6,763.5	6,837.0	6,786.0	6,892.5 ⁽²⁾	7,024.5
K - 8 Schools	545.0	525.5	509.0	326.0	281.0	NA	NA	NA	NA	NA
Middle Schools	3,490.0	3,478.0	3,505.0	3,661.0	3,652.0	3,915.0	4,024.0	4,201.0 ⁽²⁾	4,386.0	4,465.0
High Schools	5,336.0	5,547.0	5,584.0	5,592.0	5,839.0	6,056.0	6,073.0 ⁽²⁾	6,227.0	6,199.0 ⁽²⁾	6,068.0
Total Enrollment	15,524.5	15,942.5	16,068.5	16,263.0	16,437.0	16,734.5	16,934.0	17,214.0	17,477.5	17,557.5

⁽¹⁾ Excludes District sponsored public charter schools and alternative education providers.

⁽²⁾ Restated.

Elementary Schools (K=0.5) Number of school programs: 18 Neighborhood, 4 Alternative

Adams (1949)

Gross Floor Area (sq ft): 47,660

Elementary Enrollment - Adams	361.5	173.0	165.0	179.0	172.5	180.0	167.0	162.0	151.0	170.5
Elementary Enrollment - Hillside	-	-	-	-	83.0	115.0	111.5	122.0	131.5	125.0

Awbrey Park (1967)

Gross Floor Area (sq ft): 58,375

Elementary Enrollment	430.5	424.5	456.5	449.5	422.5	436.5	437.0	413.0	441.5	476.5
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Bailey Hill (1949)

Gross Floor Area (sq ft): 36,442

Elementary Enrollment	-	-	-	-	-	-	-	-	-	-
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Bertha Holt (2004)

Gross Floor Area (sq ft): 67,389

Elementary Enrollment	474.0	470.0	473.0	485.5	489.0	531.0	551.0	555.5	-	-
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Cesar Chavez (2004)

Gross Floor Area (sq ft): 66,940

Elementary Enrollment - Cesar Chavez	402.5	419.0	415.5	368.5	328.0	332.0	324.5	323.0	-	-
Elementary Enrollment - Family ⁽³⁾	-	-	-	124.0	123.0	121.0	123.0	110.0	-	-

⁽³⁾ Family School moved to a new co-location with Arts and Technology fall of 2009 and added kindergarten and 6th grade classes. 7th grade was added in 2010 and 8th grade in 2011.

Charlemagne at Fox Hollow (1967)

Gross Floor Area (sq ft): 29,621

Elementary Enrollment	265.0	261.0	271.0	267.5	267.5	270.0	276.0	280.0	269.0	263.5
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Coburg (1950)

Gross Floor Area (sq ft): 27,537

Elementary Enrollment	-	110.0	123.5	135.0	139.5	143.0	137.0	119.0	127.0	128.5
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Crest Drive (1963)

Gross Floor Area (sq ft): 27,441

Elementary Enrollment	-	242.0	244.0	242.5	237.0	201.0	215.5	180.0	202.0	239.5
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Edgewood (1962)

Gross Floor Area (sq ft): 36,719

Elementary Enrollment - Edgewood	404.0	291.0	286.0	280.5	293.5	267.5	224.5	229.0	227.0	224.0
Elementary Enrollment - Evergreen	-	-	-	-	-	-	76.0	98.0	95.0	100.0

Edison (1926)

Gross Floor Area (sq ft): 42,195

Elementary Enrollment	303.0	283.0	295.5	275.0	302.5	286.0	265.5	281.5	290.0	256.5
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Gilham (1966)

Gross Floor Area (sq ft): 74,500

Elementary Enrollment	466.0	454.5	463.5	475.0	479.0	476.5	498.5	511.5	454.0	468.5
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Harris (1949) (Became Camas Ridge 7/1/2009)

Gross Floor Area (sq ft): 41,327

Elementary Enrollment - Camas Ridge	384.0	271.5	256.5	-	-	-	-	-	-	-
Elementary Enrollment - Harris	-	-	-	166.0	156.5	164.0	188.5	173.0	191.0	219.5
Elementary Enrollment - Eastside ⁽⁴⁾	-	-	-	136.0	-	-	-	-	-	-

⁽⁴⁾ Eastside was moved from Parker Elementary to this new co-location with Harris fall of 2009.

