

# Lane County School District 4J

200 North Monroe Street

Eugene OR 97402

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[www.4j.lane.edu](http://www.4j.lane.edu)



# Comprehensive Annual Financial Report

for the year ended June 30, 2013





**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
Year Ended June 30, 2013**

***Prepared by: Financial Services Department***

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**TABLE OF CONTENTS**

---

	<b><u>Page</u></b>
<b>I. INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	i
GFOA Certificate of Achievement for Excellence in Financial Reporting .....	vi
Listing of Principal Officials .....	vii
Organization Chart .....	viii
 <b>II. FINANCIAL SECTION</b>	
<b>A. Independent Auditor’s Report .....</b>	<b>1</b>
<b>B. Management’s Discussion and Analysis .....</b>	<b>4</b>
<b>C. Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Position .....	13
Statement of Activities .....	14
Fund Financial Statements:	
Major governmental funds:	
Balance Sheet .....	15
Reconciliation of Total Governmental Fund Balances to Statement of Net Position .....	16
Statement of Revenues, Expenditures and Changes in Fund Balances .....	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities .....	18
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
General Fund .....	19
Federal, State and Local Programs Fund .....	20
Proprietary Funds:	
Statement of Fund Net Position .....	21
Statement of Revenues, Expenses and Changes in Fund Net Position .....	22
Statement of Cash Flows .....	23
Notes to the Financial Statements .....	24
<b>D. Required Supplementary Information</b>	
Schedule of Funding Progress for Other Postemployment Benefits .....	53
<b>E. Other Supplementary Information</b>	
<b>Combining Statements –</b>	
<b>Nonmajor Governmental Funds</b>	
Combining Balance Sheet .....	54
Combining Statement of Revenues, Expenditures and Changes in Fund Balances .....	55
<b>Proprietary Funds – Internal Service Funds</b>	
Combining Statement of Fund Net Position .....	56
Combining Statement of Revenues, Expenses and Changes in Fund Net Position .....	57
Combining Statement of Cash Flows .....	58

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

**TABLE OF CONTENTS (Continued)**

---

<b>II. FINANCIAL SECTION (Continued)</b>	<b><u>Page</u></b>
<b>E. Other Supplementary Information (Continued)</b>	
<b>Budgetary Comparisons</b>	
Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Governmental Funds:	
Debt Service Fund.....	59
Capital Projects Fund .....	60
Nonmajor Special Revenue Funds:	
Nutrition Services Fund .....	61
School Resources Fund .....	62
Proprietary Funds – Internal Service Funds	
Insurance Reserve Fund .....	63
Postemployment Benefits Fund.....	64
<b>F. Capital Assets Used in the Operation of Governmental Funds</b>	
Schedule by Source .....	65
Schedule by Function and Activity.....	66
<b>G. Other Financial Schedules</b>	
Computation of District Property Tax Levy .....	67
Schedule of Property Tax Transactions .....	68
Debt Information .....	69
Summary of 2012-13 and 2013-14 Adopted General Fund Budgets .....	72
Summary Schedule of Cash Receipts and Disbursements - All Schools .....	73
Schedule of Expenditures of Federal Awards.....	74
Notes to Schedule of Expenditures of Federal Awards .....	77
Department of Education Supplemental Information	
Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual	
Governmental Funds:	
General Fund.....	78
Debt Service Fund.....	80
Capital Projects Fund .....	82
Federal, State and Local Programs Fund.....	84
Nonmajor Special Revenue Funds:	
Nutrition Services Fund .....	86
School Resources Fund .....	88
Proprietary Funds – Internal Service Funds	
Insurance Reserve Fund .....	90
Postemployment Benefits Fund.....	92
Schedule of Supplemental Information for State School Fund	
Apportionment to Other LEAs .....	94

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**TABLE OF CONTENTS (Continued)**

---

<b>III. STATISTICAL SECTION</b>	<b>Page</b>
<b>A. Financial Trends</b>	
Condensed Statement of Net Position – Last Ten Fiscal Years .....	95
Changes in Net Position – Last Ten Fiscal Years .....	96
Fund Balances, Governmental Funds – Last Ten Fiscal Years .....	97
Revenues, Expenditures and Changes in Fund	
Balances – Last Ten Fiscal Years .....	98
Government-wide Expenses by Function – Last Ten Fiscal Years .....	99
General Fund Revenues by Sources (Budgetary Basis) – Last Ten Fiscal Years .....	100
General Fund Expenditures and Transfers to Other Funds	
(Budgetary Basis) – Last Ten Fiscal Years .....	101
<b>B. Revenue Capacity</b>	
Property Tax Levies and Collections – Last Ten Fiscal Years .....	102
Direct District Tax Rates – Last Ten Fiscal Years .....	103
Schedule of Property Tax Transactions – Last Ten Fiscal Years .....	104
Assessed Values of Taxable Property within School	
District Boundaries – Last Ten Fiscal Years .....	105
Comparison of General Fund Budget to Tax Levy – Last Ten Fiscal Years .....	106
Property Tax Rates – All Overlapping Governments – Last Ten Fiscal Years .....	107
<b>C. Debt Capacity</b>	
Direct and Overlapping Governmental Activities Debt – June 30, 2013 .....	108
Legal Debt Margin Information – Last Ten Fiscal Years .....	109
Ratio of Annual Debt Service Requirements for General Bonded Debt to	
Total General Fund Expenditures and Transfers – Last Ten Fiscal Years .....	110
Ratio of Net General Bonded Debt to Assessed Valuation and Net General	
Bonded Debt per Capita and per Student – Last Ten Fiscal Years .....	111
Outstanding Debt by Type - Last Ten Fiscal Years .....	112
<b>D. Demographic and Economic Information</b>	
Demographic Statistics – Last Ten Fiscal Years .....	113
Demographic and Economic Statistics – Last Ten Fiscal Years .....	114
Major Taxpayers – Current Year and Nine Years Ago – June 30, 2013 .....	115
Major Employers – Lane County – Current Year and Nine Years Ago – June 30, 2013 .....	116
Average Annual Unemployment as a Percent of Labor Force – Last Ten Years .....	117
Property Value, Construction and Bank Deposits for the City of	
Eugene – Last Ten Fiscal Years .....	118
<b>E. Operating Information</b>	
Average Daily Membership and Per Pupil Expenditures – Last Ten Fiscal Years .....	119
Full Time Equivalent Employees by Activity/Function – Last Ten Fiscal Years .....	120
Licensed, Classified, and Administrative Full-Time Equivalent Employees – General Fund –	
Last Ten Fiscal Years .....	121
Licensed Professional Salary Plan – June 30, 2013 .....	122
Nutrition and Transportation Services Information – Last Ten Fiscal Years .....	123

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**TABLE OF CONTENTS (Continued)**

---

<b>III. STATISTICAL SECTION (Continued)</b>	<b><u>Page</u></b>
School Building and Student Enrollment Information – Last Ten Fiscal Years.....	124
General Fund Balance – Budget Basis – Last Ten Fiscal Years.....	127
Current Tax Collection – Last Ten Fiscal Years .....	128
General Fund Expenditures – Year Ended June 30, 2013 .....	129
General Fund Resources – Year Ended June 30, 2013.....	130
 <b>IV. AUDIT COMMENTS SECTION</b>	
Independent Auditor’s Report Required by Oregon State Regulations .....	131
Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	133
Independent Auditor’s Report on Compliance for Each Major Program and on Internal Control Over Compliance Required by OMB Circular A-133 .....	135
Schedule of Findings and Questioned Costs .....	137
Schedule of Prior Year Findings and Questioned Costs .....	138

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# Introductory Section







December 26, 2013

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, 2013 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, 2013 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, 2013 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 unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2013 are fairly presented, in all material respects, in conformity with U.S. 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, 2013 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 2012-13 school year, the District was responsible for educating nearly 16,000 students from kindergarten through grade twelve. The District operates over 35 different schools and programs. Although students are guaranteed a place in their neighborhood school, an open enrollment policy presently allows any student to attend any school in the District as long as space is available. Moreover, the District offers enrollment to students who reside outside the District, depending upon capacity. Site councils made up of parents, teachers, support staff, administrators and students collaborate to chart each school's direction. Additionally, school, community college 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 fifty years.

Elementary offerings include fourteen neighborhood schools, one K-8 school, five alternative schools and three district-sponsored charter schools. Each school reflects the uniqueness of its students, staff, and community. The alternative schools, 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 secondary program (grades 6-12) consists of seven neighborhood middle schools, one alternative school, three language immersion programs and a fourth charter school which serves student in grades 7-12. There are also four regional high schools, one alternative education high school, an international high school program that offers classes on three high school campuses and is accredited by the International Baccalaureate program, and an environmental science program. One regional high school houses three small schools with distinctive academic offerings.

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-6) – 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 and the City of Springfield form a metropolitan area that serves as the regional center for industry, service and trade, as well as for cultural, academic and recreational activities. Eugene is the home of the University of Oregon, the State's liberal arts and research institution. Lane Community College and Northwest Christian University are also located in Eugene.

In the past ten years, the District's and City of Eugene's population has increased 7.6% and 10.9%, 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 8.1% in August 2013, which is 0.84% higher than the national rate. In February 2013, the Oregon seasonally adjusted unemployment rate was 8.3%. In addition, the Eugene-Springfield metropolitan statistical area (MSA) seasonally adjusted unemployment rate as of August 2013 was 8.0%, which is 0.1% lower than the State's rate. 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 (47%), government (21%), 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 elected a lower target of 4%.

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 December 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 lower projected annual operating deficits in all forecast years.

In February 2013, the Board approved the Superintendent's recommended update to the long-range facilities plan. This assessment included the physical condition of the building, condition and constraints of the site, educational suitability, and technology readiness. The results of this assessment were used to inform the decision-making process surrounding the planned and projected replacement and upgrade of schools.

### ***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. Since 1992, District voters have approved six general obligation bond levies and three local option levies. In November 2008, voters renewed a five-year option levy to assist with operations. This renewal levy extends



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

through 2014-15. In May 2013, voters approved a \$170 million general obligation bond. Proceeds will be used for school replacement, school additions, technology upgrades, instructional materials, school safety and security, building repairs, improvements, equipment, safe routes to schools, and bus purchases. This bond represents the third bond related to the 24 year long-term facilities plan adopted by the Board in 2002. The first \$116 million bond consolidated four elementary schools into two new buildings and replaced two middle schools. The second \$70 million bond will be spent for capital systems replacement and improvements, additions and remodels to schools, building improvements and repairs paid from the General Fund, technology infrastructure upgrades, and instructional systems support.

### ***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, 2012. This was the 26th 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 U.S. 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 2013 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.

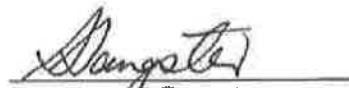
We believe these awards are representative of the District's continuing efforts to achieve excellence in the performance of public service and financial reporting.

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



Government Finance Officers Association

**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, 2012**

Executive Director/CEO



**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**LISTING OF PRINCIPAL OFFICIALS**  
**YEAR ENDED JUNE 30, 2013**

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**BOARD OF DIRECTORS**

	<u><b>Term Expires</b></u>
Mary Walston, Chair 245 Sunnyside Drive Eugene, Oregon 97404	June 30, 2015
Beth Gerot, Vice Chair 1270 River Road Eugene, Oregon 97404	June 30, 2017
Jennifer Geller 2069 Olive Street Eugene, Oregon 97405	June 30, 2017
Alicia Hays 274 Regal Court Eugene, Oregon 97401	June 30, 2015
Anne Marie Levis 32543 Mt. Baldy Lane Eugene, Oregon 97405	June 30, 2017
Craig Smith 2611 Suncrest Avenue Eugene, Oregon 97405	June 30, 2015
Jim Torrey 3393 Arlington Avenue Eugene, Oregon 97408	June 30, 2015

**ADMINISTRATION**

Administration Office  
200 North Monroe Street  
Eugene, Oregon 97402

Dr. Sheldon Berman  
Barbara Bellamy  
Simone Sangster, Ed.D.  
Caroline Passerotti

Superintendent and Clerk  
Deputy Clerk  
Deputy Clerk  
Deputy Clerk

**LEGAL COUNSEL**

Luvaas Cobb, P.C.

Lane County School District 4J – Organization Chart  
2012-2013 – Eugene, Oregon

Community

Board of Directors

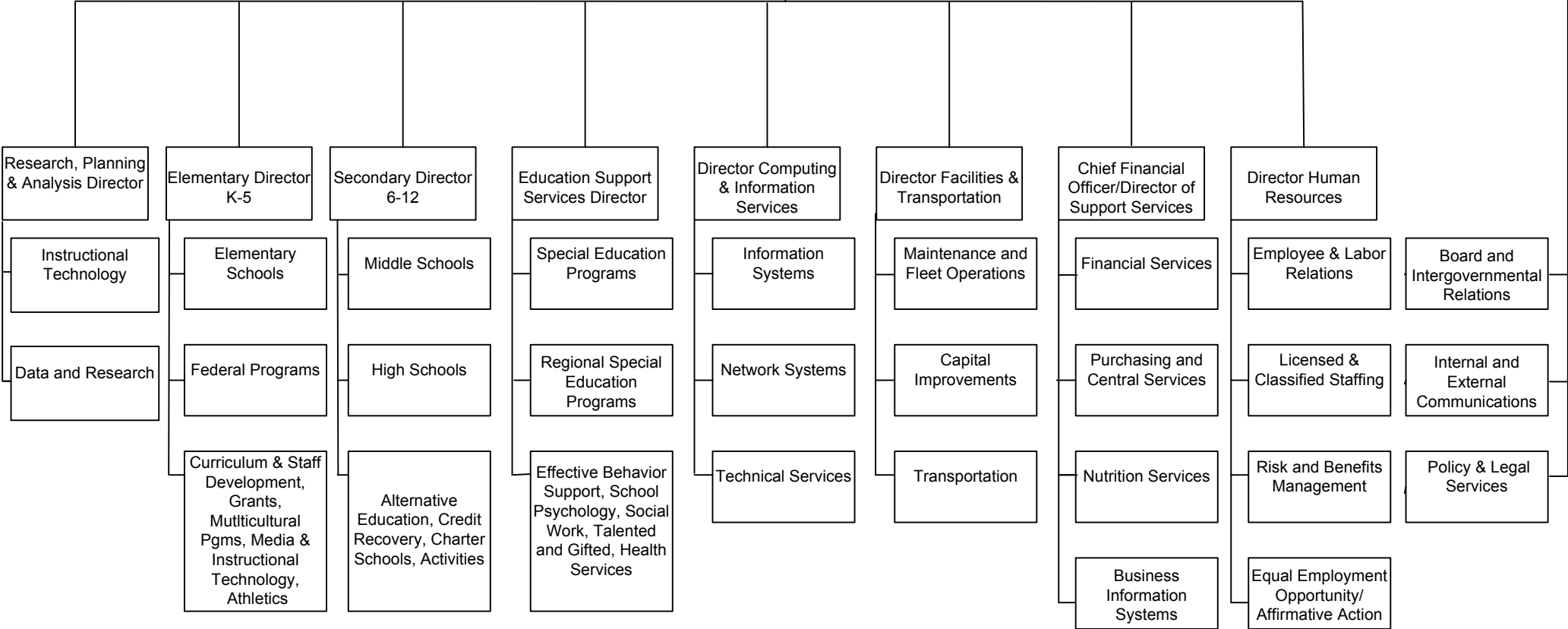
Superintendent

Principals Resource Team

Executive Assistant to Superintendent/Board Secretary

Parent, Community and Diversity Coordinator

Chief of Staff/Communications Director





**Financial Section**

**Financial Section**



***INDEPENDENT AUDITOR'S REPORT***



## 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*

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

#### *Report on the Financial Statements*

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lane County School District No. 4J, Lane County, Oregon (the District) as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

#### *Management's Responsibility for the Financial Statements*

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

#### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

#### *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 Lane County School District No. 4J, Lane County, Oregon as of June 30, 2013, and the

respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Federal, State and Local Programs Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis (MD&A) (pages 4 through 12), and the schedule of funding progress for other postemployment benefits (page 53), be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required 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.

#### ***Other Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements as a whole. The introductory section, other supplementary information and statistical section, are presented for purposes of additional analysis and are not required parts of the basic financial statements. The 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 basic 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 basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

### ***Reports on Other Legal and Regulatory Requirements***


#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated December 26, 2013, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Other Reporting Required by Oregon Minimum Standards*

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 26, 2013, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By:   
Larry E. Grant, A Shareholder  
December 26, 2013



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

**LANE COUNTY SCHOOL DISTRICT 4J**  
**Management's Discussion and Analysis**  
**June 30, 2013**

We write to report on financial activities of Lane County School District 4J (the District) for the fiscal year ended June 30, 2013. 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 position declined by \$12.7 million or 20.2% during the year ended June 30, 2013 to \$50.2 million. The cost of all of the District's programs was \$188.7 million, an increase of \$3.3 million from the prior year. Total revenues declined by \$7.1 million as a result of declining enrollment, the continuing effects of the economic downturn depressing government revenues (local levies and grants in particular), and a lower collection of revenue for debt service. Also in the 2011-12 fiscal year, the District received additional revenue of \$3.7 million from the state in the form of one-time aid (school year sub-account) as assistance during the economic downturn. Total expenses increased \$3.3 million as the District increased staffing levels and continued a major improvement program with purchases and construction of capital assets of \$26.5 million.

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, 2013 was \$35.8 million, which represents a decrease of \$24.1 million. Second, the governmental funds financial statements show the flows and fund balances for individual governmental funds. The most significant funds are the Capital Projects Fund, which decreased by \$16.4 to \$15.7 million and the General Fund, which decreased by \$1.1 million to \$7.0 million.

***Overview of the Financial Statements***

The basic financial statements consist of: (1) the government-wide Statement of Net Position 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 13 and 14 of this report. These statements include:

***Statement of Net Position***

The *Statement of Net Position* presents information on all of the assets and liabilities of the District as of the date on the statement. Net position is the remaining assets after the liabilities have been paid off or otherwise satisfied.

Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

### Statement of Net Position

(in thousands)

	<u>Governmental Activities</u>		<b>Total Change</b>
	<u>2013</u>	<u>2012</u>	<u>2012 to 2013</u>
Cash and other assets	\$ 63,360	\$ 93,584	\$ (30,224)
Property taxes receivable	6,734	6,555	179
Pension assets	36,475	38,907	(2,432)
Capital assets	<u>152,753</u>	<u>145,383</u>	<u>7,370</u>
<b>Total assets</b>	<u>259,322</u>	<u>284,429</u>	<u>(25,107)</u>
Accrued and other liabilities	20,690	23,908	(3,218)
Long-term debt	<u>188,438</u>	<u>197,583</u>	<u>(9,145)</u>
<b>Total liabilities</b>	<u>209,128</u>	<u>221,491</u>	<u>(12,363)</u>
Net position:			
Net investment in capital assets	27,437	27,294	143
Restricted	6,193	7,683	(1,490)
Unrestricted	<u>16,564</u>	<u>27,961</u>	<u>(11,397)</u>
<b>Total net position</b>	<u>\$ 50,194</u>	<u>\$ 62,938</u>	<u>\$ (12,744)</u>

The District's government-wide net position decreased by 20.2% or \$12.7 million in the year ended June 30, 2013. The change reflects several factors. The most significant variation in the District's Net Position is the use of cash. During the year the cash balance was used to fund capital improvements to school facilities, upgrades to technology systems, a broad range of support for changes in the delivery of instruction, increased operating expenditures, and to pay down the District's debt. This can be seen in the increase in capital assets and decrease in liabilities (long-term debt, in particular).

As of June 30, 2013, assets exceeded liabilities by \$50.2 million. Of this amount, \$27.4 million represents the District's investment in capital assets net of related debt, \$6.2 million is restricted for debt service and \$16.6 million is unrestricted and available to meet the District's ongoing obligations. The remaining balance in the restricted debt service represents an appropriate level of fund balance for anticipated expenditures for the ensuing year before tax revenues are received. The majority of the decrease in the unrestricted net assets is due to the draw-down of reserves in the internal service funds.

#### Cash and Other Assets

In 2012-13 the cash from the August 2011 bond issue were used to improve capital assets. Cash and other assets in the District's reserves were also used to fund district operations.

#### Capital Assets

Capital Assets comprise 58.9% 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, 2013, the District has \$152.8 million invested in capital assets, net of depreciation. Purchase and construction of capital assets during the year totaled \$26.5 million, substantially from the proceeds of the \$35 million raised in 2011 from the 2011 approved \$70 million bond. Efforts focused on much-needed building refurbishment and technology enhancements. Capital assets increased by \$7.4 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 54.7% 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:

<b>Capital Assets</b>			
<b>(Net of Depreciation)</b>			
(in thousands)			
	<u>2013</u>	<u>2012</u>	<u>Total Change</u> <u>2012 to 2013</u>
Land	\$ 1,621	\$ 1,621	\$ -
Buildings & Improvements	143,059	128,378	14,681
Vehicles & Equipment	6,129	6,442	(313)
Intangibles	1,453	-	1,453
Construction in Progress	491	8,942	(8,451)
<b>Total</b>	<u>\$ 152,753</u>	<u>\$ 145,383</u>	<u>\$ 7,370</u>

Additional information on the District's capital assets can be found in Note E on pages 38-39 of this report.

### **Liabilities**

Accrued liabilities, representing 9.9% of the District's total liabilities, consist of payables on accounts, salaries and benefits, interest charges, and unearned revenue.

Outstanding long-term liabilities represent 90.1% of the District's total liabilities. These include 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 balance of long-term debt as of June 30, 2013 was \$188.4 million. Principal payments during the year were \$12.0 million. The District maintains an underlying "Aa3" rating from Moody's for general obligation debt. State statutes limit the amount of general obligation debt an Oregon school district may issue to 7.95% of its total assessed valuation. The current debt limitation for the District is \$1.7 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 41-44 of this report.

### **Statement of Activities**

The *Statement of Activities* shows how the net position of the District changed over the most recent fiscal year by tracking revenues, expenses, and other transactions that increase or reduce net position. It reports revenues and expenses under the accrual basis of accounting. All changes in net position 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 Position

(in thousands)

	Governmental Activities		Total Change
	2013	2012	2012 to 2013
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 7,789	\$ 9,239	\$ (1,450)
Operating grants and contributions	29,698	33,153	(3,455)
Capital grants and contributions	649	411	238
Program revenues total:	38,136	42,803	(4,667)
General revenues:			
Property taxes	77,347	80,466	(3,119)
State school fund - general support	58,012	57,151	861
Other federal and local sources	2,007	1,989	18
Earnings on investments	420	586	(166)
General revenues total:	137,786	140,192	(2,406)
<b>Total revenues</b>	<b>175,922</b>	<b>182,995</b>	<b>(7,073)</b>
<b>Expenses (by Function):</b>			
Classroom services	131,505	130,751	754
Building support services	25,483	23,909	1,574
Central support services	17,000	17,995	(995)
Nutrition services	4,691	4,783	(92)
Interest on long-term debt	9,987	7,924	2,063
<b>Total expenses</b>	<b>188,666</b>	<b>185,362</b>	<b>3,304</b>
<b>Change in net position</b>	<b>(12,744)</b>	<b>(2,367)</b>	<b>(10,377)</b>
Net position - beginning	62,938	65,305	(2,367)
<b>Net position - ending</b>	<b>\$ 50,194</b>	<b>\$ 62,938</b>	<b>\$ (12,744)</b>

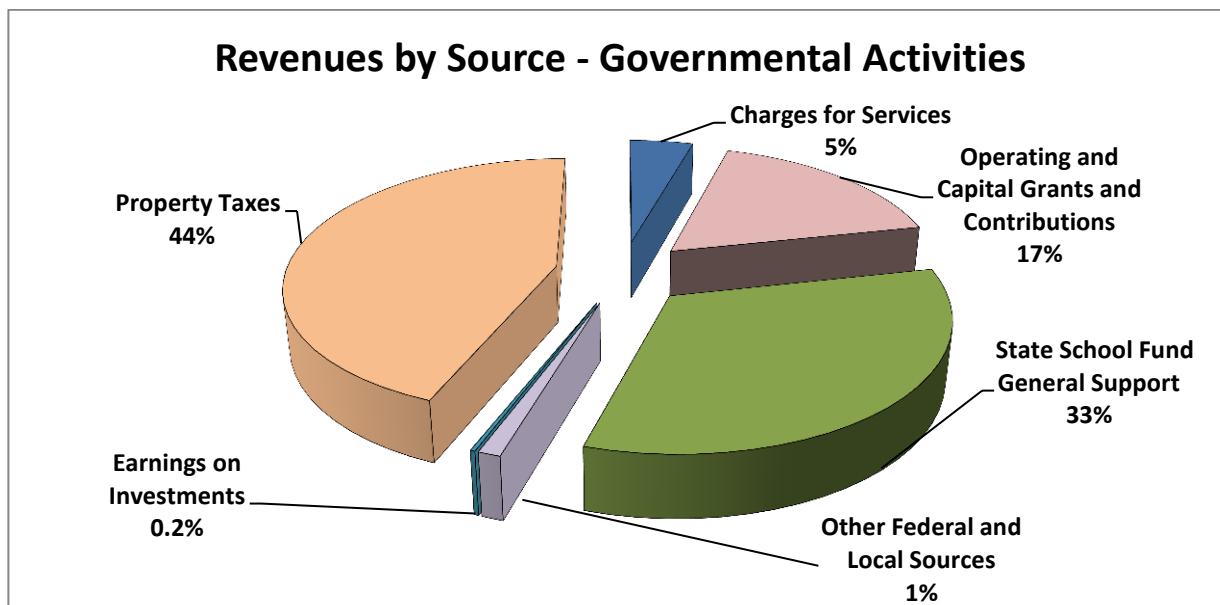
During the year ended June 30, 2013, the District had a Government-wide reduction in net position of \$12.7 million compared to \$2.4 million in 2012.

### Revenues

Total revenues declined by \$7.1 million from the prior year. Program revenues dropped by \$4.7 million and General Revenues dropped by \$2.4 million.

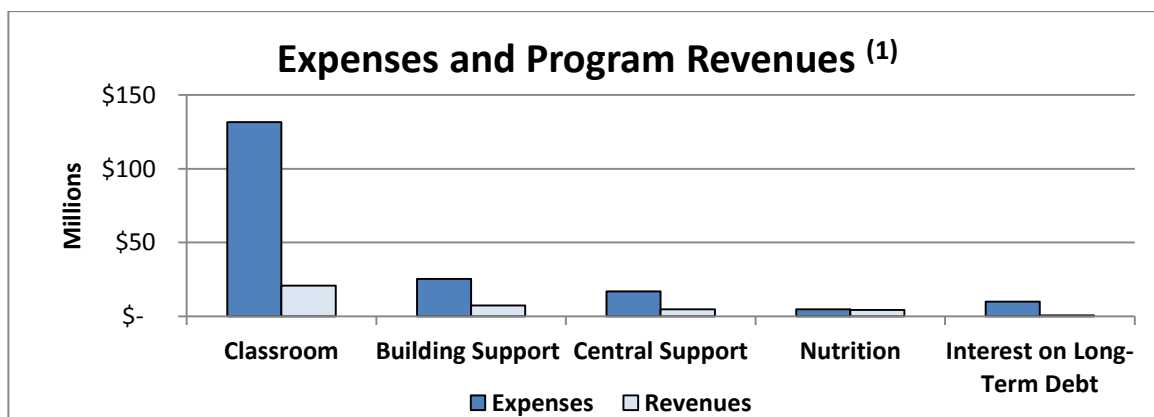
The drop in program revenues is mainly attributable to reductions in operating grants and charges for services. Operating grants and contributions dropped by \$3.5 million in the direct classroom services area. This is primarily due to a \$0.8 million decrease in revenues from grants, with a \$1.7 million decrease in grants from federal sources offset by an increase in state sources. Charges for services dropped \$1.5 million. This is primarily due to a decrease in building support services of \$0.7 million in one-time funds received in 2011-12 including contributions to athletic fields (\$0.4 million) and contributions from other districts towards the cost of a new student information system (\$0.2 million). In addition, a decrease in central support services was due to the two month closure of the 4J Wellness Clinic as services moved to a new provider (\$0.6 million).

General revenues fell \$2.4 million principally due to a decrease in property taxes levied of \$3.1 million offset by increases in state aid not restricted of \$0.9 million.



**Expenses**

In the year ended June 30, 2013, total expenses increased by \$3.3 million. The two main drivers are classroom services, which comprise 69.7% of District spending, and building support, which represents 13.5% of spending. These increased by \$0.8 million and \$1.6 million, respectively. This reflects the increase in operating expense in classroom and building support that is described in detail in the General Fund section, below, and an increase in the interest on long-term debt of \$2.1 million.



(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. However, the District may also choose to report any other governmental or enterprise fund as a major fund if the District determines that the fund is particularly important to financial statement users.

### 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 28-29 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 Position and Statement of Activities.

The District maintains six individual governmental funds, four 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, 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. 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 15-18 and the basic proprietary fund financial statements can be found on pages 21-23 of this report.

### Combined Ending Fund Balances

At June 30, 2013, the District's governmental funds reported *combined ending fund balances* of approximately \$35.8 million, a decrease of \$24.1 million in comparison with the prior year. Under GASB 54, \$35.7 million (99.6%) of the ending fund balances constitutes *nonspendable, restricted or committed ending fund balance*, which is constrained to specific purposes, and \$0.2 million (0.4%) of the ending fund balances are assigned or

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, 2013, the total ending fund balance is approximately \$7.0 million. In order to maintain minimum fund balance in accordance with Board policy, committed fund balance is \$6.7 million, and the remainder consists of non-spendable fund balance of \$0.2 million and unassigned fund balance of \$0.2 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 5.29% of total General Fund revenues.

The fund balance decreased by \$1.1 million from the balance at June 30, 2012. Transfers in and transfers out increased by \$3.1 million as the result of the closure of a reserve fund and the balance being passed through the General Fund to other funds. Resources other than this transfer increased slightly, made up of a \$3.3 million decline in revenues and a \$3.5 million increase in transfers in from other funds. Expenditures other than the transfer from the closing of the reserve fund increased by a net of approximately \$1.4 million compared with 2011-12 mainly due to the following:

- Staffing increase in high schools to fully schedule 9<sup>th</sup> grade students
- Staffing increase at elementary schools, partly funded by transfers from reserves, to help ensure class sizes remained below 30 students
- Increase of two counselors
- Increase in spending on professional development through purchased services
- Addition of a director and associate directors in instruction using funding held for the associate superintendent and professional development support
- Additional essential skills coordinators to expand the model across the system
- A decrease in transfers out to other funds

As a result of some of these items, spending between the categories of instruction and supporting services shifted. Teacher learning coordinators and school development specialists, formerly in instruction, were replaced by essential skills coordinators in supporting services. Additionally, transportation costs increased as bus routes were added to support the change in school schedules.

There was a \$3.2 million positive variation between the final ending balance and that which was projected in the final adjusted budget. This is due to higher than anticipated revenue from federal forest fees (\$0.9 million) and to lower than anticipated expenditures (\$2.3 million). This includes a decrease in expenditures of support services (\$1.4 million) and instructional costs (\$0.5 million). Additionally, an operating contingency of \$0.3 million was not utilized.

### **Debt Service Fund**

The Debt Service Fund has a total fund balance of \$6.7 million which is a decrease of \$2.2 million from June 2012. 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, 2013 is \$15.7 million which is \$16.4 million lower than in 2012. This decrease reflects spending out of the 2011 \$35 million bond issue. Spending on non-bond related projects was offset by the transfers in from the General Fund to establish the Capital Equipment Reserve. Of the Capital Projects Fund balance, \$8.3 million is restricted and \$7.4 million is committed for capital improvements and repairs.



## **Capital Equipment Fund**

In 2012-13, the Capital Equipment Fund was closed. This fund had a fund balance of \$6.9 million in 2011-12.

## **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 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 in the amount of \$3.4 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 56-58 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, 2013 total \$14.9 million. The most significant transfers out of the General Fund during the year were to fund future purchases of capital equipment, to fund the operations of the Insurance Reserve Fund, and to establish the Capital Equipment Reserve and the Special Purpose Reserve.

The most significant transfers into the General Fund were from the Insurance Reserve Fund to help fund operations; the Postemployment Benefits Fund to fully use a reserve set aside to reduce the impact of PERS increases; the Capital Equipment Fund to eliminate this fund and help fund additional instructional staff; and the Capital Projects Fund to help support operations (Surplus Property Fund). During 2012-13, transfers in and out of the General Fund were higher than the prior year, due to the combination of passing funds through the General Fund due to the closure of the Capital Equipment Fund and the establishment of two new reserves, and approximately \$6.4 million from other funds, in one-time funds, to support the 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 24-52 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

2012-13 declined from 2011-12. After a slight projected increase in enrollment in 2013-14, which did not eventuate, downward enrollment trends are projected to continue in future years, following declines in elementary enrollment. These may be mitigated to some extent by enrollment from other districts as a result of the State allowing open enrollment across districts until 2016-17.

State School Fund Grant revenue accounts for 34.8% of the District's total governmental funds revenue and 46.2% of the District's General Fund revenue for the year ended June 30, 2013. Resources calculated into the State School Funding formula amounted to 68.5% of total governmental funds revenues and 90.9% of General Fund revenues.

Oregon's economic performance for 2012-13 has been encouraging. As the housing rebound continues and state and local governments stabilize, the outlook shows a gradual increase in job growth over the next couple of years. Employment in Oregon increased in 2012 and into 2013, and is approximately in line with gains seen at the U.S. level. While the gains are slow, they are beginning to gather steam and growth has picked up from a year ago.

The 2013-14 budget was prepared based on a K-12 State funding level of \$6.55 billion for the 2013-15 biennium, which is about 14.6% higher than the legislatively approved 2011-13 K-12 funding level. To address a projected 2013-14 General Fund operating deficit, the District implemented \$11.6 million of budget reductions which included staff, services, and supply reductions; suspended transfers; use of reserves; and compensation reductions for all employee groups.

The 2013-14 budget was adopted by the Board on June 19, 2013. The adopted budget for the General Fund for the year ending June 30, 2014 includes General Fund expenditures of \$142.5 million, 3.9% higher than the 2012-13 adopted budget of \$137.1 million. The 2012-13 budget reflected a 1.9% increase in expenditures, while the two preceding operating budgets reflected declines over prior year expenditures of 5.0% and 1.3% for 2011-12 and 2010-11, 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 2013-14 budget included a 2% operating contingency and the Board approved a 1% reduction in the ending fund balance target to 4% for the 2013-14 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 2013-14 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 POSITION - GOVERNMENTAL ACTIVITIES**  
**JUNE 30, 2013**

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**ASSETS**

Cash and investments	\$ 57,151,244
Receivables:	
Property taxes	6,733,495
Accounts and other receivables	5,078,473
Prepaid expenses	761,400
Inventories	368,903
Prepaid PERS unfunded actuarial liability	36,475,291
Capital assets not being depreciated	
Land and construction in progress	2,112,669
Capital assets, net of accumulated depreciation	
Athletic field improvements	3,969,289
Buildings and improvements	139,089,265
Machinery and equipment	1,335,637
Vehicles	4,793,136
Intangibles	1,453,231
	<hr/>
<b>TOTAL ASSETS</b>	<b>259,322,033</b>

**LIABILITIES**

Accounts payable	3,381,388
Accrued payroll and related charges	12,228,097
Accrued interest	1,559,438
Unearned revenue	3,521,203
Long-term liabilities	
Due within one year	
Bonds and capital leases	13,257,586
Early out retirement incentive	188,000
Due in more than one year	
Bonds and capital leases	170,279,355
Early out retirement incentive	112,000
Early termination stipend benefits	345,398
Net OPEB obligation	4,255,141
	<hr/>
<b>TOTAL LIABILITIES</b>	<b>209,127,606</b>

**NET POSITION**

Net investment in capital assets	27,437,763
Restricted for debt service	6,192,930
Unrestricted	16,563,734
	<hr/>
<b>TOTAL NET POSITION</b>	<b>\$ 50,194,427</b>

*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, 2013**

Functions	Expenses	Program Revenues		Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	
<b>GOVERNMENTAL ACTIVITIES</b>				
Direct classroom services				
Regular instruction	\$ 63,348,652	\$ 51,922	\$ 1,303,923	\$ (61,992,807)
Special programs	29,031,387	131,733	9,638,180	(19,261,474)
Total direct classroom services	92,380,039	183,655	10,942,103	(81,254,281)
Classroom support services				
Extracurricular activities	7,275,913	605,075	4,540,809	(2,130,029)
Student support	10,006,071	-	1,224,591	(8,781,480)
Libraries, curriculum and staff development	8,579,710	12,173	2,745,375	(5,822,162)
School administration	12,255,609	-	80,314	(12,175,295)
Community services	1,007,309	-	547,717	(459,592)
Total classroom support services	39,124,612	617,248	9,138,806	(29,368,558)
Building support services				
Facilities operation and maintenance	11,017,164	676,649	4,829	(10,254,551)
Student transportation	8,082,570	190,860	5,277,207	(2,046,322)
Computing and information services	5,947,733	359,249	177,124	(5,411,360)
Warehouse and purchasing	435,838	-	-	(435,838)
Total building support services	25,483,305	1,226,758	5,459,160	(18,148,071)
Central support services				
Executive administration	884,850	-	4,779	(880,071)
Financial services	1,941,182	5,601	1,912	(1,933,669)
Human resources/employee insurance benefits	7,555,742	4,794,989	-	(2,760,753)
District retirement	6,069,155	-	-	(6,069,155)
Communications and intergovernmental relations	549,414	-	-	(549,414)
Total central support services	17,000,343	4,800,590	6,691	(12,193,062)
Nutrition services	4,690,700	961,096	3,477,011	(252,593)
Interest on long-term liabilities	9,987,557	-	674,332	(9,313,225)
Total school district	\$ 188,666,556	\$ 7,789,347	\$ 29,698,103	\$ (150,529,790)
General revenues:				
Property taxes levied for:				
General purposes				63,681,911
Debt service				13,664,761
Federal aid not restricted to specific purposes				1,091,624
State aid not restricted to specific purposes				58,012,428
Earnings on investments				420,123
Other local revenue				914,832
Total general revenues				137,785,679
Change in net position				(12,744,111)
Net position- beginning				62,938,538
Net position- ending				\$ 50,194,427

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, 2013**

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Capital Projects Fund</b>	<b>Special Revenue Fund Federal, State and Local Programs Fund</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 10,806,454	\$ -	\$ 5,844,889	\$ -	\$ 2,546,412	\$ 19,197,755
Cash and investments	-	8,038,166	15,090,096	-	3,659,294	26,787,556
Receivables						
Property taxes	5,557,212	1,176,283	-	-	-	6,733,495
Accounts and other receivables	1,984,388	14,816	53,805	2,265,117	736,852	5,054,978
Interfund loan receivables	-	-	1,500,000	-	-	1,500,000
Due from other funds	6,464,151	107,677	-	-	-	6,571,828
Prepaid expenses	2,028	-	-	-	-	2,028
Inventories	234,160	-	-	-	134,743	368,903
<b>Total Assets</b>	<b>\$ 25,048,393</b>	<b>\$ 9,336,942</b>	<b>\$ 22,488,790</b>	<b>\$ 2,265,117</b>	<b>\$ 7,077,301</b>	<b>\$ 66,216,543</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>Liabilities</b>						
Accounts and interest payable	\$ 2,966,768	\$ -	\$ -	\$ 189,920	\$ 224,700	\$ 3,381,388
Accrued payroll and related charges	9,718,969	-	1,019,991	228	-	10,739,188
Interfund loan payables	-	1,500,000	-	-	-	1,500,000
Due to other funds	107,677	-	5,807,309	185,871	470,971	6,571,828
Unavailable revenue	5,204,506	1,096,997	-	-	-	6,301,503
Unearned revenue	10,603	-	-	1,889,098	-	1,899,701
<b>Total Liabilities</b>	<b>18,008,523</b>	<b>2,596,997</b>	<b>6,827,300</b>	<b>2,265,117</b>	<b>695,671</b>	<b>30,393,608</b>
<b>Fund balances</b>						
Nonspendable:						
Inventory	234,160	-	-	-	134,743	368,903
Restricted for:						
Debt service	-	6,559,522	-	-	-	6,559,522
Capital projects	-	-	8,296,477	-	-	8,296,477
Committed for:						
Debt service	-	180,423	-	-	-	180,423
Capital projects	-	-	7,365,013	-	-	7,365,013
Nutrition services	-	-	-	-	74,584	74,584
School resources	-	-	-	-	6,172,303	6,172,303
Minimum fund balance	6,650,236	-	-	-	-	6,650,236
Unassigned	155,474	-	-	-	-	155,474
<b>Total Fund Balances</b>	<b>7,039,870</b>	<b>6,739,945</b>	<b>15,661,490</b>	<b>-</b>	<b>6,381,630</b>	<b>35,822,935</b>
<b>Total Liabilities and Fund Balances</b>	<b>\$ 25,048,393</b>	<b>\$ 9,336,942</b>	<b>\$ 22,488,790</b>	<b>\$ 2,265,117</b>	<b>\$ 7,077,301</b>	<b>\$ 66,216,543</b>

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

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2013**

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Total Governmental Fund Balances (page 15) \$ 35,822,935

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

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in governmental funds. The cost of the assets is \$321,505,492 and the accumulated depreciation is \$168,752,265. 152,753,227

Pension assets are not financial resources in governmental funds, but are reported in the Statement of Net Position. 36,475,291

The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position. 4,959,716

Property tax revenue is recognized in the net position 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. 6,301,503

Interest on long-term debt is accrued and reported as a liability in the Statement of Net Position while in the governmental funds it is recorded as an expenditure when due. (1,559,438)

Vested compensated absences are reported when earned as a liability in the Statement of Net Position while in the governmental funds only the unpaid balance of reimbursable unused leave is reported as a liability. (1,021,866)

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	\$ (49,925,000)	
Bonds payable	(129,755,317)	
Capital leases payable	(3,856,624)	
Total long-term liabilities		(183,536,941)

Total Net Position (page 13) \$ 50,194,427

*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, 2013**

	<u>General Fund</u>	<u>Debt Service Fund</u>	<u>Capital Projects Fund</u>	<u>Special Revenue Fund Federal, State and Local Programs Fund</u>	<u>Other Governmental Funds</u>	<u>Totals</u>
<b>REVENUES</b>						
Local sources	\$ 67,672,863	\$ 17,674,550	\$ 298,722	\$ 3,680,931	\$ 5,907,277	\$ 95,234,343
Intermediate sources	419,483	-	-	1,353	-	420,836
State sources	63,997,889	-	649,316	2,356,971	56,295	67,060,471
Federal sources	914,482	674,332	-	9,078,036	3,165,350	13,832,200
<i>Total Revenues</i>	133,004,717	18,348,882	948,038	15,117,291	9,128,922	176,547,850
<b>EXPENDITURES</b>						
Current						
Instruction	82,470,769	-	-	9,572,208	4,966,013	97,008,990
Supporting services	55,434,348	-	950,307	4,902,133	623,151	61,909,939
Community services	409,895	-	-	605,075	4,515,137	5,530,107
Debt service						
Principal	-	12,000,000	-	-	932,202	12,932,202
Interest	-	8,533,389	-	-	95,348	8,628,737
Capital outlay	45,466	-	17,487,377	37,875	7,700	17,578,418
<i>Total Expenditures</i>	138,360,478	20,533,389	18,437,684	15,117,291	11,139,551	203,588,393
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(5,355,761)	(2,184,507)	(17,489,646)	-	(2,010,629)	(27,040,543)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	9,565,640	-	2,209,350	-	2,540,909	14,315,899
Transfers out	(5,283,484)	-	(2,000,000)	-	(5,046,053)	(12,329,537)
Refunding bonds issued	-	37,131,133	273,867	-	-	37,405,000
Premium on refunding bonds issued	-	6,610,899	-	-	-	6,610,899
Payment to refunded bond escrow agent	-	(43,734,050)	-	-	-	(43,734,050)
Capital leases	-	-	649,080	-	-	649,080
Sale of capital assets	-	-	-	-	5,200	5,200
<i>Total Other Financing Sources (Uses)</i>	4,282,156	7,982	1,132,297	-	(2,499,944)	2,922,491
<b>NET CHANGE IN FUND BALANCES</b>	(1,073,605)	(2,176,525)	(16,357,349)	-	(4,510,573)	(24,118,052)
<b>FUND BALANCES, Beginning of year</b>	8,113,475	8,916,470	32,018,839	-	10,892,203	59,940,987
<b>FUND BALANCES, End of year</b>	<u>\$ 7,039,870</u>	<u>\$ 6,739,945</u>	<u>\$ 15,661,490</u>	<u>\$ -</u>	<u>\$ 6,381,630</u>	<u>\$ 35,822,935</u>

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, 2013**

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Net change in fund balances - total governmental funds (page 17) \$ (24,118,052)