Howard (1949)

Gross Floor Area (sq ft): 47,794

Elementary Enrollment	282.0	239.5	266.5	275.0	256.5	268.0	293.5	306.0	292.0	334.0
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Magnet Arts (K - 8 School: Arts & Technology Academy At Jefferson)

Elementary Enrollment	NA	NA	NA	NA	NA	88.0	102.0	117.5	118.0	120.5
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McCornack (1968)

Gross Floor Area (sq ft): 56,532

Elementary Enrollment	365.0	375.0	385.0	393.5	375.0	386.0	383.0	398.5	411.0	439.0
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Source: State of Oregon Department of Education
Lane County School District 4J

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHOOL BUILDING AND STUDENT ENROLLMENT INFORMATION
LAST TEN FISCAL YEARS

	Fiscal Year									
	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003
Elementary Schools (Continued)										
Meadowlark (1960)										
Gross Floor Area (sq ft): 45,911										
Elementary Enrollment - Meadowlark	-	182.5	213.0	212.5	216.5	207.0	176.5	188.0	171.5	177.5
Elementary Enrollment - Buena Vista	270.5	270.0	247.0	248.0	251.0	251.0	250.0	254.0	252.0	255.0
Parker (1959) ⁽⁵⁾										
Gross Floor Area (sq ft): 42,625										
Elementary Enrollment - Parker	-	240.5	236.5	239.0	229.0	217.0	220.0	195.5	196.5	169.0
Elementary Enrollment - Eastside	-	-	-	-	146.0	147.0	145.0	143.0	144.0	144.0
⁽⁵⁾ Parker closed at fiscal year-end 6/30/2011 and Eugene Education Options East has been housed there since 7/1/2011.										
Patterson (1957)										
Gross Floor Area (sq ft): 36,199										
Elementary Enrollment - Patterson	-	-	-	-	-	-	-	-	119.0	109.5
Elementary Enrollment - Family School	-	-	-	-	-	-	-	-	106.0	106.0
River Road (1953)										
Gross Floor Area (sq ft): 51,301										
Elementary Enrollment	312.5	351.5	323.5	309.0	279.0	295.5	280.5	295.0	277.5	268.5
Silver Lea (1961)										
Gross Floor Area (sq ft): 48,645										
Corridor Enrollment	245.0	238.5	232.5	237.0	243.5	249.0	247.5	242.5	245.0	243.0
Yujin Gakuen Enrollment	245.0	249.5	260.5	268.5	270.0	273.5	283.0	275.0	266.5	257.5
Spring Creek (1964)										
Gross Floor Area (sq ft): 41,387										
Elementary Enrollment	295.0	314.5	334.5	359.0	349.0	361.0	384.5	345.5	389.0	388.5
Twin Oaks (1958)										
Gross Floor Area (sq ft): 35,198										
Elementary Enrollment	185.5	198.0	183.0	211.0	221.0	225.0	236.0	219.5	234.0	241.0
Washington (1950)										
Gross Floor Area (sq ft): 45,561										
Elementary Enrollment	-	-	-	-	-	-	-	-	297.0	283.0
Westmoreland (1948)										
Gross Floor Area (sq ft): 47,221										
Elementary Enrollment	-	-	-	-	-	-	-	-	212.5	221.0
Whiteaker (1926)										
Gross Floor Area (sq ft): 31,257										
Elementary Enrollment	-	-	-	-	-	-	-	-	-	-
Willagillespie (1925)										
Gross Floor Area (sq ft): 57,500										
Elementary Enrollment	462.5	333.0	338.5	347.5	335.0	272.0	240.0	248.5	285.0	291.0
Willakenzie (1923)										
Gross Floor Area (sq ft): 37,491										
Elementary Enrollment	-	-	-	-	-	-	-	-	297.0	304.5
Willard (1954)										
Gross Floor Area (sq ft): 35,454 ⁽⁶⁾										
Elementary Enrollment	-	-	-	-	-	-	-	-	-	-

⁽⁶⁾ Willard School square footage reduced by 10,380 due to fire which destroyed a wing of classrooms and the library.