Amounts reported for governmental activities in the Statement of Activities (page 14) 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 (\$17,578,418) exceeded depreciation (\$10,192,021). 7,386,397

In the Statement of Activities, the gain or loss on sale or disposition of capital assets is reported. However, in the governmental funds the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the net book value of capital assets that are sold or disposed. (16,035)

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

Bond premium	(6,610,899)	
Capital lease proceeds	(649,080)	
General obligation refunding bond proceeds	(37,405,000)	
Principal payment to refunded bond escrow agent	39,885,000	
Debt principal repaid	12,932,202	
Total long-term liabilities		8,152,223

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. 783,544

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. 1,706,686

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. 157,858

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 \$1,021,866 exceeded the amount paid of \$897,904. (123,962)

The change in net position of the internal service funds are not included in the governmental funds but are reported in the Statement of Activities. (4,241,084)

Change in net position of governmental activities (page 14) \$ (12,744,111)

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

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## ***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, 2013**

	<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>	
<b>REVENUES</b>						
Local sources	\$ 69,421,600	\$ 69,559,045	\$ (1,886,182)	\$ 67,672,863	\$ -	\$ 67,672,863
Intermediate sources	306,000	306,000	113,483	419,483	-	419,483
State sources	61,205,500	62,055,951	1,941,938	63,997,889	-	63,997,889
Federal sources	179,000	179,000	735,482	914,482	-	914,482
<i>Total Revenues</i>	<u>131,112,100</u>	<u>132,099,996</u>	<u>904,721</u>	<u>133,004,717</u>	<u>-</u>	<u>133,004,717</u>
<b>EXPENDITURES</b>						
Current						
Instruction	82,723,241	83,018,032	541,473	82,476,559	(5,790)	82,470,769
Supporting services	53,441,332	56,853,401	1,379,377	55,474,024	(39,676)	55,434,348
Community services	321,174	501,175	91,280	409,895	-	409,895
Facilities acquisition and construction	1,000	1,000	1,000	-	-	-
Operating contingency	2,730,000	348,895	348,895	-	-	-
Debt service	1,000	1,000	1,000	-	-	-
Capital outlay	-	-	-	-	45,466	45,466
<i>Total Expenditures</i>	<u>139,217,747</u>	<u>140,723,503</u>	<u>2,363,025</u>	<u>138,360,478</u>	<u>-</u>	<u>138,360,478</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(8,105,647)</u>	<u>(8,623,507)</u>	<u>3,267,746</u>	<u>(5,355,761)</u>	<u>-</u>	<u>(5,355,761)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	4,488,000	9,602,572	(36,932)	9,565,640	-	9,565,640
Transfers out	(608,000)	(5,285,263)	1,779	(5,283,484)	-	(5,283,484)
<i>Total Other Financing Sources (Uses)</i>	<u>3,880,000</u>	<u>4,317,309</u>	<u>(35,153)</u>	<u>4,282,156</u>	<u>-</u>	<u>4,282,156</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(4,225,647)</u>	<u>(4,306,198)</u>	<u>3,232,593</u>	<u>(1,073,605)</u>	<u>-</u>	<u>(1,073,605)</u>
<b>FUND BALANCE, Beginning of year</b>	<u>7,670,000</u>	<u>8,113,475</u>	<u>-</u>	<u>8,113,475</u>	<u>-</u>	<u>8,113,475</u>
<b>FUND BALANCE, End of year</b>	<u>\$ 3,444,353</u>	<u>\$ 3,807,277</u>	<u>\$ 3,232,593</u>	<u>\$ 7,039,870</u>	<u>\$ -</u>	<u>\$ 7,039,870</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, 2013**

	<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>	
<b>REVENUES</b>						
Local sources	\$ 3,952,619	\$ 4,484,735	\$ (803,804)	\$ 3,680,931	\$ -	\$ 3,680,931
Intermediate sources	-	-	1,353	1,353	-	1,353
State sources	1,426,301	1,462,834	894,137	2,356,971	-	2,356,971
Federal sources	9,041,426	9,918,895	(840,859)	9,078,036	-	9,078,036
<i>Total Revenues</i>	14,420,346	15,866,464	(749,173)	15,117,291	-	15,117,291
<b>EXPENDITURES</b>						
Current						
Instruction	9,075,316	10,107,432	521,917	9,585,515	(13,307)	9,572,208
Supporting services	4,748,230	5,125,699	198,998	4,926,701	(24,568)	4,902,133
Community services	596,800	633,333	28,258	605,075	-	605,075
Capital outlay	-	-	-	-	37,875	37,875
<i>Total Expenditures</i>	14,420,346	15,866,464	749,173	15,117,291	-	15,117,291
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-	-	-	-
<b>FUND BALANCE</b> , Beginning of year	-	-	-	-	-	-
<b>FUND BALANCE</b> , 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 POSITION - GOVERNMENTAL ACTIVITIES**  
**PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS**  
**JUNE 30, 2013**

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**ASSETS**

Current assets:

Equity in pooled cash and investments	\$	11,165,933
Accounts and other receivables		23,495
Prepaid Expenses		<u>759,372</u>

*Total Assets* 11,948,800

**LIABILITIES**

Accrued payroll and related charges		467,043
Unearned revenue		1,621,502
Longterm liabilities		
Due within one year		
Early out retirement incentive		188,000
Due in more than one year		
Other post employment benefits obligation		<u>4,712,539</u>

*Total Liabilities* 6,989,084

**FUND NET POSITION**

Unrestricted		<u>4,959,716</u>
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*Total Fund Net Position* \$ 4,959,716

*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 POSITION -**  
**GOVERNMENTAL ACTIVITIES**  
**PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

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<b>OPERATING REVENUES</b>	
Interfund charges for services	\$ 31,275,021
Other reimbursements	86,791
	<hr/>
<i>Total Operating Revenues</i>	31,361,812
<b>OPERATING EXPENSES</b>	<hr/>
	33,655,429
<b>OPERATING LOSS</b>	(2,293,617)
<b>NONOPERATING REVENUES</b>	
Interest income	38,896
	<hr/>
<b>LOSS BEFORE TRANSFERS</b>	(2,254,721)
<b>TRANSFERS</b>	
Transfers in	561,124
Transfers out	(2,547,487)
	<hr/>
<i>Total Transfers</i>	(1,986,363)
<b>CHANGE IN FUND NET POSITION</b>	(4,241,084)
<b>TOTAL FUND NET POSITION, Beginning of year</b>	<hr/>
	9,200,800
<b>TOTAL FUND NET POSITION, End of year</b>	<hr/>
	\$ 4,959,716
	<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, 2013**

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**CASH FLOWS FROM OPERATING ACTIVITIES**

Receipts from customers and users	\$ 86,791
Receipts from interfund services provided	31,434,239
Payments to suppliers	(30,413,571)
Payments to employees	(626,412)
Payments to retirees	<u>(2,924,105)</u>

*Net Cash Used by Operating Activities* (2,443,058)

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES**

Transfers in from other funds	561,124
Transfers out to other funds	<u>(2,547,487)</u>

*Net Cash Used by Noncapital Financing Activities* (1,986,363)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Interest received	<u>38,896</u>
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*Net Decrease in Cash and Cash Equivalents* (4,390,525)

**CASH AND CASH EQUIVALENTS, Beginning of year** 15,556,458

**CASH AND CASH EQUIVALENTS, End of year** \$ 11,165,933

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

Operating loss	\$ (2,293,617)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Decrease in accounts and other receivables	3,579
Increase in prepaid expenses	(759,372)
Decrease in accrued payroll and related charges	(262,651)
Increase in accrued postemployment benefits payable	713,364
Increase in unearned revenue	<u>155,639</u>

Total adjustments (149,441)

*Net Cash Used by Operating Activities* \$ (2,443,058)

*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, 2013**

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**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. The District does not report them as component units as 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.

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the statement of net position 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* 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.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 *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.

In fiscal year 2013, the Capital Equipment Fund was discontinued through resolution by the Board and the remaining balances were distributed to the General Fund. A Capital Equipment Reserve Fund was established within the Capital Projects Fund for special reserves for financing the cost of projects, property and equipment and a Special Purpose Reserve Fund was established within the School Resources Fund for accumulating unexpended department and school budgets in the General Fund to be applied against future service, projects, property and equipment.

The District reports unavailable revenue on the balance sheets of the governmental funds. Unavailable revenues arise when revenue does not meet both the measurable and available criteria for recognition in the current period. Unavailable 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 unavailable 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, 2013**

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**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, 2013. 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 included 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 the Oregon Public Funds Collateralization Program (PFCP) administered by the Oregon State Treasury.

The 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.

**2. Interfund Receivables and Payables, Transfers and Loans**

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.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

These amounts represent current assets and liabilities and are reported as due to or due from other funds. Interfund loans are considered advances and are reported as an asset of the lending fund and as a liability of the borrowing fund.

**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 unavailable 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, 2013. 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.

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:

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

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 position. 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 in fiscal year 2013 and future payments will be recorded in the Capital Equipment Reserve Fund (a sub-fund of the Capital Projects Fund.). Payments of postemployment benefit obligations are recorded in the Postemployment Benefits Fund.

**F. Governmental Fund Balances**

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, 2013**

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**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 formal action may be performed at any time and consists of an affirmative vote of a majority of the Board of Directors to approve, modify or rescind a motion to commit funds.

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 by affirmative vote of a majority of the Board of Directors, the Board may approve, modify or rescind a motion to commit funds.

**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 unearned revenue in the balance sheet. USDA commodity inventory is recorded at the assigned value and is recognized as revenue and expenditures when used.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2013

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**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 two single-employer early retirement supplement programs 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**

In May 2011, District voters authorized the issuance of general obligation bonds totaling \$70 million, \$35 million of which were issued in August 2011. Approximately \$15 million was issued in August 2013, and the remaining \$20 million is expected to be issued in 2014.

In May 2013, District voters approved the issuance of general obligation bonds totaling \$170 million, approximately \$25 million of which was issued in August 2013. The remaining \$145 million is expected to be issued in 2014 and 2015.

The date to which events occurring after June 30, 2013, the date of the most recent statement of net position, have been evaluated for possible adjustment to the financial statements or disclosure is December 26, 2013, 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, 2013

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**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, Enterprise and Community Services, Facilities Acquisition, Debt Service, Transfers, 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, 2013, additional appropriations totaling \$3,139,014 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, 2013, expenditures exceeded appropriations:

<u>Fund and Appropriation Level</u>	<u>Appropriation</u>	<u>Expenditure</u>	<u>Variance</u>
School Resources Fund			
Debt Service	\$ 1,024,014	\$ 1,027,550	\$ (3,536)
Debt Service Fund			
Debt Service	19,938,534	20,533,389	(594,855)

The excess of expenditures over appropriations in the Debt Service Fund are a result of the issuance of refunding bonds and therefore qualifies as an exception under ORS 294.338.

**C. Deficit Fund Balance**

At June 30, 2013, an Internal Service Fund (Postemployment Benefits Fund) had a GAAP basis deficit fund balance of \$3,396,960. 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 was used to set funding aside to offset PERS increases in the 2011-13 biennium. The balance of this set-aside, approximately, \$1.3 million, was drawn down and used toward operations.

**D. Economic Dependency**

The District received General Fund revenue of \$133,004,717. Of this amount, \$63,997,889 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, 2013**

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**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, 2013**

**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, 2013:

	<b>Carrying Amount</b>
Deposits	\$ 28,189,992
Investments	28,961,252
	<u>\$ 57,151,244</u>
Equity in Pooled Cash and Investments-Governmental Funds, Balance Sheet	\$ 19,197,755
Cash and Investments-Governmental Funds, Balance Sheet	26,787,556
Equity in Pooled Cash and Investments-Internal Service Fund, Statement of Net Position	11,165,933
	<u>\$ 57,151,244</u>

	<b>Carrying Amount</b>	<b>Bank Balance</b>
Deposits		
Pooled demand deposits	\$ 24,522,981	\$ 24,754,000
Capital projects fund demand deposits	2,521	2,521
Special revenue funds demand and savings deposits	3,659,294	3,584,296
Debt service	5,196	-
Total Deposits	<u>\$ 28,189,992</u>	<u>\$ 28,340,817</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 \$917,806 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 \$28,189,992 and the bank balance was \$28,340,817.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash and Investments (Continued)**

*Investments*

As of June 30, 2013, the District held the following investments and maturities:

	<u>Carrying Amount</u>	<u>Weighted Average Maturity in Years</u>	<u>% of Investment Portfolio</u>
Local Government Investment Pool	<u>\$ 28,961,252</u>	0.003	<u>100.00%</u>

The Oregon State Treasury invests the Oregon Short Term Fund (OSTF) of which the Local Government Investment Pool (LGIP) is a part. Participation in the LGIP is voluntary for local governments. The LGIP was created to offer a short-term investment alternative for Oregon local governments and is not registered with the U.S. Securities and Exchange Commission. Pool investments are governed by the OSTF portfolio rules, which are approved by the Oregon Investment Council. The portfolio of rules are available on Oregon State Treasury's website at [www.Oregon.Gov/Treasury](http://www.Oregon.Gov/Treasury).

As of June 30, 2013, the fair value of the District's deposits with the LGIP was equal to 100.65% of the District's account balance (pool shares). Additional information related to pool investment and account is contained with the OSTF audited financial statements at [www.Oregon.Gov/Treasury](http://www.Oregon.Gov/Treasury).

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 \$45,642,885 at June 30, 2013. 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, 2013 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, 2013.

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

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**A. Cash and Investments (Continued)**

*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, 2013 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, 2013 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:

<u>Investment Type</u>	<u>Maximum % of Portfolio</u>	<u>% of Portfolio</u>
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.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2013

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**C. Interfund Receivables, Payables, Loans and Transfers**

The composition of due to/due from balances as of June 30, 2013 is as follows:

	<u>Due to Other Funds</u>	<u>Due from Other Funds</u>	<u>Interfund Loan Receivable</u>	<u>Interfund Loan Payable</u>
General Fund	\$ 107,677	\$ 6,464,151	\$ -	\$ -
Debt Service Fund	-	107,677	-	1,500,000
Capital Projects Fund	5,807,309	-	1,500,000	-
Federal, State and Local Programs Fund	185,871	-	-	-
Other Governmental Funds	470,971	-	-	-
<b>Total</b>	<u>\$ 6,571,828</u>	<u>\$ 6,571,828</u>	<u>\$ 1,500,000</u>	<u>\$ 1,500,000</u>

Interfund receivables and payables (Due to / Due from Other Funds) arise during normal processing of receipts and disbursements for all funds through a single checking account and do not represent interfund loans. Interfund loans are reported as an asset of the lending fund and as a liability of the borrowing fund.

The interfund transfers during the year ended June 30, 2013 are as follows:

	<u>Transfer in</u>	<u>Transfer out</u>
General Fund	\$ 9,565,640	\$ 5,283,484
Capital Projects Fund	2,209,350	2,000,000
Other Governmental Funds	2,540,909	5,046,052 <sup>(1)</sup>
Internal Service Funds	561,124	2,547,487
<b>Total</b>	<u>\$ 14,877,023</u>	<u>\$ 14,877,023</u>

<sup>(1)</sup> One dollar difference due to rounding.

Transfers from the General Fund to other governmental funds are for purchases of equipment for schools, to establish new funds and in support of risk management operations. Transfers from the Capital Projects Fund and Other Governmental Funds are to support general operations. Transfers from the Internal Service Funds are from employee group insurance reserves for on-going compensation increases and other postemployment benefits.



**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**D. Inventories**

Inventory balances at June 30, 2013 are as follows:

**General Fund**

Instructional supplies and materials	\$	108,093
Gasoline and diesel		<u>126,067</u>

<i>Total General Fund</i>		<u>234,160</u>
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**Other Governmental Funds**

Nutrition Services		
Value of commodities on hand from the U.S. Department of Agriculture		<u>134,743</u>

<i>Total Inventories</i>	\$	<u><u>368,903</u></u>
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**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

**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, 2013 is \$3,856,624.

Capital asset activity for the year ended June 30, 2013 was as follows:

	<b>Balance June 30, 2012</b>	<b>Increases</b>	<b>Decreases</b>	<b>Balance June 30, 2013</b>
Capital assets not being depreciated:				
Land	\$ 1,621,220	\$ -	\$ -	\$ 1,621,220
Construction in progress	8,942,476	491,449	(8,942,476)	491,449
<i>Total capital assets not being depreciated</i>	<u>10,563,696</u>	<u>491,449</u>	<u>(8,942,476)</u>	<u>2,112,669</u>
Capital assets being depreciated:				
Athletic field improvements	11,938,173	25,247	-	11,963,420
Buildings and improvements	261,865,397	23,613,400	(19,561)	285,459,236
Equipment	7,693,616	220,990	(19,315)	7,895,291
Vehicles	11,995,623	666,465	(90,555)	12,571,533
Intangibles	-	1,503,343	-	1,503,343
<i>Total capital assets being depreciated</i>	<u>293,492,809</u>	<u>26,029,445</u>	<u>(129,431)</u>	<u>319,392,823</u>
Accumulated depreciation for:				
Athletic field improvements	(7,197,408)	(796,723)	-	(7,994,131)
Buildings and improvements	(138,228,563)	(8,145,320)	3,912	(146,369,971)
Equipment	(6,214,610)	(363,973)	18,929	(6,559,654)
Vehicles	(7,033,059)	(835,893)	90,555	(7,778,397)
Intangibles	-	(50,112)	-	(50,112)
<i>Total accumulated depreciation</i>	<u>(158,673,640)</u>	<u>(10,192,021)</u>	<u>113,396</u>	<u>(168,752,265)</u>
<i>Total capital assets being depreciated, net</i>	<u>134,819,169</u>	<u>15,837,424</u>	<u>(16,035)</u>	<u>150,640,558</u>
<i>Governmental activities capital assets, net</i>	<u>\$ 145,382,865</u>	<u>\$ 16,328,873</u>	<u>\$ (8,958,511)</u>	<u>\$ 152,753,227</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**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	\$ 4,217,699
Special programs	999,953
	<hr/>
Total direct classroom services	5,217,652
	<hr/>
Classroom support services	
Extracurricular activities	942,333
Student support	587,139
Libraries, curriculum and staff development	304,629
School administration	782,168
Community services	105,060
	<hr/>
Total classroom support services	2,721,329
	<hr/>
Building support services	
Facilities operation and maintenance	521,397
Student transportation	788,315
Computing and information services	245,396
Warehouse and purchasing	70,905
	<hr/>
Total building support services	1,626,013
	<hr/>
Central support services	
Executive administration	36,556
Financial services	113,740
Human resources/employee insurance benefits	105,603
Communications and intergovernmental relations	21,350
	<hr/>
Total central support services	277,249
	<hr/>
Nutrition services	349,778
	<hr/>
Total depreciation expense, governmental activities	<u>\$ 10,192,021</u>

**Construction Commitments**

The District has active construction projects as of June 30, 2013. As of the end of the fiscal year, the District's commitments with contractors include costs to date of \$14,876,303 and expected costs to complete of \$3,419,139.

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

NOTES TO THE FINANCIAL STATEMENTS (Continued)

YEAR ENDED JUNE 30, 2013

**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 \$7,848,514, with accumulated depreciation of \$3,729,080 and a net book value of \$4,119,434 as of June 30, 2013.

Obligations of the District's governmental activities under capital leases at June 30, 2013, were as follows:

<b><i>Year Ending June 30</i></b>	<b><i>Principal</i></b>	<b><i>Interest</i></b>	<b><i>Total</i></b>
2014	\$ 832,586	\$ 101,439	\$ 934,025
2015	740,211	77,810	818,021
2016	642,075	56,994	699,069
2017	365,559	39,556	405,115
2018	305,172	28,651	333,823
2019	261,850	20,216	282,066
2020	208,885	13,664	222,549
2021	212,925	9,624	222,549
2022	217,042	5,506	222,548
2023	70,319	1,309	71,628
Total lease payments	<u>\$ 3,856,624</u>	<u>\$ 354,769</u>	<u>\$ 4,211,393</u>

**G. Unavailable and Unearned Revenue**

Governmental funds report *unavailable 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 *unavailable revenue* and *unearned revenue* reported in the governmental funds were as follows:

	<b><i>Unavailable Revenue</i></b>	<b><i>Unearned Revenue</i></b>
Delinquent property taxes receivable, General Fund	\$ 5,204,506	\$ -
Delinquent property taxes receivable, Debt Service Fund	1,096,997	-
Grant drawdowns prior to meeting all eligibility requirements	-	1,889,098
Other unearned revenue, General Fund	-	10,603
Total unavailable/unearned revenue for governmental funds	<u>\$ 6,301,503</u>	<u>\$ 1,899,701</u>

The Balance Sheet for Governmental Funds reports unearned revenue of \$1,899,701 and the Statement of Fund Net Position reports \$1,621,502 for a total of \$3,521,203.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

**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, 2013:

	Principal Issued	Balance June 30, 2012	Additions	Reductions	Balance June 30, 2013	Amounts Due in One Year
General obligation bonds:						
2012 Series Refunding	\$ 37,405,000	\$ -	\$ 37,405,000	\$ (450,000)	36,955,000	\$ 2,320,000
2011 Series	34,997,258	34,797,258	-	(495,000)	34,302,258	590,000
2008 Series Refunding	47,295,000	43,615,000	-	-	43,615,000	3,700,000
2005 Series	46,000,000	41,440,000	-	(37,835,000)	3,605,000	1,685,000
2003 Series Refunding	17,630,000	5,785,000	-	(5,785,000)	-	-
2002 Series	70,000,000	3,375,000	-	(3,375,000)	-	-
2002 Series Refunding	21,035,000	5,835,000	-	(2,930,000)	2,905,000	2,905,000
Total G.O. bonds	<u>274,362,258</u>	<u>134,847,258</u>	<u>37,405,000</u>	<u>(50,870,000)</u>	<u>121,382,258</u>	<u>11,200,000</u>
2004 Pension bonds	<u>53,435,000</u>	<u>50,940,000</u>	<u>-</u>	<u>(1,015,000)</u>	<u>49,925,000</u>	<u>1,225,000</u>
Total bonds	<u>327,797,258</u>	<u>185,787,258</u>	<u>37,405,000</u>	<u>(51,885,000)</u>	<u>171,307,258</u>	<u>12,425,000</u>
Issuance premiums:						
2012 Series Refunding	-	-	6,610,899	(513,593)	6,097,306	-
2011 Series	-	720,672	-	(84,233)	636,439	-
2008 Series Refunding	-	2,148,183	-	(532,573)	1,615,610	-
2005 Series	-	524,999	-	(511,619)	13,380	-
2003 Series Refunding	-	14,054	-	(14,054)	-	-
2002 Series	-	20,049	-	(20,049)	-	-
2002 Series Refunding	-	40,889	-	(30,565)	10,324	-
Total issuance premiums	-	<u>3,468,846</u>	<u>6,610,899</u>	<u>(1,706,686)</u>	<u>8,373,059</u>	-
Early termination stipend benefits	-	313,882	556,103	(524,587)	345,398	-
Early out retirement incentive	-	-	682,000	(382,000)	300,000	188,000
Net OPEB obligation	-	3,873,293	3,829,356	(3,447,508)	4,255,141	-
Capital lease obligations	<u>7,527,704</u>	<u>4,139,746</u>	<u>649,080</u>	<u>(932,202)</u>	<u>3,856,624</u>	<u>832,586</u>
Total	<u>\$ 335,324,962</u>	<u>\$ 197,583,025</u>	<u>\$ 49,732,438</u>	<u>\$ (58,877,983)</u>	<u>\$ 188,437,480</u>	<u>\$ 13,445,586</u>

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, early out retirement incentive 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 Reserve 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, 2013**

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**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Long-term Debt (Continued)**

General obligation bonds - 2012 Refunding Series, future payments due in annual installments of \$190,000 to \$5,005,000 plus interest, paid semi-annually at 2.0% to 5.0% through June 15, 2025.	\$ 36,955,000
General obligation bonds - 2011 Series, future payments due in annual installments of \$590,000 to \$15,000,000 plus interest, paid semi-annually at 2.0% to 4.75% through June 15, 2031.	34,302,258
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 \$1,685,000 to \$1,920,000 plus interest, paid semi-annually at 5.0% through February 1, 2015.	3,605,000
General obligation bonds - 2003 Refunding Series, final payment of \$2,265,000 plus interest at 4.0% paid on January 1, 2013.	-
General obligation bonds - 2002 Series, final payment of \$3,375,000 plus interest at 5.0% paid on July 1, 2012.	-
General obligation bonds - 2002 Refunding Series, final payment of \$2,905,000 plus interest at 5.25% due on July 1, 2013	2,905,000
Pension obligation bonds - 2004 Series, future payments due in annual installments of \$1,225,000 to \$6,220,000 plus interest, paid semi-annually at 4.793% to 5.528% through June 30, 2028.	49,925,000
Issuance premiums - 2012 Refunding bond, amortized semi-annually through June 15, 2025.	6,097,306
Issuance premiums - 2011 Series bond, amortized semi-annually through June 15, 2023.	636,439
Issuance premiums - 2008 Refunding bond, amortized semi-annually through July 1, 2017.	1,615,610
Issuance premiums - 2005 Series bond, amortized semi-annually through February 1, 2015.	13,380
Issuance premiums - 2003 Refunding bond, amortized semi-annually through January 1, 2013.	-
Issuance premiums - 2002 Series bond, amortized semi-annually through July 1, 2012.	-
Issuance premiums - 2002 Refunding bond, amortized semi-annually through July 1, 2013.	10,324
Stipend benefits for participants in the District's postemployment benefit program.	345,398
Early out retirement incentive	300,000
Net other postemployment benefit (OPEB) obligation.	4,255,141
Capital lease obligations - total of minimum lease payments for all capital leases, through July 30, 2022.	<u>3,856,624</u>
<i>Total</i>	<u>\$ 188,437,480</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
 NOTES TO THE FINANCIAL STATEMENTS (Continued)  
 YEAR ENDED JUNE 30, 2013

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**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, 2013 consist of the following:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
<b>Debt Service Fund</b>			
General obligation refunding bonds - 2012	\$ 450,000	\$ 1,014,309	\$ 1,464,309
General obligation serial bonds - 2011	495,000	1,218,000	1,713,000
General obligation refunding bonds - 2008	-	2,025,200	2,025,200
General obligation serial bonds - 2005	1,470,000	1,051,169	2,521,169
General obligation refunding bonds - 2003	2,265,000	162,634	2,427,634
General obligation serial bonds - 2002	3,375,000	84,375	3,459,375
General obligation refunding bonds - 2002	2,930,000	225,762	3,155,762
	<u>10,985,000</u>	<u>5,781,449</u>	<u>16,766,449</u>
Subtotal	10,985,000	5,781,449	16,766,449
Pension obligation serial bonds - 2004	<u>1,015,000</u>	<u>2,751,940</u>	<u>3,766,940</u>
<i>Total Debt Service Fund</i>	12,000,000	8,533,389	20,533,389
<b>School Resources Fund</b>			
Capital lease payments	<u>932,202</u>	<u>95,348</u>	<u>1,027,550</u>
<i>Total of All Funds</i>	<u>\$ 12,932,202</u>	<u>\$ 8,628,737</u>	<u>\$ 21,560,939</u>

No interest costs were capitalized during the year.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

**III. DETAILED NOTES ON ALL FUNDS (Continued)**

**H. Long-term Debt (Continued)**

Year Ending June 30	Bonds - 2012 Refunding		Bonds - 2011 Series		Bonds - 2008 Refunding		Bonds - 2005 Series	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2014	\$ 2,320,000	\$ 1,525,250	\$ 590,000	\$ 1,208,100	\$ 3,700,000	\$ 1,963,087	\$ 1,685,000	\$ 180,250
2015	190,000	1,455,650	-	1,196,300	7,235,000	1,733,663	1,920,000	96,000
2016	2,170,000	1,449,950	-	1,196,300	10,105,000	1,327,975	-	-
2017	2,440,000	1,363,150	-	1,196,300	10,895,000	831,850	-	-
2018	2,720,000	1,265,550	2,070,000	1,196,300	11,680,000	287,050	-	-
2019	3,010,000	1,156,750	2,180,000	1,134,200	-	-	-	-
2020	3,100,000	1,036,350	2,420,000	1,068,800	-	-	-	-
2021	3,420,000	912,350	2,540,000	996,200	-	-	-	-
2022	3,795,000	741,350	2,660,000	920,000	-	-	-	-
2023	4,200,000	551,600	2,715,000	813,600	-	-	-	-
2024	4,585,000	383,600	-	705,000	-	-	-	-
2025	5,005,000	200,200	-	705,000	-	-	-	-
2026	-	-	-	705,000	-	-	-	-
2027	-	-	-	705,000	-	-	-	-
2028	-	-	15,000,000	705,000	-	-	-	-
2029	-	-	1,430,517	1,734,483	-	-	-	-
2030	-	-	1,375,140	1,879,860	-	-	-	-
2031	-	-	1,321,601	2,033,399	-	-	-	-
<b>Total</b>	<b>\$ 36,955,000</b>	<b>\$ 12,041,750</b>	<b>\$ 34,302,258</b>	<b>\$ 20,098,842</b>	<b>\$ 43,615,000</b>	<b>\$ 6,143,625</b>	<b>\$ 3,605,000</b>	<b>\$ 276,250</b>

**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, 2013, \$87,475,000 of general obligation bonds are considered defeased.

**2012 Advance Refunding**

On October 17, 2012, the District issued \$37,405,000 in general obligation bonds with a true interest cost of 1.92% to advance refund portions of the outstanding 2003 and 2005 series bonds with a par value of \$39,885,000 and an average coupon rate of 4.43%. The net proceeds of \$43,734,050 (after payment of \$274,012 in underwriting fees and other issuance costs and the deposit of \$7,837 of additional proceeds) were deposited into an irrevocable trust with an escrow agent to provide for certain outstanding debt service payments of the 2003 and 2005 bonds.

The advance refunding reduced total debt service payments over 13 years by \$4,004,118 and obtained an economic gain defined as the difference between the present values of the debt service payments on the old and new debt, of \$3,782,610.



<i>Bonds - 2004 Pension</i>		<i>Bonds - 2002 Refunding</i>		<i>Require- ments</i>	<i>Total</i>	
<i>Principal</i>	<i>Interest</i>	<i>Principal</i>	<i>Interest</i>		<i>Principal</i>	<i>Interest</i>
\$ 1,225,000	\$ 2,703,494	\$ 2,905,000	\$ 76,256	\$ 20,081,437	\$ 12,425,000	\$ 7,656,437
1,450,000	2,644,779	-	-	17,921,392	10,795,000	7,126,392
1,695,000	2,573,396	-	-	20,517,621	13,970,000	6,547,621
1,960,000	2,488,256	-	-	21,174,556	15,295,000	5,879,556
2,250,000	2,387,845	-	-	23,856,745	18,720,000	5,136,745
2,565,000	2,270,328	-	-	12,316,278	7,755,000	4,561,278
2,905,000	2,133,793	-	-	12,663,943	8,425,000	4,238,943
3,275,000	1,977,707	-	-	13,121,257	9,235,000	3,886,257
3,680,000	1,800,104	-	-	13,596,454	10,135,000	3,461,454
4,110,000	1,598,698	-	-	13,988,898	11,025,000	2,963,898
4,580,000	1,371,497	-	-	11,625,097	9,165,000	2,460,097
5,085,000	1,118,314	-	-	12,113,514	10,090,000	2,023,514
5,630,000	837,216	-	-	7,172,216	5,630,000	1,542,216
6,220,000	525,989	-	-	7,450,989	6,220,000	1,230,989
3,295,000	182,148	-	-	19,182,148	18,295,000	887,148
-	-	-	-	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
<b>\$ 49,925,000</b>	<b>\$ 26,613,564</b>	<b>\$ 2,905,000</b>	<b>\$ 76,256</b>	<b>\$236,557,545</b>	<b>\$171,307,258</b>	<b>\$ 65,250,287</b>

*Sinking Fund for Series 2011B*

Series B of the 2011 General Obligation Bond (Qualified School Construction Bond) requires bond principal of \$15,000,000 to be paid in-full at the end of the bond term on June 15, 2028. Beginning in 2023, levied tax revenues will be set aside in a sinking fund to meet this obligation. Principal amounts noted below include sinking fund deposits to be held until June 15, 2028 when the full principal amount is due.

Series 2011 B levied and put into sinking fund	
06/15/2023	\$ 100,000
06/15/2024	2,975,000
06/15/2025	3,020,000
06/15/2026	2,880,000
06/15/2027	2,970,000
06/15/2028	3,055,000
	<u>\$ 15,000,000</u>

**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, 2013 were 20.41% and 18.90% respectively. The contribution requirements for plan members are established by 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 \$84,922,437 and covered payroll was \$79,685,167 for the year ended June 30, 2013. The amount contributed by the District for the years ended June 30, 2013, 2012 and 2011, which included the District's required amount and the employee's was \$20,624,995, \$19,916,131, and \$15,757,860 which equaled the required contributions for each year.

**B. Other Postemployment Benefits (OPEB)**

*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, 2013**

**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 Position. As of the most recent actuarial valuation date, the District reported there were 134 employees receiving stipend benefits. During the year ended June 30, 2013, the cost of this benefit amounted to \$524,587.

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:

	2013	2012	2011
Annual required contribution	\$ 622,256	\$ 853,153	\$ 828,304
Interest on net pension obligation	14,124	3,380	-
Adjustment to annual required contribution	<u>(80,277)</u>	<u>(19,209)</u>	<u>-</u>
Annual pension cost	556,103	837,324	828,304
Contributions made	<u>(524,587)</u>	<u>(598,550)</u>	<u>(753,196)</u>
Increase in net pension obligation	31,516	238,774	75,108
Net pension obligation - beginning of year	<u>313,882</u>	<u>75,108</u>	<u>-</u>
Net pension obligation - end of year	<u>\$ 345,398</u>	<u>\$ 313,882</u>	<u>\$ 75,108</u>
Percentage contributed	94.3%	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 obligations 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
2013	556,103	524,587	94.3%	345,398

**IV. OTHER INFORMATION (Continued)**

***B. Other Postemployment Benefits (Continued)***

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. All amortization bases are spread as level percentage of projected payroll amounts over future open periods.

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, 2012 valuation, the projected unit credit actuarial cost method was used. The assumptions included a discount rate of 4.5 percent and general inflation rate of 2.5% per year. They also assume premium increase rate would be 8.0 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, 2012, the most recent actuarial valuation date, for the period ended June 30, 2013; the District's actuarial accrued liability for benefits was \$2,177,421 and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability of \$2,177,421. 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.

***Early Out Retirement Incentive***

Plan Description – The District established a retirement incentive plan during the fiscal year 2013. The incentive was available to licensed and classified employees meeting certain eligibility requirements under OPERF or OPSRP and associated collective bargaining agreements. Participation in the program is now closed. The District does not issue a standalone report for this plan. For practical reasons, the direct effect of this program on existing OPEB plans are treated as part of the calculation of OPEB and assumed retirement rates were adjusted.

The licensed and classified employee incentive provided for a one-time cash payment of \$12,000 and \$6,000 respectively, paid out over three years. Payments are pro-rated based on employee's FTE and provides a survivor option. As of June 2013, program membership consisted of 46 licensed and 20 classified retirees. The remaining liability is estimated at \$300,000.

**IV. OTHER INFORMATION (Continued)**

***B. Other Postemployment Benefits (Continued)***

*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. The ORS stipulates 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.

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 387 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.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

**IV. OTHER INFORMATION (Continued)**

**B. Other Postemployment Benefits (Continued)**

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:

	2013	2012	2011
Annual required contribution	\$ 4,115,062	\$ 5,065,795	\$ 4,918,248
Interest on net OPEB obligation	174,300	126,020	91,770
Adjustment to annual required contribution	(460,006)	(320,367)	(230,284)
Annual OPEB cost	3,829,356	4,871,448	4,779,734
Contributions made	(3,447,508)	(3,798,608)	(4,018,634)
Increase in net OPEB obligation	381,848	1,072,840	761,100
Net OPEB obligation - beginning of year	3,873,293	2,800,453	2,039,353
Net OPEB obligation - end of year	<u>\$ 4,255,141</u>	<u>\$ 3,873,293</u>	<u>\$ 2,800,453</u>
Percentage contributed	90.0%	78.0%	84.1%

The District's annual OPEB cost, the contribution, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations 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 <sup>(1)</sup>	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
2013	3,829,356	3,447,508	90.0%	4,255,141

<sup>(1)</sup> District Estimate

Actuarial Methods and Assumptions – Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future and actuarially determined amounts are subject to continual revision as results are compared to past expectations and new estimates are made about the future. All amortization bases are spread as level percentage of projected payroll amounts over future open periods.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**IV. OTHER INFORMATION (Continued)**

***B. Other Postemployment Benefits (Continued)***

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, 2012 valuation, the projected unit credit actuarial cost method was used. The assumptions included a discount rate of 4.5 percent and general inflation rate of 2.5% per year. They also assume premium increase rate would be 8.0 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, 2012, the most recent actuarial valuation date, for the period ended June 30, 2013; the District's actuarial accrued liability for benefits was \$27,237,651, and the actuarial value of assets was \$0 resulting in an unfunded actuarial accrued liability of \$27,237,651. Covered payroll was \$79,685,167 for the year ended June 30, 2013. 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.

*Retirement Health Insurance Account*

Plan Description – As a member of the Oregon Public Employees Retirement System (PERS) 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 PERS. 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 PERS may be obtained by writing to PERS, PO Box 23700, Tigard, OR 97281-3700 or by calling 503-598-7377.

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, 2013, 2012, and 2011 were approximately \$445,906, \$444,292 and \$219,684 which equaled the required contributions each year.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**NOTES TO THE FINANCIAL STATEMENTS (Continued)**  
**YEAR ENDED JUNE 30, 2013**

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**IV. OTHER INFORMATION (Continued)**

**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.

	<u>Unemployment</u>
<b>Liability, June 30, 2011</b>	<b>\$ 511,476</b>
Claims incurred	1,850,863
Claims paid	(439,470)
Reduction of accrual	<u>(1,563,889)</u>
<b>Liability, June 30, 2012</b>	<b>358,980</b>
Claims incurred	1,016,058
Claims paid	(180,015)
Reduction of accrual	<u>(1,037,047)</u>
<b>Liability, June 30, 2013</b>	<b><u>\$ 157,976</u></b>

**Liabilities recorded in the Insurance Reserve Fund at June 30, 2013 are as follows:**

<i>Accrued Liabilities</i>	
Unemployment	\$ 157,976
<i>Insurance Premiums Payable</i>	
Deferred medical	1,621,502
Other	<u>309,067</u>
<b>Total</b>	<b><u>\$ 2,088,545</u></b>



**IV. OTHER INFORMATION (Continued)**

**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**

The District will implement new GASB pronouncements in the fiscal year no later than the required effective date. Management has not yet determined the effect on the financial statements from implementing any of the following pronouncements.

GASB Statement No. 65, *"Items Previously Reported as Assets and Liabilities."* This Statement specifies the items that were previously reported as assets and liabilities that should now be reported as deferred outflows of resources, deferred inflows of resources, outflows of resources, or inflows of resources. The requirements of this Statement are effective for fiscal years beginning after December 12, 2012.

GASB Statement No. 66, *"Technical Corrections – 2012; an amendment of GASB Statements No. 10 and No. 62."* The requirements of this Statement are effective for fiscal years beginning after December 15, 2012.

GASB Statement No. 68, *"Accounting and Financial Reporting for Pensions; an amendment of GASB Statement No. 27."* This Statement establishes accounting and financial reporting requirements related to pensions provided by governments. The Statement is effective for fiscal years beginning after June 15, 2014.

GASB Statement No. 69, *"Government Combinations and Disposals of Government Operations."* The statement establishes accounting and financial reporting standards related to government combinations and disposals of government operations. The statement is effective for fiscal years beginning after December 15, 2013.

GASB Statement No. 70, *"Accounting and Financial Reporting for Nonexchange Financial Guarantees."* The objective of the statement is to improve accounting and financial reporting by State and local governments that extend and receive nonexchange financial guarantees. The statement is effective for fiscal years beginning after June 15, 2013.

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***REQUIRED SUPPLEMENTARY INFORMATION***

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**YEAR ENDED JUNE 30, 2013**

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**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%	\$ 84,493,731	3.5%
07/01/12	-	2,177,421	2,177,421	0%	79,685,167	2.7%

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%
07/01/12	-	27,237,651	27,237,651	0%	79,685,167	34.2%

## **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.

*School Resources Fund* - Accounts for fund raising and student fees designated for extracurricular activities and projects and for the special reserve funds for schools and departments.

### **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, 2013**

	<b>Special Revenue Funds</b>		<b>Total</b>
	<b>Nutrition Services</b>	<b>School Resources</b>	
<b>ASSETS</b>			
Equity in pooled cash and investments	\$ -	\$ 2,546,412	\$ 2,546,412
Cash and investments	-	3,659,294	3,659,294
Receivables			
Accounts and other receivables	736,741	111	736,852
Inventories	134,743	-	134,743
<i>Total Assets</i>	<u>\$ 871,484</u>	<u>\$ 6,205,817</u>	<u>\$ 7,077,301</u>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>Liabilities</b>			
Accounts payable	\$ 191,186	\$ 33,514	\$ 224,700
Due to other funds	470,971	-	470,971
<i>Total Liabilities</i>	662,157	33,514	695,671
<b>Fund balances</b>			
Nonspendable	134,743	-	134,743
Committed	74,584	6,172,303	6,246,887
<i>Total Fund Balances</i>	<u>209,327</u>	<u>6,172,303</u>	<u>6,381,630</u>
<i>Total Liabilities and Fund Balances</i>	<u>\$ 871,484</u>	<u>\$ 6,205,817</u>	<u>\$ 7,077,301</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, 2013**

	<b>Special Revenue Funds</b>		<b>Totals</b>
	<b>Nutrition Services</b>	<b>School Resources</b>	
<b>REVENUES</b>			
Local sources	\$ 1,369,799	\$ 4,537,478	\$ 5,907,277
State sources	56,295	-	56,295
Federal sources	3,165,350	-	3,165,350
<i>Total Revenues</i>	4,591,444	4,537,478	9,128,922
<b>EXPENDITURES</b>			
Current			
Instruction	-	4,966,013	4,966,013
Supporting services	70,486	552,665	623,151
Community services	4,515,137	-	4,515,137
Debt service			
Principal	-	932,202	932,202
Interest	-	95,348	95,348
Capital outlay	-	7,700	7,700
<i>Total Expenditures</i>	4,585,623	6,553,928	11,139,551
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	5,821	(2,016,450)	(2,010,629)
<b>OTHER FINANCING SOURCES</b>			
Transfers in	27,900	2,513,009	2,540,909
Transfers out	-	(5,046,053)	(5,046,053)
Sale of capital assets	-	5,200	5,200
<i>Total Other Financing Sources</i>	27,900	(2,527,844)	(2,499,944)
<b>NET CHANGE IN FUND BALANCES</b>	33,721	(4,544,294)	(4,510,573)
<b>FUND BALANCES, Beginning of year</b>	175,606	10,716,597	10,892,203
<b>FUND BALANCES, End of year</b>	<u>\$ 209,327</u>	<u>\$ 6,172,303</u>	<u>\$ 6,381,630</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**COMBINING STATEMENT OF FUND NET POSITION**  
**ALL INTERNAL SERVICE FUNDS**  
**JUNE 30, 2013**

	<u>Insurance Reserve Fund</u>	<u>Postemployment Benefits Fund</u>	<u>Total</u>
<b>ASSETS</b>			
Current assets:			
Equity in pooled cash and investments	\$ 9,662,354	\$ 1,503,579	\$ 11,165,933
Accounts and other receivables	23,495	-	23,495
Prepaid expenses	759,372	-	759,372
<i>Total Assets</i>	<u>10,445,221</u>	<u>1,503,579</u>	<u>11,948,800</u>
<b>LIABILITIES</b>			
Accrued payroll and related charges	467,043	-	467,043
Unearned revenue	1,621,502	-	1,621,502
Long-term liabilities			
Due within one year			
Early out retirement incentive	-	188,000	188,000
Due in more than one year			
Other post employment benefits obligation	-	4,712,539	4,712,539
<i>Total Liabilities</i>	<u>2,088,545</u>	<u>4,900,539</u>	<u>6,989,084</u>
<b>FUND NET POSITION</b>			
Unrestricted	<u>8,356,676</u>	<u>(3,396,960)</u>	<u>4,959,716</u>
<i>Total Fund Net Position</i>	<u>\$ 8,356,676</u>	<u>\$ (3,396,960)</u>	<u>\$ 4,959,716</u>



**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON****COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION  
ALL INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2013**

	<u>Insurance Reserve Fund</u>	<u>Postemployment Benefits Fund</u>	<u>Totals</u>
<b>OPERATING REVENUES</b>			
Interfund charges for services	\$ 29,303,618	\$ 1,971,403	\$ 31,275,021
Other reimbursements	86,791	-	86,791
<i>Total Operating Revenues</i>	29,390,409	1,971,403	31,361,812
<b>OPERATING EXPENSES</b>	30,017,960	3,637,469	33,655,429
<b>OPERATING LOSS</b>	(627,551)	(1,666,066)	(2,293,617)
<b>NONOPERATING REVENUES</b>			
Interest income	38,896	-	38,896
<b>LOSS BEFORE TRANSFERS</b>	(588,655)	(1,666,066)	(2,254,721)
<b>TRANSFERS</b>			
Transfers in	561,124	-	561,124
Transfers out	(1,290,487)	(1,257,000)	(2,547,487)
<i>Total Transfers</i>	(729,363)	(1,257,000)	(1,986,363)
<b>CHANGE IN FUND NET POSITION</b>	(1,318,018)	(2,923,066)	(4,241,084)
<b>TOTAL FUND NET POSITION, Beginning of year</b>	9,674,694	(473,894)	9,200,800
<b>TOTAL FUND NET POSITION, End of year</b>	<u>\$ 8,356,676</u>	<u>\$ (3,396,960)</u>	<u>\$ 4,959,716</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**COMBINING STATEMENT OF CASH FLOWS**  
**ALL INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2013**

	<u>Insurance Reserve Fund</u>	<u>Postemployment Benefits Fund</u>	<u>Totals</u>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers and users	\$ 86,791	\$ -	\$ 86,791
Receipts from interfund services provided	29,462,836	1,971,403	31,434,239
Payments to suppliers	(30,413,571)	-	(30,413,571)
Payments to employees	(626,412)	-	(626,412)
Payments to retirees	-	(2,924,105)	(2,924,105)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Net Cash Used by Operating Activities</i>	(1,490,356)	(952,702)	(2,443,058)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>			
Transfers in from other funds	561,124	-	561,124
Transfers out to other funds	(1,290,487)	(1,257,000)	(2,547,487)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Net Cash Used by Noncapital Financing Activities</i>	(729,363)	(1,257,000)	(1,986,363)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received	38,896	-	38,896
	<u>                    </u>	<u>                    </u>	<u>                    </u>
<i>Net Decrease in Cash and Cash Equivalents</i>	(2,180,823)	(2,209,702)	(4,390,525)
<b>CASH AND CASH EQUIVALENTS, Beginning of year</b>	<u>11,843,177</u>	<u>3,713,281</u>	<u>15,556,458</u>
<b>CASH AND CASH EQUIVALENTS, End of year</b>	<u><u>\$ 9,662,354</u></u>	<u><u>\$ 1,503,579</u></u>	<u><u>\$ 11,165,933</u></u>
<b>RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>			
Operating loss	\$ (627,551)	\$ (1,666,066)	\$ (2,293,617)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Decrease in accounts and other receivables	3,579	-	3,579
Increase in prepaid expenses	(759,372)	-	(759,372)
Decrease in accrued payroll and related charges	(262,651)	-	(262,651)
Increase in accrued postemployment benefits payable	-	713,364	713,364
Increase in unearned revenue	155,639	-	155,639
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Total adjustments	(862,805)	713,364	(149,441)
	<u>                    </u>	<u>                    </u>	<u>                    </u>
Net cash used by operating activities	<u><u>\$ (1,490,356)</u></u>	<u><u>\$ (952,702)</u></u>	<u><u>\$ (2,443,058)</u></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.