K - 8 Schools Number of school programs: 1 Neighborhood/1 Alternative

Arts and Technology Academy at Jefferson (1957)										
Gross Floor Area (sq ft): 100,237										
K - 8 Enrollment - Arts and Technology	403.5	391.5	372.5	326.0	281.0	NA	NA	NA	NA	NA
K - 8 Enrollment - Family School ⁽⁷⁾	141.5	134.0	136.5	NA	NA	NA	NA	NA	NA	NA

⁽⁷⁾ Family School moved to its new co-location fall of 2009 and added kindergarten and 6th grade classes. 7th grade was added in 2010 and 8th grade in 2011.

Middle Schools Number of school programs: 7 Neighborhood, 1 Alternative (3 Language Immersion Programs are embedded in the neighborhood schools)

Cal Young Middle School (2006)										
Gross Floor Area (sq ft): 90,341										
Middle School Enrollment	565.0	559.0	545.0	582.0	610.0	566.0	580.0	569.0	620.0	573.0
Jefferson Middle School (K - 8 School: Arts & Technology Academy At Jefferson)										
Middle School Enrollment	NA	NA	NA	NA	NA	219.0	262.0	351.0	405.0	451.0
Kelly Middle School (1945)										
Gross Floor Area (sq ft): 112,356										
Middle School Enrollment	416.0	457.0	491.0	499.0	484.0	511.0	524.0	546.0	550.0	583.0

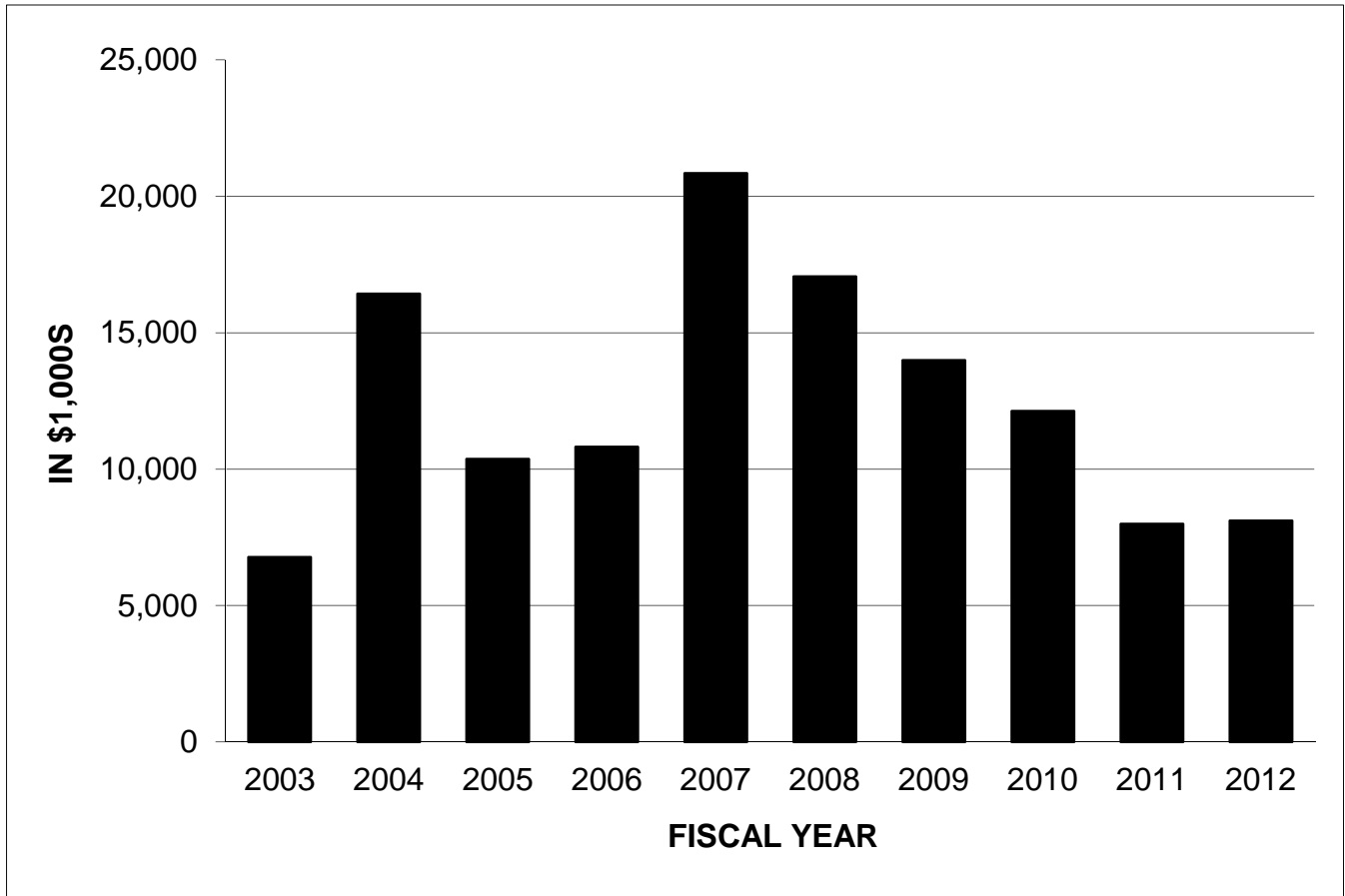
Source: State of Oregon Department of Education
Lane County School District 4J

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHOOL BUILDING AND STUDENT ENROLLMENT INFORMATION
LAST TEN FISCAL YEARS

	<i>Fiscal Year</i>									
	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>	<u>2003</u>
Middle Schools (Continued)										
Kennedy Middle School (1965)										
Gross Floor Area (sq ft): 89,057										
Middle School Enrollment	528.0	511.0	494.0	507.0	498.0	496.0	489.0	547.0	570.0	570.0
Madison Middle School (2005)										
Gross Floor Area (sq ft): 86,953										
Middle School Enrollment	480.0	436.0	462.0	468.0	440.0	415.0	423.0	420.0	486.0	481.0
Monroe Middle School (1965)										
Gross Floor Area (sq ft): 87,401										
Middle School Enrollment	532.0	541.0	534.0	533.0	541.0	587.0	630.0	644.0	617.0	615.0
Roosevelt Middle School (1950)										
Gross Floor Area (sq ft): 105,770										
Middle School Enrollment	546.0	556.0	577.0	650.0	659.0	672.0	673.0	694.0	724.0	759.0
Spencer Butte Middle School (1960)										
Gross Floor Area (sq ft): 82,414										
Middle School Enrollment	423.0	418.0	402.0	422.0	420.0	449.0	443.0	430.0	414.0	433.0
High Schools Number of school programs: 4 Neighborhood, 3 Alternative										
Churchill High School (1966)										
Gross Floor Area (sq ft): 249,982										
High School Enrollment	1,013.0	1,109.0	1,151.0	1,158.0	1,195.0	1,287.0	1,322.0	1,367.0	1,407.0	1,426.0
Alternative High School Enrollment	-	153.0	74.0	56.0	89.0	97.0	75.0	90.0	87.0	104.0
Eugene Education Options West	147.0	-	-	-	-	-	-	-	-	-
Dunn - Opportunity Center (1929)⁽⁸⁾										
Gross Floor Area (sq ft): 38,699										
High School Enrollment	-	160.0	163.0	144.0	140.0	137.0	129.0	163.0	155.0	160.0
⁽⁸⁾ Opportunity Center closed and Eugene Education Options East opened as of 7/1/2011.										
Eugene Education Options East (1959)⁽⁹⁾										
Gross Floor Area (sq ft): 42,625										
High School Enrollment	136.0	-	-	-	-	-	-	-	-	-
⁽⁹⁾ Eugene Education Options East is at the location that was formerly Parker Elementary.										
North Eugene High School (1957)										
Gross Floor Area (sq ft): 214,767										
High School Enrollment	1,068.0	1,027.0	1,006.0	1,006.0	1,068.0	1,159.0	1,251.0	1,276.0	1,246.0	1,163.0
Alternative High School Enrollment	-	49.0	32.0	45.0	39.0	34.0	38.0	42.0	52.0	32.0
Sheldon High School (1963)										
Gross Floor Area (sq ft): 234,872										
High School Enrollment	1,475.0	1,500.0	1,561.0	1,610.0	1,662.0	1,642.0	1,563.0	1,542.0	1,553.0	1,505.0
Life Skills Enrollment ⁽¹⁰⁾	41.0	37.0	33.0	-	-	-	-	-	-	-
⁽¹⁰⁾ Life Skills enrollment included beginning 2010.										
South Eugene High School (1953)										
Gross Floor Area (sq ft): 310,831										
High School Enrollment	1,456.0	1,512.0	1,564.0	1,573.0	1,646.0	1,700.0	1,695.0	1,747.0	1,699.0	1,678.0
Administrative and Other Facilities										
Education Center (1957)										
Gross Floor Area (sq ft): 74,102										
Facilities (1940)										
Gross Floor Area (sq ft): 42,700										
Transportation (1963)										
Gross Floor Area (sq ft): 30,315										
Age of building (in years)										
Gross Floor Area (sq ft) Summary:	<u>Oldest</u>			<u>Median</u>			<u>Newest</u>			
Elementary Schools	848,994		87	51	8					
K - 8 Schools	100,237		55	55	55					
Middle Schools	654,292		67	47	6					
High Schools	1,053,077		59	53	46					
Other Facilities	147,117		72	55	49					
Total Gross Floor Area (sq ft)	<u>2,803,717</u>		87	52	6					