**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.

*School Resources Fund* - Accounts for fund raising and student fees designated for extracurricular activities and projects and for the special reserve funds for schools and departments.

**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, 2013**

	<b>Original and Final Budget</b>	<b>Variance with Final Budget</b>	<b>Actual</b>		<b>GAAP Basis</b>
			<b>Budget Basis</b>	<b>Adjustments</b>	
<b>REVENUES</b>					
Local sources	\$ 17,662,006	\$ 12,544	\$ 17,674,550	\$ -	\$ 17,674,550
Federal sources	705,000	(30,668)	674,332	-	674,332
<i>Total Revenues</i>	18,367,006	(18,124)	18,348,882	-	18,348,882
<b>EXPENDITURES</b>					
Debt service	19,938,534	(594,855)	20,533,389	-	20,533,389
<b>REVENUES OVER (UNDER) EXPENDITURES</b>					
	(1,571,528)	(612,979)	(2,184,507)	-	(2,184,507)
<b>OTHER FINANCING SOURCES (USES)</b>					
Bond sales proceeds	-	37,131,133	37,131,133	-	37,131,133
Premium on refunded bonds	-	6,610,899	6,610,899	-	6,610,899
Payment to refunded bond escrow agent	-	(43,734,050)	(43,734,050)	-	(43,734,050)
<i>Total Other Financing Sources (Uses)</i>	-	7,982	7,982	-	7,982
<b>NET CHANGE IN FUND BALANCE</b>	(1,571,528)	(604,997)	(2,176,525)	-	(2,176,525)
<b>FUND BALANCE, Beginning of year</b>	9,729,962	(813,492)	8,916,470	-	8,916,470
<b>FUND BALANCE, End of year</b>	<u>\$ 8,158,434</u>	<u>\$ (1,418,489)</u>	<u>\$ 6,739,945</u>	<u>\$ -</u>	<u>\$ 6,739,945</u>

**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, 2013**

	<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>	
<b>REVENUES</b>						
Local sources	\$ 175,000	\$ 175,000	\$ 123,722	\$ 298,722	\$ -	\$ 298,722
State sources	-	-	649,316	649,316	-	649,316
<i>Total Revenues</i>	175,000	175,000	773,038	948,038	-	948,038
<b>EXPENDITURES</b>						
Current						
Instruction	201,000	201,000	201,000	-	-	-
Supporting services	6,768,868	6,768,868	906,088	5,862,780	(4,912,473)	950,307
Community services	1,000	1,000	1,000	-	-	-
Facilities acquisition and construction	15,323,000	15,323,000	3,397,176	11,925,824	(11,925,824)	-
Capital outlay	-	-	-	-	17,487,377	17,487,377
<i>Total Expenditures</i>	22,293,868	22,293,868	4,505,264	17,788,604	649,080	18,437,684
<b>REVENUES OVER (UNDER) EXPENDITURES</b>						
	(22,118,868)	(22,118,868)	5,278,302	(16,840,566)	(649,080)	(17,489,646)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	1,799,315	410,035	2,209,350	-	2,209,350
Transfers out	(2,000,000)	(2,000,000)	-	(2,000,000)	-	(2,000,000)
Refunding bonds issued	-	-	273,867	273,867	-	273,867
Capital leases	-	-	-	-	649,080	649,080
<i>Total Other Financing Sources (Uses)</i>	(2,000,000)	(200,685)	683,902	483,217	649,080	1,132,297
<b>NET CHANGE IN FUND BALANCE</b>	(24,118,868)	(22,319,553)	5,962,204	(16,357,349)	-	(16,357,349)
<b>FUND BALANCE , Beginning of year</b>	34,958,804	34,958,804	(2,939,965)	32,018,839	-	32,018,839
<b>FUND BALANCE , End of year</b>	<u>\$ 10,839,936</u>	<u>\$ 12,639,251</u>	<u>\$ 3,022,239</u>	<u>\$ 15,661,490</u>	<u>\$ -</u>	<u>\$ 15,661,490</u>

**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, 2013**

	<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>	
<b>REVENUES</b>						
Local sources	\$ 1,415,682	\$ 1,415,682	\$ (45,883)	\$ 1,369,799	\$ -	\$ 1,369,799
State sources	52,877	52,877	3,418	56,295	-	56,295
Federal sources	3,246,811	3,246,811	(115,182)	3,131,629	33,721	3,165,350
<i>Total Revenues</i>	4,715,370	4,715,370	(157,647)	4,557,723	33,721	4,591,444
<b>EXPENDITURES</b>						
Current						
Supporting services	44,018	84,018	13,532	70,486	-	70,486
Community services	4,564,675	4,619,675	104,538	4,515,137	-	4,515,137
Operating contingency	132,000	42,000	42,000	-	-	-
<i>Total Expenditures</i>	4,740,693	4,745,693	160,070	4,585,623	-	4,585,623
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	(25,323)	(30,323)	2,423	(27,900)	33,721	5,821
<b>OTHER FINANCING SOURCES</b>						
Transfers in	28,300	33,300	5,400	27,900	-	27,900
<b>NET CHANGE IN FUND BALANCE</b>	2,977	2,977	(2,977)	-	33,721	33,721
<b>FUND BALANCE, Beginning of year</b>	74,584	74,584	-	74,584	101,022	175,606
<b>FUND BALANCE, End of year</b>	<u>\$ 77,561</u>	<u>\$ 77,561</u>	<u>\$ (2,977)</u>	<u>\$ 74,584</u>	<u>\$ 134,743</u>	<u>\$ 209,327</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -**  
**BUDGET AND ACTUAL - SPECIAL REVENUE FUNDS (SCHOOL RESOURCES FUND)**  
**YEAR ENDED JUNE 30, 2013**

	<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>	
<b>REVENUES</b>						
Local sources	\$ 5,900,000	\$ 5,910,000	\$ (1,372,522)	\$ 4,537,478	\$ -	\$ 4,537,478
State sources	-	462,890	(462,890)	-	-	-
<i>Total Revenues</i>	<u>5,900,000</u>	<u>6,372,890</u>	<u>(1,835,412)</u>	<u>4,537,478</u>	<u>-</u>	<u>4,537,478</u>
<b>EXPENDITURES</b>						
Current						
Instruction	7,090,000	7,499,089	2,533,076	4,966,013	-	4,966,013
Supporting services	-	666,530	106,165	560,365	(7,700)	552,665
Community services	-	1,000	1,000	-	-	-
Debt service						
Principal	-	865,273	(66,929)	932,202	-	932,202
Interest	-	158,741	63,393	95,348	-	95,348
Operating contingency	-	651,867	651,867	-	-	-
Capital outlay	-	-	-	-	7,700	7,700
<i>Total Expenditures</i>	<u>7,090,000</u>	<u>9,842,500</u>	<u>3,288,572</u>	<u>6,553,928</u>	<u>-</u>	<u>6,553,928</u>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<u>(1,190,000)</u>	<u>(3,932,500)</u>	<u>1,916,050</u>	<u>(2,016,450)</u>	<u>-</u>	<u>(2,016,450)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	-	1,238,803	1,274,206	2,513,009	-	2,513,009
Transfers out	-	(5,069,571)	23,518	(5,046,053)	-	(5,046,053)
Sale of capital assets	-	-	5,200	5,200	-	5,200
<i>Total Other Financing Sources (Uses)</i>	<u>-</u>	<u>(3,830,768)</u>	<u>1,302,924</u>	<u>(2,527,844)</u>	<u>-</u>	<u>(2,527,844)</u>
<b>NET CHANGE IN FUND BALANCE</b>	<u>(1,190,000)</u>	<u>(7,763,268)</u>	<u>3,218,974</u>	<u>(4,544,294)</u>	<u>-</u>	<u>(4,544,294)</u>
<b>FUND BALANCE, Beginning of year</b>	<u>3,900,000</u>	<u>10,749,181</u>	<u>(32,584)</u>	<u>10,716,597</u>	<u>-</u>	<u>10,716,597</u>
<b>FUND BALANCE, End of year</b>	<u>\$ 2,710,000</u>	<u>\$ 2,985,913</u>	<u>\$ 3,186,390</u>	<u>\$ 6,172,303</u>	<u>\$ -</u>	<u>\$ 6,172,303</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION -**  
**BUDGET AND ACTUAL - INTERNAL SERVICE FUNDS (INSURANCE RESERVE FUND)**  
**YEAR ENDED JUNE 30, 2013**

	<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>
<b>REVENUES</b>						
Local sources	\$33,870,000	\$ 33,870,000	\$ (4,527,486)	\$ 29,342,514	\$ -	\$ 29,342,514
State sources	-	-	86,791	86,791	-	86,791
<i>Total Revenues</i>	<u>33,870,000</u>	<u>33,870,000</u>	<u>(4,440,695)</u>	<u>29,429,305</u>	<u>-</u>	<u>29,429,305</u>
<b>EXPENSES</b>						
Current						
Instruction	1,000	1,000	1,000	-	-	-
Supporting services	35,893,243	35,893,243	5,875,283	30,017,960	-	30,017,960
Community services	1,000	1,000	1,000	-	-	-
Facilities acquisition and construction	1,000	1,000	1,000	-	-	-
Operating contingency	700,000	700,000	700,000	-	-	-
<i>Total Expenses</i>	<u>36,596,243</u>	<u>36,596,243</u>	<u>6,578,283</u>	<u>30,017,960</u>	<u>-</u>	<u>30,017,960</u>
<b>REVENUES OVER (UNDER) EXPENSES</b>	<u>(2,726,243)</u>	<u>(2,726,243)</u>	<u>2,137,588</u>	<u>(588,655)</u>	<u>-</u>	<u>(588,655)</u>
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers in	608,000	612,000	(50,876)	561,124	-	561,124
Transfers out	(809,300)	(1,314,300)	23,813	(1,290,487)	-	(1,290,487)
<i>Total Other Financing Sources (Uses)</i>	<u>(201,300)</u>	<u>(702,300)</u>	<u>(27,063)</u>	<u>(729,363)</u>	<u>-</u>	<u>(729,363)</u>
<b>NET CHANGE IN FUND NET POSITION</b>	<u>(2,927,543)</u>	<u>(3,428,543)</u>	<u>2,110,525</u>	<u>(1,318,018)</u>	<u>-</u>	<u>(1,318,018)</u>
<b>FUND NET POSITION, Beginning of year</b>	<u>8,413,006</u>	<u>9,109,865</u>	<u>564,829</u>	<u>9,674,694</u>	<u>-</u>	<u>9,674,694</u>
<b>FUND NET POSITION, End of year</b>	<u>\$ 5,485,463</u>	<u>\$ 5,681,322</u>	<u>\$ 2,675,354</u>	<u>\$ 8,356,676</u>	<u>\$ -</u>	<u>\$ 8,356,676</u>



**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**BUDGET AND ACTUAL - INTERNAL SERVICE FUNDS (POSTEMPLOYMENT BENEFITS FUND)**  
**YEAR ENDED JUNE 30, 2013**

	<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>	
<b>REVENUES</b>						
Local sources	\$ 1,700,000	\$ 1,700,000	\$ 271,403	\$ 1,971,403	\$ -	\$ 1,971,403
<b>EXPENSES</b>						
Current						
Supporting services	2,939,350	3,239,350	315,245	2,924,105	713,364	3,637,469
Operating contingency	300,000	-	-	-	-	-
Total Expenses	3,239,350	3,239,350	315,245	2,924,105	713,364	3,637,469
<b>REVENUES OVER (UNDER) EXPENSES</b>	(1,539,350)	(1,539,350)	586,648	(952,702)	(713,364)	(1,666,066)
<b>OTHER FINANCING SOURCES (USES)</b>						
Transfers out	(1,257,000)	(1,257,000)	-	(1,257,000)	-	(1,257,000)
<b>NET CHANGE IN FUND NET POSITION</b>	(2,796,350)	(2,796,350)	586,648	(2,209,702)	(713,364)	(2,923,066)
<b>FUND NET POSITION, Beginning of year</b>	2,925,000	2,925,000	788,281	3,713,281	(4,187,175)	(473,894)
<b>FUND NET POSITION, End of year</b>	<u>\$ 128,650</u>	<u>\$ 128,650</u>	<u>\$ 1,374,929</u>	<u>\$ 1,503,579</u>	<u>\$ (4,900,539)</u>	<u>\$ (3,396,960)</u>

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***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 SCHEDULE BY SOURCE <sup>(1)</sup>**  
**JUNE 30, 2013 AND 2012**

	2013	2012
Governmental funds capital assets:		
Land	\$ 1,621,220	\$ 1,621,220
Construction in progress	491,449	8,942,476
Athletic field improvements	11,963,420	11,938,173
Buildings and improvements	285,459,236	261,865,397
Equipment	7,895,291	7,693,616
Vehicles	12,571,533	11,995,623
Intangibles	1,503,343	-
Total governmental funds capital assets	<u>\$ 321,505,492</u>	<u>\$ 304,056,505</u>

<sup>(1)</sup> This 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 position.

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS**  
**SCHEDULE BY FUNCTION AND ACTIVITY <sup>(1)</sup>**  
**JUNE 30, 2013**

	<u>Land</u>	<u>Athletic Field Improvements</u>	<u>Buildings and Improvements</u>	<u>Equipment</u>	<u>Vehicles</u>	<u>Intangibles</u>	<u>Construction in Progress</u>	<u>Total</u>
Direct classroom services								
Regular instruction	\$ 750,548	\$ -	\$ 156,980,706	\$ 375,515	\$ -	\$ -	\$ 491,449	\$ 158,598,218
Special programs	177,614	-	37,149,280	142,169	-	-	-	37,469,063
Total direct classroom services	<u>928,162</u>	<u>-</u>	<u>194,129,986</u>	<u>517,684</u>	<u>-</u>	<u>-</u>	<u>491,449</u>	<u>196,067,281</u>
Classroom support services								
Extracurricular activities	25,741	11,963,420	5,383,954	66,985	-	-	-	17,440,100
Counselors, nurses and student support	67,838	-	17,679,660	68,172	-	-	-	17,815,670
Libraries, curriculum and staff development	23,333	-	7,755,014	131,907	-	-	-	7,910,254
School administration	132,383	-	27,688,904	451,331	-	-	-	28,272,618
Community services	5,884	-	1,230,618	619,889	-	-	-	1,856,391
Total classroom support services	<u>255,179</u>	<u>11,963,420</u>	<u>59,738,150</u>	<u>1,338,284</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73,295,033</u>
Building support services								
Facilities operation and maintenance	205,225	-	6,908,244	3,021,310	1,587,952	-	-	11,722,731
Student transportation	165,100	-	3,011,102	146,448	10,586,858	-	-	13,909,508
Computing and information services	3,675	-	2,803,276	2,771,033	53,019	1,503,343	-	7,134,346
Warehouse and purchasing	1,492	-	1,138,172	-	343,704	-	-	1,483,368
Total building support services	<u>375,492</u>	<u>-</u>	<u>13,860,794</u>	<u>5,938,791</u>	<u>12,571,533</u>	<u>1,503,343</u>	<u>-</u>	<u>34,249,953</u>
Central support services								
Executive administration	931	-	710,878	21,293	-	-	-	733,102
Financial services	2,984	-	2,276,344	34,544	-	-	-	2,313,872
Human resources	2,743	-	2,092,397	17,415	-	-	-	2,112,555
Communications and intergovernmental relations	560	-	427,294	9,315	-	-	-	437,169
Total central support services	<u>7,218</u>	<u>-</u>	<u>5,506,913</u>	<u>82,567</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,596,698</u>
Nutrition Services	55,169	-	12,223,393	17,965	-	-	-	12,296,527
Total governmental funds capital assets	<u>\$ 1,621,220</u>	<u>\$ 11,963,420</u>	<u>\$ 285,459,236</u>	<u>\$ 7,895,291</u>	<u>\$ 12,571,533</u>	<u>\$ 1,503,343</u>	<u>\$ 491,449</u>	<u>\$ 321,505,492</u>

<sup>(1)</sup> This 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 position.

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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, 2013 AND 2012**

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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 2013 and 2012 follows:

	2013			2012		
	General Fund		Debt Service Fund	General Fund		Debt Service Fund
	Permanent	Local Option		Permanent	Local Option	
Tax Rate	\$ 4.75	\$ 1.50	\$ 1.13	\$ 4.75	\$ 1.50	\$ 1.29
Amount tax rate will raise	58,659,935	18,797,427	14,083,039	57,315,210	18,336,991	15,653,120
Rounding gain (loss)	1,012	1,016	1,467	518	867	1,010
Measure 5 compression loss	(1,353,734)	(10,565,888)	-	(801,057)	(8,031,721)	-
Taxes imposed for District	<u>\$ 57,307,213</u>	<u>\$ 8,232,555</u>	<u>\$ 14,084,506</u>	<u>\$ 56,514,671</u>	<u>\$ 10,306,137</u>	<u>\$ 15,654,130</u>
District tax rate per \$1,000 of TAV <sup>(1)</sup>	<u>\$ 4.64</u>	<u>\$ 0.67</u>	<u>\$ 1.13</u>	<u>\$ 4.68</u>	<u>\$ 0.85</u>	<u>\$ 1.29</u>

<sup>(1)</sup> Lane County Taxable Assessed Value (TAV):

2013 \$12,338,548,297

2012 \$12,059,996,273



**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF PROPERTY TAX TRANSACTIONS**  
**YEAR ENDED JUNE 30, 2013**

	<b>Current Levy and Taxes July 1, 2013</b>	<b>Tax Collections</b>	<b>Discounts and Adjustments</b>	<b>Taxes Receivable June 30, 2013</b>		
				<b>Total</b>	<b>General Fund</b>	<b>Debt Service Fund</b>
2012-2013	\$ 79,624,274	\$ 74,774,923	\$ 2,229,424	\$ 2,619,927	\$ 2,172,024	\$ 447,903
2011-2012	2,784,856	1,085,381	136,597	1,562,878	1,271,621	291,257
2010-2011	1,595,913	509,878	43,614	1,042,421	850,492	191,929
2009-2010	1,160,129	401,426	33,414	725,289	591,011	134,278
2008-2009	313,959	166,443	22,937	124,579	101,473	23,106
2007-2008	92,213	14,257	7,127	70,829	57,909	12,920
2006-2007	58,341	5,039	6,647	46,655	36,717	9,938
Prior	549,568	5,662	2,989	540,917	475,965	64,952
<b>Totals</b>	<b>\$ 86,179,253</b>	<b>\$ 76,963,009</b>	<b>\$ 2,482,749</b>	<b>\$ 6,733,495</b>	<b>\$ 5,557,212</b>	<b>\$ 1,176,283</b>

**SUMMARY OF PROPERTY TAX REVENUE**

Tax collection shown above	\$ 76,963,009
Increase in taxes available to meet current demands, net	20,658
Interest on tax collection	396,285
Assessment of additional taxes and penalties, Lane County	126,317
Payments in lieu of tax and other adjustments	131,463
<b>Total Tax Revenue (Budgetary Basis)</b>	<b>\$ 77,637,732</b>

**GENERAL FUND**

**DEBT SERVICE FUND**

\$ 63,883,326
13,754,406
<b>\$ 77,637,732</b>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**DEBT INFORMATION**  
**YEAR ENDED JUNE 30, 2013**