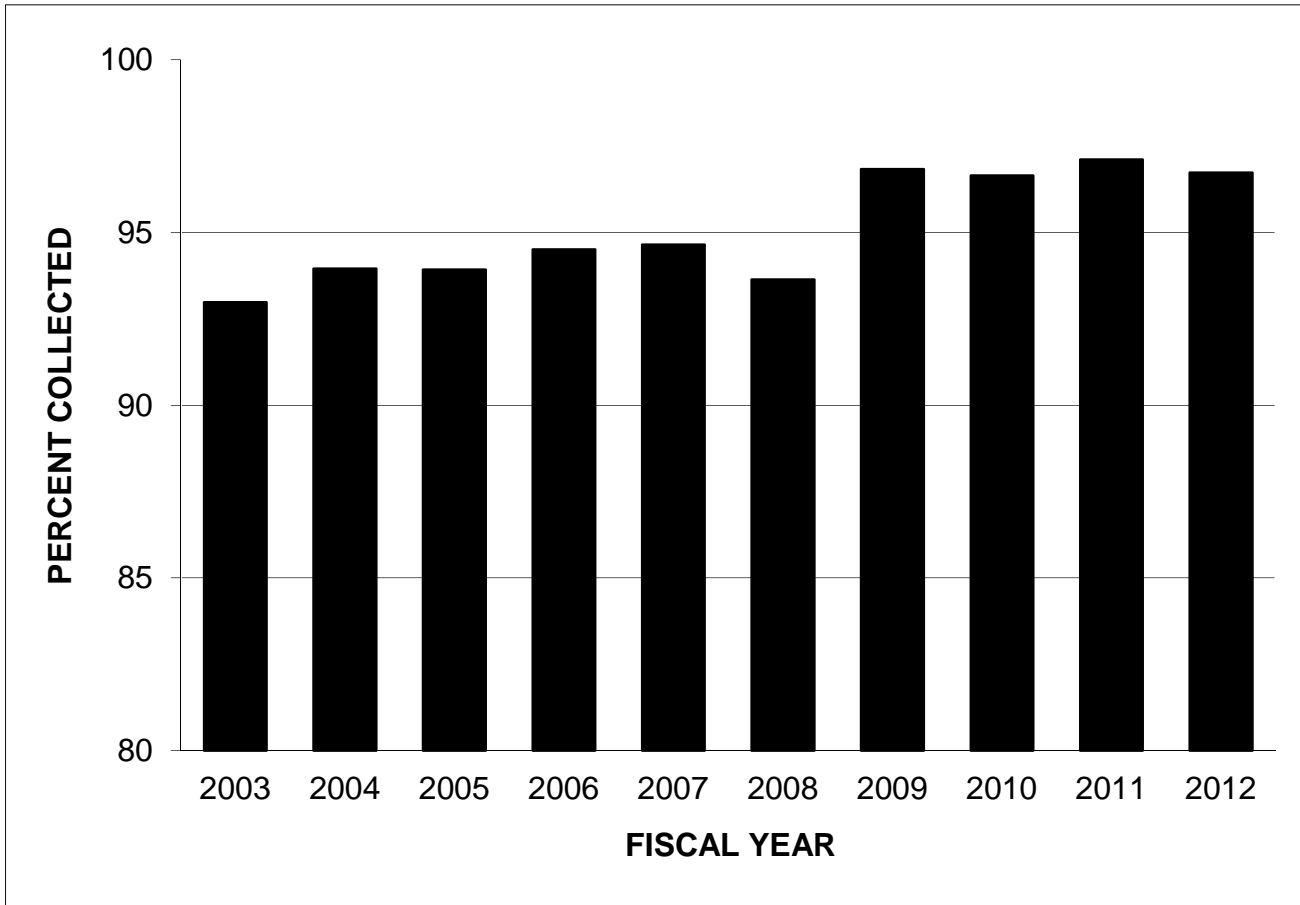
Source: State of Oregon Department of Education
Lane County School District 4J