	<u>Date Issued</u>	<u>Maturity Date</u>	<u>Principal Issued</u>	<u>Principal Outstanding</u>
<b>SECURED BY THE FULL FAITH &amp; CREDIT OF THE DISTRICT</b>				
2002 Refunding	2/15/02	7/1/13	\$ 21,035,000	\$ 2,905,000
2002 School Improvement	11/1/02	7/1/12	70,000,000	-
2003 Refunding	2/1/03	1/1/13	17,630,000	-
2005 School Improvement	8/25/05	2/1/15	46,000,000	3,605,000
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	15,175,000
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
2012 Refunding	10/17/12	6/15/25	37,405,000	36,955,000
<i>Total General Obligation Bonds</i>			274,362,258	121,382,258
Pension Bonds	2/19/04	6/30/28	53,435,000	49,925,000
<i>Total GO and Pension Bonds</i>			327,797,258	171,307,258
<b>CAPITAL LEASE PURCHASE AGREEMENTS</b>				
Bank of America	1/2/03	7/15/12	1,350,352	-
Capital One Public Funding LLC	7/29/05	7/29/15	406,115	135,481
Capital One Public Funding LLC	3/17/06	8/1/15	66,142	22,254
Capital One Public Funding LLC	9/8/06	7/28/16	581,013	258,846
SunTrust	6/13/07	7/15/17	310,575	171,184
SunTrust	7/25/07	7/25/17	104,667	58,168
SunTrust	9/30/08	7/15/18	472,302	306,489
SunTrust	11/21/08	7/15/13	523,800	111,569
Bank of America	4/26/10	7/26/14	552,470	226,353
Capital One Public Funding LLC	2/9/11	7/12/15	1,128,750	683,436
US Bancorp Government Leasing and Finance	7/15/11	7/15/21	1,382,438	1,233,764
US Bancorp Government Leasing and Finance	8/30/12	7/30/22	649,080	649,080
<i>Total Capital Lease Purchase Agreements</i>			7,527,704	3,856,624
<i>Total Gross Direct and Net Direct Debt</i>			<u>\$ 335,324,962</u>	<u>\$ 175,163,882</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, 2013

**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 <sup>(1)</sup>	\$ 121,382,258
Net overlapping debt	88,208,163
Total net property-tax backed plus overlapping debt	<u>\$ 209,590,421</u>

<b>PER CAPITA RATIOS</b>		<u>Amount per Capita</u>	<u>Percentage</u>
2012-13 estimated District population	154,905		
2012-13 real market value	<u>\$ 21,512,084,735</u>	<u>\$ 138,873</u>	
Gross and net property-tax backed debt	\$ 121,382,258	\$ 784	0.56%
Net overlapping debt	<u>88,208,163</u>	<u>569</u>	<u>0.41%</u>
Total net direct plus overlapping debt	<u>\$ 209,590,421</u>	<u>\$ 1,353</u>	<u>0.97%</u>

<sup>(1)</sup> 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; Lane County 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, 2013**

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**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 (2012-13)	\$ 21,512,084,735
General obligation debt capacity (7.95% of Real Market Value)	1,710,210,736
Outstanding obligations subject to limit	121,382,258
Less: Amount available in debt service fund	<u>6,559,522</u>
Remaining debt capacity	<u>\$ 1,595,388,000</u>
Percent of general obligation debt capacity issued	6.71%

**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	16,823	15,471	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
05/21/13	G.O. Bond	170,000,000	24,672	14,266	10,406	63.4

\* 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 2012-13 AND 2013-14 ADOPTED GENERAL FUND BUDGETS**  
**YEAR ENDED JUNE 30, 2013**

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	<u>2012-13</u> <u>Budget</u>	<u>2013-14</u> <u>Budget</u>
	<i>(in thousands)</i>	
<b>RESOURCES</b>		
State School Funding		
Property taxes	\$ 54,783	\$ 55,590
Property taxes, prior years	1,982	1,890
State School Fund	59,552	69,540
Other SSF revenues	1,822	1,647
Local option property tax	9,499	7,149
Transfers	4,488	1,259
Other sources	3,474	5,295
	<hr/>	<hr/>
<i>Total Revenues</i>	135,600	142,370
Beginning net working capital	7,670	6,742
	<hr/>	<hr/>
<i>Total Budget Resources</i>	<u>\$ 143,270</u>	<u>\$ 149,112</u>
 <b>REQUIREMENTS</b>		
Salaries	\$ 71,798	\$ 70,232
Benefits	46,110	50,544
Services	14,292	15,024
Supplies	3,454	3,675
Equipment	53	46
Other	1,389	2,074
Contingency	2,730	3,679
	<hr/>	<hr/>
<i>Total Expenditures</i>	139,826	145,274
Unappropriated balance	3,444	3,838
	<hr/>	<hr/>
<i>Total Budget Requirements</i>	<u>\$ 143,270</u>	<u>\$ 149,112</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, 2013**

	<u>Cash Balances June 30, 2012</u>	<u>Cash Receipts</u>	<u>Cash Disbursements</u>	<u>Cash Balances June 30, 2013</u>
<b>HIGH SCHOOLS</b>				
Churchill	\$ 209,432	\$ 511,112	\$ 531,521	\$ 189,023
Community Living Program	12,235	10,693	13,628	9,300
Life Skills Network	8,639	3,003	2,267	9,375
North Eugene	283,690	511,414	514,280	280,824
Education Options	14,488	38,954	15,676	37,766
Sheldon	498,705	1,083,638	1,191,421	390,922
South Eugene	718,498	1,181,364	1,125,766	774,096
<i>Total High Schools</i>	1,745,687	3,340,178	3,394,559	1,691,306
<b>K-8 SCHOOLS</b>				
Arts & Technology Academy at Jefferson	47,829	76,186	59,769	64,246
<b>MIDDLE SCHOOLS</b>				
Cal Young	33,499	95,666	61,024	68,141
Colin Kelly	49,825	67,448	56,352	60,921
Kennedy	52,249	59,810	69,323	42,736
Madison	83,922	89,286	67,799	105,409
Monroe	112,537	74,801	88,339	98,999
Roosevelt	220,486	168,464	148,838	240,112
Spencer Butte	73,034	190,998	156,814	107,218
<i>Total Middle Schools</i>	673,381	822,659	708,258	787,782
<b>ELEMENTARY SCHOOLS</b>				
Adams	11,199	101,052	60,490	51,761
Awbrey Park	38,590	36,071	27,363	47,298
Bertha Holt	164,052	122,524	105,487	181,089
Bertha Holt PAHS	50,676	-	50,676	-
Buena Vista	4,268	33,820	29,039	9,049
Camas Ridge	232,173	133,124	158,746	206,551
Cesar Chavez	1,045	31,311	24,197	8,159
Corridor	19,260	43,880	39,880	23,260
Corridor PTO	3,455	-	3,455	-
Edgewood	89,169	124,476	170,828	42,817
Edgewood PGA	74,938	-	30,064	44,874
Edison	105,767	132,528	110,026	128,269
Fox Hollow	145,879	78,391	177,684	46,586
Gilham	64,848	26,987	56,776	35,059
Howard	8,567	16,514	13,775	11,306
McCornack	27,758	54,851	46,053	36,556
River Road	22,436	7,056	12,705	16,787
Spring Creek	19,177	11,731	12,252	18,656
Twin Oaks	31,317	15,062	17,250	29,129
Willagillespie	172,678	78,960	114,297	137,341
Yujin Gakuen	24,181	13,852	7,372	30,661
<i>Total Elementary Schools</i>	1,311,433	1,062,190	1,268,415	1,105,208
<i>Total All Schools</i>	<u>\$ 3,730,501</u>	<u>\$ 5,225,027</u>	<u>\$ 5,371,232</u>	<u>\$ 3,584,296</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, Eugene, Oregon**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**YEAR ENDED JUNE 30, 2013**

	<i>Pass Through Entity Identifying Number</i>	<i>Federal CFDA Number</i>	<i>Current Year's Revenues and Expenditures</i>
<b>U.S. Department of Education</b>			
<b>Direct Programs:</b>			
Indian Education 2011-2012	S060A111100	84.060A	\$ 22,466
Indian Education 2012-2013	S060A121100	84.060A	282,922
Alcohol Abuse Reduction 2012-13	Q184A090006-11	84.184A	192,474
Carol M. White Physical Education Program 2011-12-extended	Q215F090921-11	84.215F	17,767
<b>Subtotal Direct Programs</b>			<b>515,629</b>
<b>Passed Through Oregon State Department of Education:</b>			
<b>Title I</b>			
Title I Disadvantaged 2011-2012	22612	84.010	786,398
Title I Disadvantaged 2012-2013	25243	84.010	2,494,889
Title I D Formula 2011-2012	22545	84.010	6,129
Title I D Formula 2012-2013	25177	84.010	38,988
Priority Improvement Planning- RiverRoad/EICamino	25637	84.010	3,917
Priority Improvement Planning- RiverRoad/EICamino	27168	84.010	7,355
Focus Improvement - Spring Creek	26887	84.010	5,120
<b>Subtotal Title I, Part A Cluster</b>			<b>3,342,796</b>
Long Term Care & Treatment 2011-2012	9133-A2	84.013	10,481
Priority Improvement Implementation- RiverRoad/EICamino	25637	84.377	1,083
Priority Improvement Implementation- RiverRoad/EICamino	27168	84.377	1,802
<b>Title II A</b>			
Title IIA/Class Size Reduction 2011-2012	22796	84.367	262,795
Title IIA/Class Size Reduction 2012-2013	25468	84.367	460,998
Title II-B- Mathematics & Science Partnerships	25093	84.366	107,007
<b>Title II D</b>			
Title II-D-21st Century Technology Rich Learning & Teaching	22238	84.318	3,292
<b>Subtotal Educational Technology State Grants Cluster</b>			<b>3,292</b>
<b>Title III</b>			
Title III English Language Acquisition 2011-2012	22967	84.365	6,006
Title III English Language Acquisition 2012-2013	25120	84.365	39,877
<b>Career &amp; Technical Education</b>			
Carl Perkins Voc Ed 2011-2012 (Passed through ODE)	22122	84.048	1,814
Carl Perkins Voc Ed 2012-2013 (Passed through Lane ESD)	N/A	84.048	50,387
<b>Homeless Children and Youth</b>			
McKinney Homeless Educ. 2012-2013 (passed thru Lane ESD)	N/A	84.196	14,796
<b>Subtotal Education of Homeless Children and Youth Cluster</b>			<b>14,796</b>
<b>Special Education and Rehabilitation Services</b>			
IDEA 2011-2012	23570	84.027	242,906
IDEA 2012-2013	26671	84.027	2,690,638
SPRI&Formula	25738	84.027	8,191
IDEA Enhancement Grant 2011-2012	23789	84.027	12,731
Extended Assessment	24955	84.027	7,200
Long Term Care & Treatment 2011-2012	9133-A2	84.027	5,076
Rgnl Deaf & Hard of Hearing 2011-2012 (Lane ESD)	N/A	84.027	288,595
Rgnl Vision Impaired 2011-2012 (Lane ESD)	N/A	84.027	240,604
Rgnl Orthopedic Impaired 2011-2012 (Lane ESD)	N/A	84.027	55,718
Rgnl Capacity Building	N/A	84.027	88,511
TBI Liaison 2011-2012 - Discretionary	N/A	84.027	10,000
IDEA Part B, Section 519 2011-12	24186	84.173	5,324
IDEA Part B, Section 519 2012-13	26254	84.173	21,063
<b>Subtotal Special Education Cluster (IDEA)</b>			<b>3,676,557</b>

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, 2013**

	<i>Pass Through Entity Identifying Number</i>	<i>Federal CFDA Number</i>	<i>Current Year's Revenues and Expenditures</i>
<b>21st Century Community Learning Centers</b>			
21st Century Community Learning Centers - Cohort 1 Year 4	25022	84.287	\$ 251,385
21st Century Community Learning Centers -STEM Initiative	24330	84.287	19,639
21st Century Community Learning Centers -Professional Development	24608	84.287	49,535
21st Century Community Learning Centers -STEM - Op In	27186	84.287	16,576
21st Century Community Learning Centers -STEM - EL	27212	84.287	8,424
RDWP Grant - ARRA (Fund 265)	25100	84.384	5,114
<b>Total U.S. Department of Education</b>			<b>8,845,993</b>
<b>Bureau of Land Management</b>			
<b>Direct Programs:</b>			
McGowan Creek Environmental Education Project	L12AC20597	15.234	6,346
<b>Total Bureau of Land Management</b>			<b>6,346</b>
<b>U.S. Department of Transportation</b>			
<b>Passed Through Oregon Department of Transportation:</b>			
Student Traffic Safety Program (ODOT) 2010-2012	27097	20.205	39,581
Student Traffic Safety Program (LTD) 2012 - 2013	2012-52	20.205	27,385
<b>Subtotal Highway Planning and Construction Cluster</b>			<b>66,966</b>
<b>Total U.S. Department of Transportation</b>			<b>66,966</b>
<b>U.S. Department of Health and Human Services</b>			
<b>Passed Through Lane County, Oregon:</b>			
Family Resource Ctr 2012-2013 (Lane County CCF)	234059	93.667	10,300
Family Resource Ctr 2012-2013 (Lane County CCF)	234059	93.556	11,675
<b>Passed through Oregon Employment Department - Child Care Division:</b>			
Eugene Education Options	12-027	93.575	11,800
<b>Subtotal Child Care and Development Block Grant Cluster</b>			<b>11,800</b>
<b>Total U.S. Department of Health and Human Services</b>			<b>33,775</b>
<b>U.S. Department of Justice</b>			
<b>Passed through the University of Oregon:</b>			
Project Stay Out	232381C	16.548	57,923
<b>Total U.S. Department of Justice</b>			<b>57,923</b>
<b>National Science Foundation</b>			
<b>Passed through the University of Oregon:</b>			
Strategic Integ. of Science and Math (UO)	206291A	47.076	6,122
<b>Total National Science Foundation</b>			<b>6,122</b>
<b>U.S. Department of Agriculture</b>			
<b>Passed through Oregon State Department of Education:</b>			
National School Breakfast Program	N/A	10.553	683,464
National School Lunch Program	N/A	10.555	2,125,240
National School Summer Food	N/A	10.559	38,795
<b>Subtotal Child Nutrition Cluster</b>			<b>2,847,499</b>
National School Child & Adult Care	N/A	10.558	63,794
National School Child & Adult Care	N/A	10.558	1,803
Fresh Fruit & Vegetable Program - Howard	24435	10.582	14,763
Fresh Fruit & Vegetable Program - Chavez Elementary	24476	10.582	22,390
Fresh Fruit & Vegetable Program - River Road Elementary	24477	10.582	19,634

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, 2013**

	<i>Pass Through Entity Identifying Number</i>	<i>Federal CFDA Number</i>	<i>Current Year's Revenues and Expenditures</i>
<b>Passed through the Lane County, Oregon:</b>			
Forest Fees	N/A	10.665	\$ 914,424
<b>Subtotal of Schools and Roads Cluster</b>			<b>914,424</b>
<b>Total U.S. Department of Agriculture</b>			<b>3,884,307</b>
 <b>Total Federal Expenditures</b>			 <b>\$ 12,901,432</b>
 <b>Reconciliation of Federal Expenditures to Federal Revenue</b>			
Federal revenue reported above			\$ 12,901,432
Federal revenue not required to be reported in this schedule:			
Qualified school constuction bond subsidy			674,333
Commodity value received			220,336
Other miscellaneous			36,099
<b>Total revenue from Federal sources</b>			<b>\$ 13,832,200</b>

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, 2013**

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**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, 2013.

*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 position (formerly 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, 2013**

<b>Code</b>	<b>Function</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>LOCAL REVENUE</b>				
1111	Taxes - current year's levy	\$ 54,072,861	\$ 54,830,500	\$ (757,639)
1112	Taxes - prior years' levies	1,329,764	1,640,000	(310,236)
1120	Local option levy	8,119,763	9,499,000	(1,379,237)
1190	Penalties and interest on taxes	308,305	240,000	68,305
1200	Local governmental units	52,633	55,000	(2,367)
1310	Regular day school tuition	17,300	20,000	(2,700)
1500	Earnings on investments	148,247	268,000	(119,753)
1700	Extracurricular activities income	790,630	565,900	224,730
1800	Community service income	116,734	130,000	(13,266)
1910	Rentals	461,398	386,500	74,898
1980	Fees charged to grants	597,111	480,000	117,111
1990	Refunds and miscellaneous	1,658,117	1,444,145	213,972
1000	<i>Total Local Revenue</i>	67,672,863	69,559,045	(1,886,182)
<b>INTERMEDIATE REVENUE</b>				
2101	County school fund	405,460	300,000	105,460
2900	Revenue for/on behalf of the District	14,023	6,000	8,023
2000	<i>Total Intermediate Revenue</i>	419,483	306,000	113,483
<b>STATE REVENUE</b>				
3101	State school fund (except 3102 and 3106)	61,432,709	58,875,671	2,557,038
3103	Common school fund	1,796,838	2,348,780	(551,942)
3199	Other unrestricted grants-in-aid	734,427	800,000	(65,573)
3900	Revenue for/on behalf of the District	33,915	31,500	2,415
3000	<i>Total State Revenue</i>	63,997,889	62,055,951	1,941,938
<b>REVENUE FROM FEDERAL SOURCES</b>				
4700	Grants-in-aid from the Federal government through other intermediate agencies	-	179,000	(179,000)
4801	Federal forest fees	914,424	-	914,424
4900	Other revenue from federal sources	58	-	58
4000	<i>Total Federal Revenue</i>	914,482	179,000	735,482
	<i>Total Revenue</i>	133,004,717	132,099,996	904,721
<b>OTHER SOURCES</b>				
5200	Transfer from other funds	9,565,640	9,602,572	(36,932)
5400	<b>FUND BALANCES, Beginning</b>	8,113,475	8,113,475	-
6000	<b>TOTAL RESOURCES</b>	\$ 150,683,832	\$ 149,816,043	\$ 867,789

**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, 2013**

<b>Code</b>	<b>Function</b>	<b>100 Salaries</b>	<b>200 Employee Benefits</b>	<b>300 Purchased Services</b>	<b>400 Supplies &amp; Materials</b>
<b>INSTRUCTION</b>					
1100	Regular programs				
1111	Elementary	\$ 15,672,409	\$ 9,672,187	\$ 26,355	\$ 340,943
1113	Elementary extracurricular	5,833	1,971	-	-
1121	Middle/JHS	8,172,914	4,919,003	14,812	223,996
1122	Middle/JHS extracurricular	138,500	45,040	625	1,616
1131	High school	13,039,902	7,234,875	89,240	302,058
1132	High school extracurricular	1,420,986	483,691	182,960	76,951
1200	Special programs				
1210	Talented and gifted	55,725	17,255	751	-
1220	Restrictive programs for students with disabilities	2,084,734	1,539,712	368,082	9,235
1250	Less restrictive programs for students with disabilities	4,496,888	3,044,252	93,815	-
1260	Treatment and habilitation	42,552	28,130	38,565	1,513
1271	Remediation	20,803	17,427	-	4,000
1280	Early intervention/other special programs	520,831	288,994	2,296,569	23,975
1288	Charter school flow through	-	-	3,646,943	-
1290	Other special programs	847,878	549,613	13,326	16,015
1400	Summer school programs	88,121	33,295	19,892	4,585
	<i>Total Instruction</i>	46,608,076	27,875,445	6,791,935	1,004,887
<b>SUPPORTING SERVICES</b>					
2100	Students				
2110	Attendance and social work	381,353	275,306	298,647	-
2120	Guidance services	1,443,968	869,722	8,308	10,630
2130	Health services	871,568	586,517	22,489	13,221
2140	Psychological services	706,896	378,069	-	11,316
2150	Speech pathology and audiology services	766,757	470,492	-	5,155
2160	Educational services	285,445	167,957	6	1,810
2190	Service area direction, students	582,029	294,444	88,297	8,901
2200	Instructional staff and educational media	3,440,907	1,762,689	568,167	224,570
2300	General administration				
2310	Board of education	-	-	163,326	276
2320	Executive administration	387,457	157,890	111,764	6,690
2400	School administration				
2410	Principals services	6,945,998	4,143,622	326,337	233,944
2490	Other support services - school administration	2,528	2,008	4,826	-
2500	Business				
2520	Fiscal services	928,846	571,943	79,826	12,819
2540	Operation and maintenance	3,851,793	2,753,690	3,234,249	1,045,669
2550	Student transportation	3,001,492	2,349,968	514,511	1,040,178
2570	Internal services	209,136	144,192	12,278	8,755
2600	Central				
2630	Information services	257,934	149,640	115,898	15,855
2640	Staff services	861,585	481,403	33,005	22,885
2660	Technology services	1,932,860	1,161,269	1,003,233	124,694
2700	District retirement	-	1,700,000	-	-
	<i>Total Supporting Services</i>	26,858,552	18,420,821	6,585,167	2,787,368
<b>ENTERPRISE AND COMMUNITY SERVICES</b>					
3320	Community recreation services	35,839	23,920	27,687	-
3500	Custody and care of children services	187,777	134,672	-	-
	<i>Total Enterprise and Community Services</i>	223,616	158,592	27,687	-
<b>FACILITIES ACQUISITION AND CONSTRUCTION</b>					
	<i>Total Facilities Acquisition and Construction</i>	-	-	-	-
<b>DEBT SERVICE</b>					
5100	Debt Service	-	-	-	-
<b>OTHER USES</b>					
5200	Interfund Transfers	-	-	-	-
6110	<b>OPERATING CONTINGENCY</b>	-	-	-	-
7000	<b>ENDING BALANCE</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	\$ 73,690,244	\$ 46,454,858	\$ 13,404,789	\$ 3,792,255

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers &amp; Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ 25,711,894		
-	-	-	7,804		
998	-	-	13,331,723		
-	-	-	185,781		
-	23,092	-	20,689,167		
10,694	109,100	-	2,284,382		
-	-	-	73,731		
-	-	-	4,001,763		
-	-	-	7,634,955		
-	-	-	110,760		
-	-	-	42,230		
-	1,329	-	3,131,698		
-	-	50,943	3,697,886		
-	60	-	1,426,892		
-	-	-	145,893		
11,692	133,581	50,943	82,476,559	\$ 83,018,032	\$ 541,473
-	-	-	955,306		
-	178	-	2,332,806		
-	1,500	-	1,495,295		
-	-	-	1,096,281		
-	-	-	1,242,404		
-	225	-	455,443		
-	100	-	973,771		
-	3,483	-	5,999,816		
-	14,838	-	178,440		
-	2,917	-	666,718		
-	4,441	-	11,654,342		
-	-	-	9,362		
-	2,769	-	1,596,203		
3,893	637,207	-	11,526,501		
61,485	82,220	-	7,049,854		
-	4,810	-	379,171		
-	760	-	540,087		
-	355	-	1,399,233		
-	935	-	4,222,991		
-	-	-	1,700,000		
65,378	756,738	-	55,474,024	56,853,401	1,379,377
-	-	-	87,446		
-	-	-	322,449		
-	-	-	409,895	501,175	91,280
-	-	-	-	1,000	1,000
-	-	-	-	1,000	1,000
-	-	5,283,484	5,283,484	5,285,263	1,779
-	-	-	-	348,895	348,895
-	-	7,039,870	7,039,870	3,807,277	(3,232,593)
<u>\$ 77,070</u>	<u>\$ 890,319</u>	<u>\$ 12,374,297</u>	<u>\$ 150,683,832</u>	<u>\$ 149,816,043</u>	<u>\$ (867,789)</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 - DEBT SERVICE FUND**  
**YEAR ENDED JUNE 30, 2013**