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
GENERAL FUND BALANCE - BUDGET BASIS
LAST TEN FISCAL YEARS



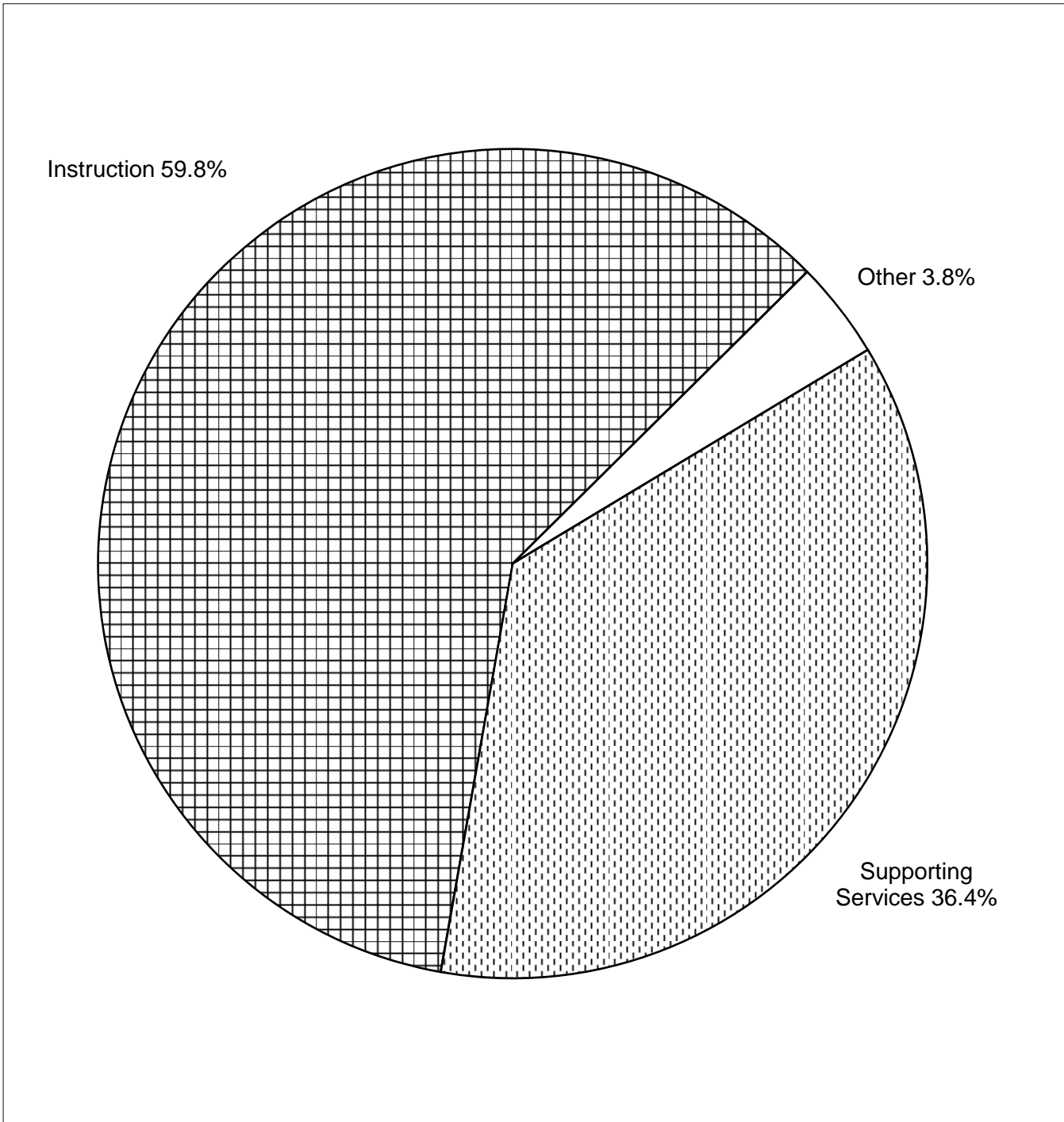
Source: Statement of Revenues, Expenditures and Changes in Fund Balance