<u>Code</u>	<u>Function</u>	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
<b>LOCAL REVENUE</b>				
1111	Taxes - current year's levy	\$ 13,289,768	\$ 13,345,066	\$ (55,298)
1112	Taxes - prior years' levies	376,658	476,000	(99,342)
1190	Penalties and interest on taxes	87,980	50,000	37,980
1500	Earnings on investments	39,729	29,000	10,729
1900	Charges to other funds	3,880,415	3,761,940	118,475
1000	<i>Total Local Revenue</i>	17,674,550	17,662,006	12,544
<b>REVENUE FROM FEDERAL SOURCES</b>				
4990	Other revenue from Federal sources	674,332	705,000	(30,668)
	<i>Total Revenue</i>	18,348,882	18,367,006	(18,124)
<b>OTHER FINANCING SOURCES</b>				
5111	Bond sales proceeds	37,131,133	-	37,131,133
5120	Premium on refunding bonds issued	6,610,899	-	6,610,899
	<i>Total Other Sources</i>	43,742,032	-	43,742,032
5400	<b>FUND BALANCES, Beginning</b>	8,916,470	9,729,962	(813,492)
6000	<b>TOTAL RESOURCES</b>	<u>\$ 71,007,384</u>	<u>\$ 28,096,968</u>	<u>\$ 42,910,416</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, 2013

<b>Code</b>	<b>Function</b>	<b>100 Salaries</b>	<b>200 Employee Benefits</b>	<b>300 Purchased Services</b>	<b>400 Supplies &amp; Materials</b>
<b>DEBT SERVICE</b>					
5100	Principal	\$ -	\$ -	\$ -	\$ -
5100	Interest	-	-	-	-
	<i>Total Debt Service</i>	-	-	-	-
<b>OTHER FINANCING USES</b>					
Payment to refunding bond escrow agent					
5100	Principal	-	-	-	-
5100	Interest	-	-	-	-
	<i>Total Other Financing Uses</i>	-	-	-	-
7000	<b>ENDING BALANCE</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers &amp; Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ 12,000,000	\$ -	\$ 12,000,000		
-	8,533,389	-	8,533,389		
-	20,533,389	-	20,533,389	\$ 19,938,534	(594,855)
-	39,885,000	-	39,885,000		
-	3,849,050	-	3,849,050		
-	43,734,050	-	43,734,050	-	(43,734,050)
-	-	6,739,945	6,739,945	8,158,434	1,418,489
<u>\$ -</u>	<u>\$ 64,267,439</u>	<u>\$ 6,739,945</u>	<u>\$ 71,007,384</u>	<u>\$ 28,096,968</u>	<u>\$ (42,910,416)</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, 2013**

<b>Code</b>	<b>Function</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>LOCAL REVENUE</b>				
1200	Local governmental units other than District	\$ 46,730	\$ 30,000	\$ 16,730
1500	Earnings on investments	105,270	85,000	20,270
1990	Refunds and miscellaneous	146,722	60,000	86,722
1000	<i>Total Local Revenue</i>	298,722	175,000	123,722
<b>STATE REVENUE</b>				
3222	SSF Transportation	568,181	-	568,181
3900	Revenue for/on behalf of District	81,135	-	81,135
	<i>Total Revenue</i>	948,038	175,000	773,038
<b>OTHER FINANCING SOURCES</b>				
5110	Refunding bonds issued	273,867	-	273,867
5200	Interfund transfers	2,209,350	1,799,315	410,035
	<i>Total Other Sources</i>	2,483,217	1,799,315	683,902
5400	<b>FUND BALANCES, Beginning</b>	32,018,839	34,958,804	(2,939,965)
6000	<b>TOTAL RESOURCES</b>	<u>\$ 35,450,094</u>	<u>\$ 36,933,119</u>	<u>\$ (1,483,025)</u>

**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, 2013**

<b>Code</b>	<b>Function</b>	<b>100 Salaries</b>	<b>200 Employee Benefits</b>	<b>300 Purchased Services</b>	<b>400 Supplies &amp; Materials</b>
<b>INSTRUCTION</b>					
	<i>Total Instruction</i>	\$ -	\$ -	\$ -	\$ -
<b>SUPPORTING SERVICES</b>					
2500	Business				
2520	Fiscal services	-	-	281,448	-
2540	Operation and maintenance	1,339,208	848,418	296,285	142,563
2660	Technology services	196,300	97,996	513,070	788,751
2700	District retirement	-	12,865	-	-
	<i>Total Supporting Services</i>	1,535,508	959,279	1,090,803	931,314
<b>ENTERPRISE AND COMMUNITY SERVICES</b>					
	<i>Total Enterprise and Community Services</i>	-	-	-	-
<b>FACILITIES ACQUISITION AND CONSTRUCTION</b>					
4110	Service area direction	-	588	833	6,352
4120	Site acquisition and development services	-	-	290,754	52,081
4150	Building acquisition, construction and improvement services	1,822	2,264	2,143,477	1,060,911
	<i>Total Facilities Acquisition and Construction</i>	1,822	2,852	2,435,064	1,119,344
<b>OTHER USES</b>					
5200	Interfund Transfers	-	-	-	-
7000	<b>ENDING BALANCE</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ 1,537,330</u>	<u>\$ 962,131</u>	<u>\$ 3,525,867</u>	<u>\$ 2,050,658</u>

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers &amp; Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ -	\$ 201,000	\$ 201,000
-	-	-	281,448		
105,001	-	-	2,731,475		
1,240,875	-	-	2,836,992		
-	-	-	12,865		
1,345,876	-	-	5,862,780	6,768,868	906,088
-	-	-	-	1,000	1,000
-	-	-	7,773		
1,979,283	-	-	2,322,118		
6,387,459	-	-	9,595,933		
8,366,742	-	-	11,925,824	15,323,000	3,397,176
-	-	2,000,000	2,000,000	2,000,000	-
-	-	15,661,490	15,661,490	12,639,251	(3,022,239)
<u>\$ 9,712,618</u>	<u>\$ -</u>	<u>\$ 17,661,490</u>	<u>\$ 35,450,094</u>	<u>\$ 36,933,119</u>	<u>\$ 1,483,025</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, 2013**

<b>Code</b>	<b>Function</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>LOCAL REVENUE</b>				
1310	Regular day school tuition	\$ 57,135	\$ 77,000	\$ (19,865)
1500	Earnings on investments	107	-	107
1910	Rentals	47,208	49,000	(1,792)
1920	Private contributions	482,273	1,090,809	(608,536)
1940	Services provided to other local education agency	13,582	3,267,926	(3,254,344)
1990	Refunds and miscellaneous	3,080,626	-	3,080,626
1000	<i>Total Local Revenue</i>	3,680,931	4,484,735	(803,804)
<b>INTERMEDIATE REVENUE</b>				
2199	Regular day school tuition	1,353	-	1,353
<b>STATE REVENUE</b>				
3204	Drivers education	63,520	76,700	(13,180)
3990	Other revenue from State sources	2,293,451	1,386,134	907,317
3000	<i>Total State Revenue</i>	2,356,971	1,462,834	894,137
<b>REVENUE FROM FEDERAL SOURCES</b>				
4300	Restricted grants-in-aid; direct	305,388	286,888	18,500
4500	Restricted grants-in-aid; through State through other intermediate agencies	8,748,534	9,632,007	(883,473)
4990	Other revenue from Federal sources	24,114	-	24,114
4000	<i>Total Federal Revenue</i>	9,078,036	9,918,895	(840,859)
	<i>Total Revenue</i>	15,117,291	15,866,464	(749,173)
5400	<b>FUND BALANCES, Beginning</b>	-	-	-
6000	<b>TOTAL RESOURCES</b>	<u>\$ 15,117,291</u>	<u>\$ 15,866,464</u>	<u>\$ (749,173)</u>

**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, 2013

<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 &amp;</u> <u>Materials</u>
<b>INSTRUCTION</b>					
1100	Regular programs				
1111	Elementary	\$ 118,684	\$ 72,932	\$ 36,827	\$ 64,555
1113	Elementary extracurricular	-	-	-	525
1121	Middle/JHS	72,604	46,493	7,020	76,433
1122	Middle/JHS extracurricular	-	-	412	-
1131	High school	139,385	73,473	144,555	241,120
1132	High school extracurricular	1,862	668	2,204	3,160
1200	Special programs				
1210	Talented and gifted	-	-	-	1,092
1220	Restrictive programs for students with disabilities	1,640,432	1,087,127	173,347	118,236
1250	Less restrictive programs for students with disabilities	1,141,407	856,304	10,212	17,374
1260	Early intervention	73,231	40,747	-	-
1270	Educationally disadvantaged	1,396,658	957,951	145,063	26,724
1280	Early intervention/other special programs	145,696	103,265	260,424	6,475
1290	Other special programs	60,925	38,876	11,337	1,123
1400	Summer school programs	84,816	29,803	3,638	1,582
	<i>Total Instruction</i>	<u>4,875,700</u>	<u>3,307,639</u>	<u>795,039</u>	<u>558,399</u>
<b>SUPPORTING SERVICES</b>					
2100	Students				
2110	Attendance and social work	106,360	71,386	28,186	24,904
2120	Guidance services	30,895	22,903	1,008	3,734
2130	Health services	132,044	93,189	85,149	9,652
2140	Psychological services	23,168	14,004	-	-
2150	Speech pathology and audiology services	123,049	69,151	-	-
2160	Educational services	89,482	55,919	-	-
2190	Service area direction, students	98,457	63,102	7,062	55
2200	Instructional staff and educational media	1,322,142	652,883	453,428	156,465
2300	General administration				
2320	Office of the superintendent	-	-	4,500	-
2400	School administration				
2410	Principals services	37,259	34,150	588	3,628
2500	Business				
2520	Fiscal services	-	-	-	-
2540	Operation and maintenance	-	-	-	-
2550	Student transportation	39,408	-	5,574	11,296
2600	Central				
2640	Staff services	16,916	13,798	45	10,275
2660	Technology services	22,914	12,676	65,355	42,239
2700	District retirement	-	240,816	-	-
	<i>Total Supporting Services</i>	<u>2,042,094</u>	<u>1,343,977</u>	<u>650,895</u>	<u>262,248</u>
<b>ENTERPRISE AND COMMUNITY SERVICES</b>					
3190	Other food services	2,875	1,055	-	81,622
3320	Community recreation services	-	-	1,755	-
3390	Other community services	222,036	136,004	123,060	36,367
	<i>Total Enterprise and Community Services</i>	<u>224,911</u>	<u>137,059</u>	<u>124,815</u>	<u>117,989</u>
7000	<b>ENDING BALANCE</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ 7,142,705</u>	<u>\$ 4,788,675</u>	<u>\$ 1,570,749</u>	<u>\$ 938,636</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>
\$ -	\$ -	\$ -	\$ 292,998		
-	-	-	525		
-	-	-	202,550		
-	-	-	412		
35,910	-	-	634,443		
-	5,588	-	13,482		
-	-	-	1,092		
6,805	438	-	3,026,384		
-	-	-	2,025,296		
-	-	-	113,978		
-	-	-	2,526,395		
-	-	-	515,860		
-	-	-	112,261		
-	-	-	119,839		
42,715	6,026	-	9,585,515	\$ 10,107,432	\$ 521,917
-	243	-	231,079		
-	-	-	58,540		
-	-	-	320,034		
-	-	-	37,172		
-	-	-	192,200		
-	-	-	145,401		
-	-	-	168,676		
-	187	-	2,585,104		
-	-	-	4,500		
-	-	-	75,625		
-	598,911	-	598,911		
4,547	-	-	4,547		
-	-	-	56,278		
-	-	-	41,034		
-	23,600	-	166,784		
-	-	-	240,816		
4,547	622,941	-	4,926,701	5,125,699	198,998
-	-	-	85,552		
-	-	-	1,755		
-	302	-	517,768		
-	302	-	605,075	633,333	28,258
-	-	-	-	-	-
<u>\$ 47,262</u>	<u>\$ 629,269</u>	<u>\$ -</u>	<u>\$ 15,117,291</u>	<u>\$ 15,866,464</u>	<u>\$ 749,173</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, 2013**

<b>Code</b>	<b>Function</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>LOCAL REVENUE</b>				
1600	Food service sales	\$ 1,205,368	\$ 1,415,682	\$ (210,314)
1990	Refunds and miscellaneous	164,431	-	164,431
1000	<i>Total Local Revenue</i>	1,369,799	1,415,682	(45,883)
<b>STATE REVENUE</b>				
3102	State school fund - school lunch match	43,579	52,877	(9,298)
3299	Other restricted grants-in-aid	12,266	-	12,266
3900	Revenue for/on behalf of the District	450	-	450
3000	<i>Total State Revenue</i>	56,295	52,877	3,418
<b>REVENUE FROM FEDERAL SOURCES</b>				
4500	Restricted grants-in-aid through the State - school nutrition	2,911,293	3,027,397	(116,104)
4900	Revenue for/on behalf of the District	220,336	219,414	922
4000	<i>Total Federal Revenue</i>	3,131,629	3,246,811	(115,182)
	<i>Total Revenue</i>	4,557,723	4,715,370	(157,647)
<b>OTHER SOURCES</b>				
5200	Interfund transfers	27,900	33,300	(5,400)
5400	<b>FUND BALANCES, Beginning</b>	74,584	74,584	-
6000	<b>TOTAL RESOURCES</b>	<u>\$ 4,660,207</u>	<u>\$ 4,823,254</u>	<u>\$ (163,047)</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, 2013**

<b>Code</b>	<b>Function</b>	<b>100 Salaries</b>	<b>200 Employee Benefits</b>	<b>300 Purchased Services</b>	<b>400 Supplies &amp; Materials</b>
<b>SUPPORTING SERVICES</b>					
2500	Business				
2520	Fiscal services	\$ 35,286	\$ 23,453	\$ 2,722	\$ -
2700	District retirement	-	9,025	-	-
	<i>Total Supporting Services</i>	35,286	32,478	2,722	-
<b>ENTERPRISE AND COMMUNITY SERVICES</b>					
3000	Nutrition services				
3120	Food preparation and dispensing services	1,303,508	1,124,513	65,900	2,021,216
	<i>Total Enterprise and Community Services</i>	1,303,508	1,124,513	65,900	2,021,216
6000	<b>OPERATING CONTINGENCY</b>	-	-	-	-
7000	<b>ENDING BALANCE</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	<u>\$ 1,338,794</u>	<u>\$ 1,156,991</u>	<u>\$ 68,622</u>	<u>\$ 2,021,216</u>

<i>500 Capital Outlay</i>	<i>600 Other Objects</i>	<i>700 Transfers &amp; Flow- through Payments</i>	<i>Actual Fund Total</i>	<i>Appropriations</i>	<i>Variance</i>
\$ -	\$ -	\$ -	\$ 61,461		
-	-	-	9,025		
-	-	-	70,486	\$ 84,018	\$ 13,532
-	-	-	4,515,137		
-	-	-	4,515,137	4,619,675	104,538
-	-	-	-	42,000	42,000
-	-	74,584	74,584	77,561	2,977
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 74,584</u>	<u>\$ 4,660,207</u>	<u>\$ 4,823,254</u>	<u>\$ 163,047</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 - SCHOOL RESOURCES FUND**  
**YEAR ENDED JUNE 30, 2013**

<b>Code</b>	<b>Function</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
	<b>LOCAL REVENUE</b>			
1700	Extracurricular activities income	\$ 4,525,497	\$ 5,900,000	\$ (1,374,503)
1990	Refunds and miscellaneous	11,981	10,000	1,981
1000	<i>Total Local Revenue</i>	4,537,478	5,910,000	(1,372,522)
	<b>STATE REVENUE</b>			
3222	SSF Transportation	-	462,890	(462,890)
	<b>OTHER FINANCING SOURCES</b>			
5200	Interfund transfers	2,513,009	1,238,803	1,274,206
5300	Sale/compensation for loss of assets	5,200	-	5,200
5000	<i>Total Other Sources</i>	2,518,209	1,238,803	1,279,406
	<i>Total Revenue</i>	7,055,687	7,148,803	(93,116)
5400	<b>FUND BALANCES, Beginning</b>	10,716,597	10,749,181	(32,584)
6000	<b>TOTAL RESOURCES</b>	\$ 17,772,284	\$ 16,659,181	\$ (1,405,106)

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**(BUDGETARY BASIS) - BUDGET AND ACTUAL - SCHOOL RESOURCES FUND (Continued)**  
**YEAR ENDED JUNE 30, 2013**

<b>Code</b>	<b>Function</b>	<b>100 Salaries</b>	<b>200 Employee Benefits</b>	<b>300 Purchased Services</b>	<b>400 Supplies &amp; Materials</b>
<b>INSTRUCTION</b>					
1100	Regular programs				
1111	Elementary	\$ -	\$ -	\$ -	\$ 57,600
1113	Elementary extracurricular	-	-	618,716	640,750
1121	Middle/JHS	-	-	-	80,425
1122	Middle/JHS extracurricular	-	-	225,345	252,315
1131	High school	-	-	-	94,369
1132	High school extracurricular	-	-	936,349	1,043,455
	<i>Total Instruction</i>	-	-	1,780,410	2,168,914
<b>SUPPORTING SERVICES</b>					
2100	Students				
2190	Service area direction, students	-	-	-	15,087
2200	Instructional staff and educational media	-	-	-	46,569
2300	General administration				
2320	Office of the superintendent	-	-	-	2,075
2400	School administration				
2410	Principals services	-	-	-	104,764
2500	Business				
2540	Operation and maintenance	-	-	-	10,818
2550	Student transportation	-	-	-	500
2600	Central				
2630	Information services	-	-	-	2,485
2660	Technology services	-	-	-	116,959
	<i>Total Supporting Services</i>	-	-	-	299,257
<b>ENTERPRISE AND COMMUNITY SERVICES</b>					
	<i>Total Enterprise and Community Services</i>	-	-	-	-
<b>DEBT SERVICE</b>					
5100	Principal	-	-	-	-
5100	Interest	-	-	-	-
	<i>Total Debt Service</i>	-	-	-	-
<b>OTHER USES</b>					
5200	Interfund Transfers	-	-	-	-
6110	<b>OPERATING CONTINGENCY</b>	-	-	-	-
7000	<b>ENDING BALANCE</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Balance</i>	\$ -	\$ -	\$ 1,780,410	\$ 2,168,914

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers &amp; Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ 57,600		
128	69,635	-	1,329,229		
-	-	-	80,425		
31,019	80,976	-	589,655		
-	-	-	94,369		
-	834,931	-	2,814,735		
31,147	985,542	-	4,966,013	\$ 7,499,089	\$ 2,533,076
-	-	-	15,087		
-	-	-	46,569		
-	-	-	2,075		
-	-	-	104,764		
257,108	-	-	267,926		
4,000	-	-	4,500		
-	-	-	2,485		
-	-	-	116,959		
261,108	-	-	560,365	666,530	106,165
-	-	-	-	1,000	1,000
-	932,202	-	932,202		
-	95,348	-	95,348		
-	1,027,550	-	1,027,550	1,024,014	(3,536)
-	-	5,046,053	5,046,053	5,069,571	23,518
-	-	-	-	651,867	651,867
-	-	6,172,303	6,172,303	2,985,913	(3,186,390)
<u>\$ 31,147</u>	<u>\$ 985,542</u>	<u>\$ 6,172,303</u>	<u>\$ 17,772,284</u>	<u>\$ 17,897,984</u>	<u>\$ 125,700</u>

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**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION**  
**(BUDGETARY BASIS) - BUDGET AND ACTUAL - INSURANCE RESERVE FUND**  
**YEAR ENDED JUNE 30, 2013**

<b>Code</b>	<b>Function</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
<b>LOCAL REVENUE</b>				
1500	Earnings on investments	\$ 38,896	\$ 20,000	\$ 18,896
1990	Refunds and miscellaneous	29,303,618	33,850,000	(4,546,382)
1000	<i>Total Local Revenue</i>	29,342,514	33,870,000	(4,527,486)
<b>STATE REVENUE</b>				
3990	Other revenue from State sources	86,791	-	86,791
	<i>Total Revenue</i>	29,429,305	33,870,000	(4,440,695)
<b>OTHER SOURCES</b>				
5200	Interfund transfers	561,124	612,000	(50,876)
5400	<b>FUND NET POSITION, Beginning</b>	9,674,694	9,109,865	564,829
6000	<b>TOTAL RESOURCES</b>	<u>\$ 39,665,123</u>	<u>\$ 43,591,865</u>	<u>\$ (3,926,742)</u>

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION**  
**(BUDGETARY BASIS) - BUDGET AND ACTUAL - INSURANCE RESERVE FUND (Continued)**  
**YEAR ENDED JUNE 30, 2013**

<i>Function</i>		<b>100</b>	<b>200</b>	<b>300</b>	<b>400</b>
		<b>Salaries</b>	<b>Employee Benefits</b>	<b>Purchased Services</b>	<b>Supplies &amp; Materials</b>
<b>INSTRUCTION</b>					
	<i>Total Instruction</i>	\$ -	\$ -	\$ -	\$ -
<b>SUPPORTING SERVICES</b>					
2300	General administration				
2310	Board of directors	-	-	7,968	-
2500	Business				
2520	Fiscal services	-	28,294,851	631,721	143,766
2540	Operation and maintenance	7,640	6,077	-	-
2550	Student transportation	-	-	-	-
2600	Central				
2640	Staff services	400,689	204,171	32,616	13,707
2690	Claims	-	-	900	17,860
2700	District retirement	-	7,835	-	-
	<i>Total Supporting Services</i>	408,329	28,512,934	673,205	175,333
<b>ENTERPRISE AND COMMUNITY SERVICES</b>					
	<i>Total Enterprise and Community Services</i>	-	-	-	-
<b>OTHER USES</b>					
5200	Interfund transfers	-	-	-	-
<b>FACILITIES ACQUISITION AND CONSTRUCTION</b>					
	<i>Total Facilities Acquisition and Construction</i>	-	-	-	-
6000	<b>CONTINGENCY</b>	-	-	-	-
7000	<b>ENDING FUND NET POSITION</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Fund Net Position:</i>	<u>\$ 408,329</u>	<u>\$ 28,512,934</u>	<u>\$ 673,205</u>	<u>\$ 175,333</u>