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
CURRENT TAX COLLECTION
LAST TEN FISCAL YEARS



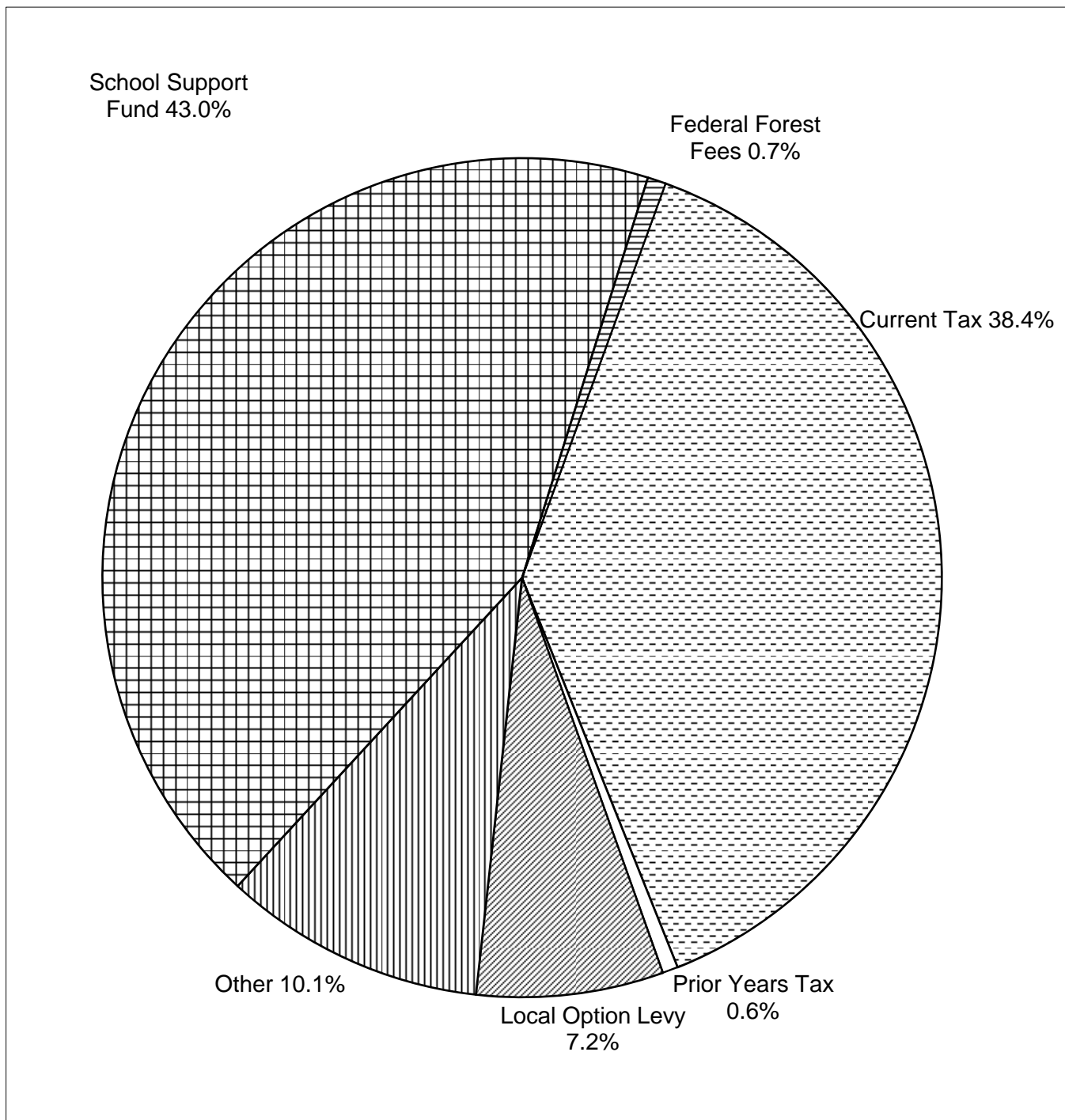
Source: Property Tax Levies and Collections

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
GENERAL FUND EXPENDITURES
YEAR ENDED JUNE 30, 2012



Source: Schedule of Revenues, Expenditures and Changes in Fund Balance

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
GENERAL FUND RESOURCES
YEAR ENDED JUNE 30, 2012



Source: Schedule of Revenues, Expenditures and Changes in Fund Balance



Audit Comments





GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
(503) 581-7788

INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

School Board
Lane County School District No. 4J
Lane County, Oregon
Eugene, Oregon

We have audited the basic financial statements of Lane County School District No. 4J, Lane County, Oregon as of and for the year ended June 30, 2012, and have issued our report thereon dated December 26, 2012. 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.

Compliance

As part of obtaining reasonable assurance about whether Lane County School District No. 4J's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial 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.

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

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

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

- We noted three instances in our sample of 31 teachers whose years of experience were reported incorrectly.
- Expenditures exceeded appropriations as noted in the notes to the financial statements.

- The District has expended funds from a special purpose reserve fund created under ORS 294.346 that may have been expended for purposes other those specified in the resolution which created the fund. The District is taking action to resolve the issue.

OAR 162-10-0230 Internal Control


In planning and performing our audit of the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lane County School District No. 4J (the District) as of and for the year ended June 30, 2012 in accordance with auditing standards generally accepted in the United States of America, we considered the District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified.

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

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

*GROVE, MUELLER & SWANK, P.C.
CERTIFIED PUBLIC ACCOUNTANTS*

By: 
Charles A. Swank, A Shareholder
December 26, 2012



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
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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

School Board
Lane County School District No. 4J
Lane County, Oregon
Eugene, Oregon

We have audited the financial statements of the governmental activities, each major fund and the aggregate remaining fund information of Lane County School District No. 4J, Lane County, Oregon, as of and for the year ended June 30, 2012, which collectively comprise the Lane County School District No. 4J's basic financial statements and have issued our report thereon dated December 26, 2012. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

Management of Lane County School District No. 4J, Lane County Oregon, is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered Lane County School District No. 4J's internal control 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 Lane County School District No. 4J's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Lane County School District No. 4J's internal control over financial reporting.

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

Our consideration of internal control over financial reporting 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 financial reporting that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

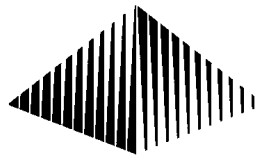
Compliance and Other Matters

As part of obtaining reasonable assurance about whether Lane County School District No. 4J's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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


CERTIFIED PUBLIC ACCOUNTANTS

December 26, 2012



GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS
475 Cottage Street NE, Suite 200, Salem, Oregon 97301
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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

School Board
Lane County School District No. 4J
Lane County, Oregon
Eugene, Oregon

Compliance

We have audited Lane County School District No. 4J, Lane County, Oregon's (the District) 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 District's major federal programs for the year ended June 30, 2012. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

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

In our opinion, the District complied, in all material respects, with the 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, 2012.

Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect 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.

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

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



Irene Mueller & Derek R.
CERTIFIED PUBLIC ACCOUNTANTS

December 26, 2012

LANE COUNTY SCHOOL DISTRICT 4J
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unqualified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

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

Identification of major programs:

CFDA Number(s)

Name of Federal Program or Cluster

10.553, 10.555 & 10.559	Child Nutrition Cluster
10.665	Schools and Roads – Grants to States
84.367	Improving Teacher Quality State Grants
84.184	Safe and Drug-Free Schools and Communities – National Programs
84.318 & 84.386	Education Technology State Grants Cluster (ARRA)

Dollar threshold used to distinguish between type A and type B programs: \$439,029

Auditee qualified as low-risk auditee? Yes

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON
SCHEDULE OF PRIOR YEAR FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2012

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None