<u>500</u> <u>Capital</u> <u>Outlay</u>	<u>600</u> <u>Other</u> <u>Objects</u>	<u>700</u> <u>Transfers &amp; Flow-</u> <u>through Payments</u>	<u>Actual Fund Total</u>	<u>Appropriations</u>	<u>Variance</u>
\$ -	\$ -	\$ -	\$ -	\$ 1,000	\$ 1,000
-	-	-	7,968		
114	-	-	29,070,452		
-	250	-	13,967		
-	150,668	-	150,668		
-	385	-	651,568		
6,101	90,641	-	115,502		
-	-	-	7,835		
6,215	241,944	-	30,017,960	35,893,243	5,875,283
-	-	-	-	1,000	1,000
-	-	1,290,487	1,290,487	1,314,300	23,813
-	-	-	-	1,000	1,000
-	-	-	-	700,000	700,000
-	-	8,356,676	8,356,676	5,681,322	(2,675,354)
<u>\$ 6,215</u>	<u>\$ 241,944</u>	<u>\$ 9,647,163</u>	<u>\$ 39,665,123</u>	<u>\$ 43,591,865</u>	<u>\$ 3,926,742</u>

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**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION**  
**(BUDGETARY BASIS) - BUDGET AND ACTUAL - POSTEMPLOYMENT BENEFITS FUND**  
**YEAR ENDED JUNE 30, 2013**

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<b>Code</b>	<b>Function</b>	<b>Actual</b>	<b>Budget</b>	<b>Variance</b>
	<b>LOCAL REVENUE</b>			
1990	Refunds and miscellaneous	\$ 1,971,403	\$ 1,700,000	\$ 271,403
5400	<b>FUND NET POSITION, Beginning</b>	3,713,281	2,925,000	788,281
6000	<b>TOTAL RESOURCES</b>	<u>\$ 5,684,684</u>	<u>\$ 4,625,000</u>	<u>\$ 1,059,684</u>

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

**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND NET POSITION**

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

**YEAR ENDED JUNE 30, 2013**

<b>Code</b>	<b>Function</b>	<b>100 Salaries</b>	<b>200 Employee Benefits</b>	<b>300 Purchased Services</b>	<b>400 Supplies &amp; Materials</b>
<b>SUPPORTING SERVICES</b>					
2700	District retirement	\$ 805,036	\$ 2,112,166	\$ 6,903	\$ -
	<i>Total Supporting Services</i>	805,036	2,112,166	6,903	-
<b>OTHER USES</b>					
5200	Interfund Transfers	-	-	-	-
7000	<b>ENDING FUND NET POSITION</b>	-	-	-	-
8000	<i>Total Expenditures and Ending Fund Net Position</i>	<u>\$ 805,036</u>	<u>\$ 2,112,166</u>	<u>\$ 6,903</u>	<u>\$ -</u>

<i>500 Capital Outlay</i>	<i>600 Other Objects</i>	<i>700 Transfers &amp; Flow- through Payments</i>	<i>Actual Fund Total</i>	<i>Appropriations</i>	<i>Variance</i>
\$ -	\$ -	\$ -	\$ 2,924,105		
-	-	-	2,924,105	\$ 3,239,350	\$ 315,245
-	-	1,257,000	1,257,000	1,257,000	-
-	-	1,503,579	1,503,579	128,650	(1,374,929)
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,503,579</u>	<u>\$ 5,684,684</u>	<u>\$ 4,625,000</u>	<u>\$ (1,059,684)</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, 2013**

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**A. ENERGY BILLS FOR HEATING – ALL FUNDS**

Expenditures for Electricity and Heating Fuel:

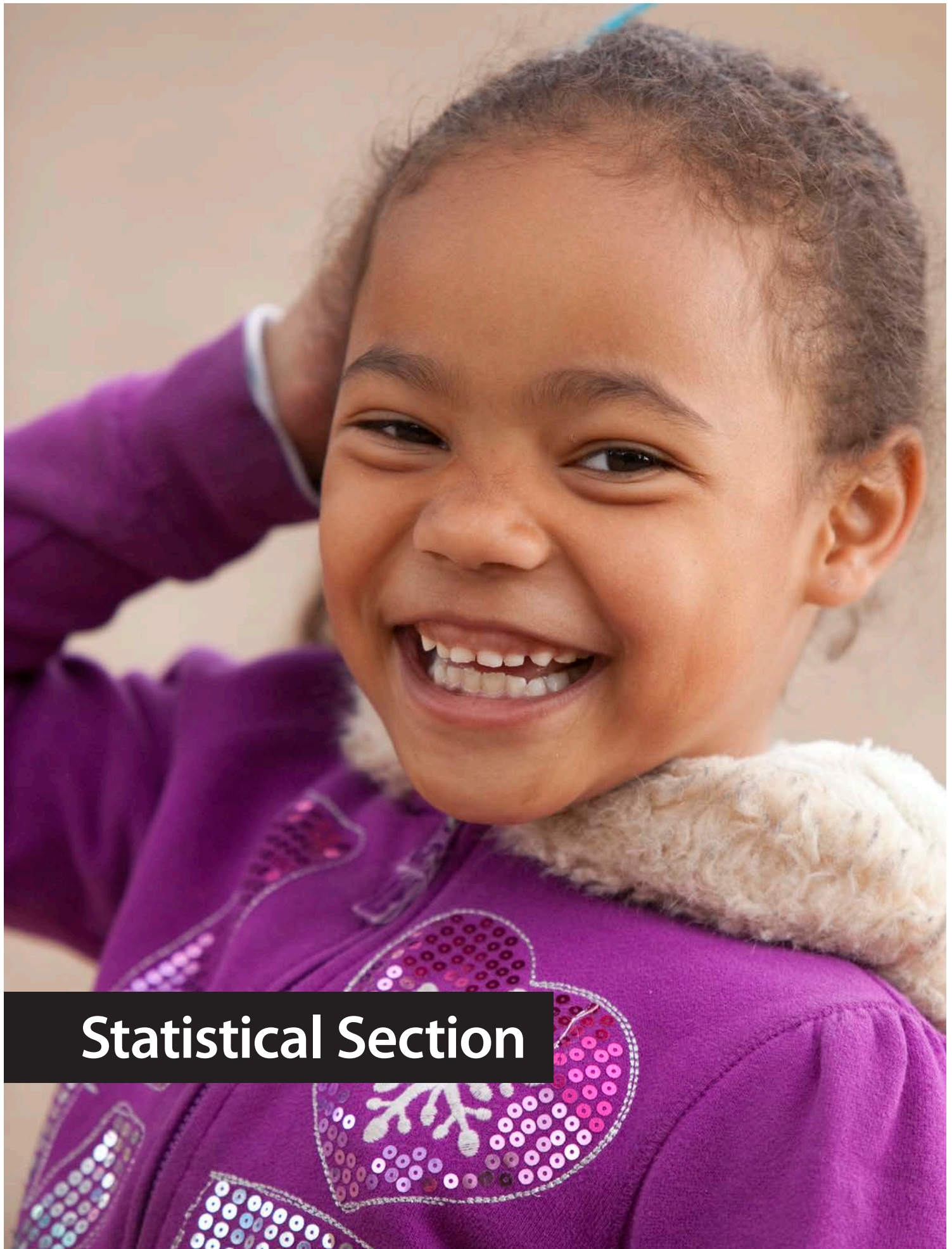
Function 2540	Objects 325 and 326
Function 2550	\$ 1,733,724
	22,190

**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	Amount
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.

<b>Contents</b>	<b>Page</b>
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 POSITION - LAST TEN FISCAL YEARS**  
*(accrual basis of accounting)*

	<i>Fiscal Year</i>									
	<u>2013</u>	<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>
<b>ASSETS</b>										
Cash and investments	\$ 57,151,244	\$ 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
Receivables and inventories	12,942,271	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
Pension assets	36,475,291	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)	<u>152,753,227</u>	<u>145,382,865</u>	<u>143,035,930</u>	<u>147,911,767</u>	<u>151,192,272</u>	<u>149,666,372</u>	<u>148,961,252</u>	<u>143,239,398</u>	<u>125,787,550</u>	<u>100,222,418</u>
<i>Total Assets</i>	<u>259,322,033</u>	<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>
<b>LIABILITIES</b>										
Debt due within one year	34,135,712	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
Debt due in more than one year	<u>174,991,894</u>	<u>185,100,823</u>	<u>160,092,755</u>	<u>172,893,813</u>	<u>185,142,146</u>	<u>192,576,026</u>	<u>199,961,017</u>	<u>213,064,818</u>	<u>174,645,214</u>	<u>183,039,752</u>
<i>Total Liabilities</i>	<u>209,127,606</u>	<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>
<b>NET POSITION</b>										
Net investment in capital assets	27,437,763	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
Restricted for debt service	6,192,930	7,683,373	-	1,045,402	2,790,498	2,933,884	4,033,374	2,353,395	1,689,281	3,872,681
Unrestricted	<u>16,563,734</u>	<u>27,619,642</u>	<u>41,563,287</u>	<u>49,615,838</u>	<u>53,658,711</u>	<u>55,845,872</u>	<u>64,084,694</u>	<u>41,588,041</u>	<u>37,156,936</u>	<u>28,872,831</u>
<i>Total Net Position</i>	<u>\$ 50,194,427</u>	<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>



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

Governmental Activities	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Expenses</b>										
Direct classroom services	\$ 92,380,039	\$ 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
Classroom support	39,124,612	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
Building support services	25,483,305	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
Central support services	17,000,343	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
Nutrition services	4,690,700	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
Interest on long-term liabilities	9,987,557	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
Total expenses	<u>188,666,556</u>	<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>
<b>Program revenues</b>										
Charges for services										
Direct classroom services	183,655	354,821	458,433	469,124	515,627	720,467	1,006,531	1,238,072	1,084,038	652,257
Classroom support	617,248	593,553	475,901	644,200	518,340	531,340	809,070	870,167	662,762	845,946
Building support services	1,226,758	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
Central support services	4,800,590	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
Nutrition services	961,096	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
Operating grants and contributions										
Direct classroom services	10,942,103	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
Classroom support	9,138,806	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
Building support services	5,459,160	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
Central support services	6,691	-	-	-	-	93,171	38,375	83,074	184,548	132,811
Nutrition services	3,477,011	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
Interest on long-term liabilities	674,332	595,333	-	-	-	-	-	-	-	-
Capital grants and contributions										
Building support services	649,316	411,213	485,786	656,760	2,678,012	434,949	502,258	2,022,694	1,819,079	496,256
Total program revenues	<u>38,136,766</u>	<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>
Total governmental activities net expense	<u>(150,529,790)</u>	<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>
<b>General revenues</b>										
Property taxes	77,346,672	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
Federal aid not restricted to specific purposes	1,091,624	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
State aid not restricted to specific purposes	58,012,428	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
Earnings on investments	420,123	586,127	481,152	620,487	2,035,193	4,649,939	5,165,714	4,115,453	1,794,235	1,517,038
Other federal and local sources	914,832	837,793	1,114,166	3,104,115	335,795	246,660	5,794,817	148,089	3,369,149	1,268,466
Total general revenues	<u>137,785,679</u>	<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>
<b>Change in net position</b>	<u>\$ (12,744,111)</u>	<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>

**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									
	2013	2012	2011 <sup>(1)</sup>	2010	2009	2008	2007	2006	2005	2004
General Fund										
Unreserved	\$ -	\$ -	\$ -	\$ 12,125,084	\$ 13,990,673	\$ 17,053,588	\$ 20,845,607	\$ 10,815,344	\$ 6,165,685	\$ 10,067,999
Nonspendable for:										
Inventory	234,160	222,655	226,905	-	-	-	-	-	-	-
Committed	6,650,236	6,814,951	6,794,000	-	-	-	-	-	-	-
Unassigned	155,474	1,075,869	966,325	-	-	-	-	-	-	-
Total General Fund	<u>\$ 7,039,870</u>	<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>
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
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
Special Revenue Funds <sup>(2)</sup>	-	-	-	17,935,636	19,503,208	19,664,365	20,297,170	21,398,516	23,552,024	16,800,894
Nonspendable:										
Inventory	134,743	102,676	107,993	-	-	-	-	-	-	-
Restricted for:										
Debt Service	6,559,522	8,855,882	10,524,726	-	-	-	-	-	-	-
Capital Projects	8,296,477	24,708,508	-	-	-	-	-	-	-	-
Committed for:										
Debt Service	180,423	60,588	-	-	-	-	-	-	-	-
Capital Projects	7,365,013	7,310,331	6,942,919	-	-	-	-	-	-	-
Capital Equipment	-	6,849,181	7,213,401	-	-	-	-	-	-	-
Nutrition Services	74,584	74,584	74,584	-	-	-	-	-	-	-
Student Body	-	3,865,762	3,684,988	-	-	-	-	-	-	-
School Resources <sup>(3)</sup>	6,172,303	-	-	-	-	-	-	-	-	-
Total all Other Governmental Funds	<u>\$ 28,783,065</u>	<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>

<sup>(1)</sup> 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.

<sup>(2)</sup> 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.

<sup>(3)</sup> In fiscal year 2013, the Capital Equipment Fund was discontinued through resolution by the Board and the remaining balances were distributed to the General Fund. A Capital Equipment Reserve Fund was established for special reserves for financing the cost of projects, property and equipment and a Special Purpose Reserve Fund was established for accumulating unexpended department and school budgets in the General Fund to be applied against future service, projects, property and equipment. The Special Purpose Reserve Fund and the Student Body Fund together create the School Resources Fund. The Capital Equipment Reserve Fund is now a part of the Capital Projects Fund.

**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)*

	<b>Fiscal Year</b>									
	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>	<b>2008</b>	<b>2007</b>	<b>2006</b>	<b>2005</b>	<b>2004</b>
<b>REVENUES</b>										
Local sources	\$ 95,234,343	\$ 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
Intermediate sources	420,836	510,307	261,882	213,036	244,349	159,545	445,910	610,468	1,056,643	755,269
State sources	67,060,471	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
Federal sources	13,832,200	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
<b>Total Revenues</b>	<b>176,547,850</b>	<b>181,936,248</b>	<b>183,673,225</b>	<b>192,595,366</b>	<b>200,096,620</b>	<b>195,204,542</b>	<b>199,638,479</b>	<b>182,669,689</b>	<b>162,708,731</b>	<b>165,842,625</b>
<b>EXPENDITURES</b>										
Current										
Instruction	97,008,990	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
Supporting services	61,909,939	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
Community services	5,530,107	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
Facilities acquisition and construction	-	122,895	47,017	36,579	-	-	2,931	-	-	-
Debt service										
Principal	12,932,202	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
Interest	8,628,737	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
Refunding bonds issuance costs	-	-	-	-	223,320	-	-	-	-	-
Capital outlay	17,578,418	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
<b>Total Expenditures</b>	<b>203,588,393</b>	<b>197,153,201</b>	<b>196,512,286</b>	<b>202,749,059</b>	<b>210,908,794</b>	<b>209,318,985</b>	<b>201,037,469</b>	<b>203,115,659</b>	<b>192,757,452</b>	<b>239,083,740</b>
<b>REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(27,040,543)</b>	<b>(15,216,953)</b>	<b>(12,839,061)</b>	<b>(10,153,693)</b>	<b>(10,812,174)</b>	<b>(14,114,443)</b>	<b>(1,398,990)</b>	<b>(20,445,970)</b>	<b>(30,048,721)</b>	<b>(73,241,115)</b>
<b>OTHER FINANCING SOURCES (USES)</b>										
Transfers in	14,315,899	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
Transfers out	(12,329,537)	(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)
Construction bonds issued	-	34,997,258	-	-	-	-	-	46,000,000	-	-
Bond premium (discount)	-	792,356	-	-	-	-	-	964,027	-	-
Pension bonds issued	-	-	-	-	-	-	-	-	-	53,435,000
Refunding bonds issued	37,405,000	-	-	-	51,247,038	-	-	-	-	-
Premium on refunding bonds issued	6,610,899	-	-	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	(43,734,050)	-	-	-	(51,018,536)	-	-	-	-	-
Capital leases	649,080	1,382,438	1,128,750	645,136	1,312,720	779,635	1,179,526	1,241,633	-	169,266
Sale of capital assets	5,200	3,715	17,500	1,380,450	-	-	5,271,907	30,000	3,072,323	1,010,858
Insurance recoveries	-	-	-	947,357	-	-	47,595	1,173,089	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>2,922,491</b>	<b>38,622,099</b>	<b>871,614</b>	<b>2,939,265</b>	<b>1,476,279</b>	<b>1,499,932</b>	<b>6,776,014</b>	<b>49,090,701</b>	<b>2,893,274</b>	<b>54,302,573</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(24,118,052)</b>	<b>23,405,146</b>	<b>(11,967,447)</b>	<b>(7,214,428)</b>	<b>(9,335,895)</b>	<b>(12,614,511)</b>	<b>5,377,024</b>	<b>28,644,731</b>	<b>(27,155,447)</b>	<b>(18,938,542)</b>
<b>FUND BALANCES, Beginning of year</b>	<b>59,940,987</b>	<b>36,535,841</b>	<b>48,503,288</b> <sup>(1)</sup>	<b>60,994,474</b>	<b>70,330,369</b>	<b>82,944,880</b>	<b>77,567,856</b>	<b>48,923,125</b>	<b>76,078,572</b>	<b>95,017,114</b>
<b>FUND BALANCES, End of year</b>	<b>\$ 35,822,935</b>	<b>\$ 59,940,987</b>	<b>\$ 36,535,841</b>	<b>\$ 53,780,046</b>	<b>\$ 60,994,474</b>	<b>\$ 70,330,369</b>	<b>\$ 82,944,880</b>	<b>\$ 77,567,856</b>	<b>\$ 48,923,125</b>	<b>\$ 76,078,572</b>
Debt service as a percentage of noncapital expenditures	11.6%	11.8%	10.5%	10.0%	9.1%	9.3%	9.8%	8.7%	9.2%	6.3%

<sup>(1)</sup> As restated

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

<b>Year Ended June 30</b>	<b>Direct Classroom Services</b>				<b>Classroom Support Services</b>			
	<b>Total</b>	<b>Regular Programs</b>	<b>Special Programs</b>	<b>Extra- Curricular Activities</b>	<b>Student Support</b>	<b>Libraries, Curriculum and Staff Development</b>	<b>School Adminis- tration</b>	<b>Community Services</b>
2013	\$ 188,666,556	\$ 63,348,652	\$ 29,031,387	\$ 7,275,913	\$ 10,006,071	\$ 8,579,710	\$ 12,255,609	\$ 1,007,309
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

<sup>(1)</sup> 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 <sup>(1)</sup></i>	<i>Communi- cations and Intergov- ernmental Relations</i>	<i>Nutrition Services</i>	<i>Interest on Long-term Liabilities</i>
\$ 11,017,164	\$ 8,082,570	\$ 5,947,733	\$ 435,838	\$ 884,850	\$ 1,941,182	\$ 7,555,742	\$ 6,069,155	\$ 549,414	\$ 4,690,700	\$ 9,987,557
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

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

<b>Year Ended June 30</b>	<b>Local Sources</b>			
	<b>Total</b>	<b>Property Taxes</b>	<b>Investment Income</b>	<b>Other</b>
2013	\$ 142,570,357	\$ 63,883,326	\$ 148,247	\$ 3,641,290
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

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

<b>State Sources</b>						
<b>School Support Fund</b>	<b>Common School Fund</b>	<b>Transportation Grant</b>	<b>Other</b>	<b>Intermediate Sources</b>	<b>Federal Sources</b>	<b>Other Sources</b>
\$ 56,155,502	\$ 1,796,838	\$ 5,277,207	\$ 768,342	\$ 419,483	\$ 914,482	\$ 9,565,640
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	-

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

<b>Year Ended June 30</b>	<b>Total</b>	<b>Instruction</b>	<b>Support Services</b>			
			<b>Student Services</b>	<b>Instructional Staff</b>	<b>General Adminis- tration</b>	<b>School Adminis- tration</b>
2013	\$ 143,643,962	\$ 82,476,559	\$ 8,551,306	\$ 5,999,816	\$ 845,158	\$ 11,663,704
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

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



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**Support Services**

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<b><i>Business Services</i></b>	<b><i>Central Services</i></b>	<b><i>District Retirement</i></b>	<b><i>Community Services</i></b>	<b><i>Interfund Transfers</i></b>
\$ 20,551,729	\$ 6,162,311	\$ 1,700,000	\$ 409,895	\$ 5,283,484
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

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

Year Ended June 30 <sup>(1)</sup>	Taxable Assessed Value <sup>(2)</sup>	Percent Change	Total Levy <sup>(3)</sup>	Percent Change	Tax Rate per \$1,000 <sup>(4)</sup>	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 <sup>(4)</sup>		Amount	Percent Collected 06/30/2013 <sup>(4)</sup>
2013	\$ 12,353,361,067	2.35 %	\$ 79,624,274	(3.46) %	\$ 6.4461	\$ 77,091,961	96.82 %	\$ -	\$ 77,091,961	96.82 %
2012	12,070,171,533	2.30	82,474,939	(0.35)	6.8329	79,774,601	96.73	1,165,847	80,940,448	98.14
2011	11,798,847,376	1.06	82,763,217	(3.15)	7.0142	80,370,202	97.11	1,367,477	81,737,679	98.76
2010	11,674,870,928	4.30	85,457,917	3.02	7.3196	82,595,077	96.65	2,162,351	84,757,428	99.18
2009	11,193,424,874	3.14	82,950,341	3.87	7.4105	80,320,815	96.83	2,506,007	82,826,822	99.85
2008	10,852,594,702	5.55	79,859,440	3.20	7.3584	74,777,925	93.64	5,011,148	79,789,073	99.91
2007	10,281,818,660	4.28	77,379,818	8.56	7.5257	73,242,886	94.65	4,090,395	77,333,281	99.94
2006	9,859,887,317	3.97	71,281,365	13.93	7.2295	67,364,563	94.51	3,872,199	71,236,762	99.94
2005	9,483,125,975	4.49	62,568,429	8.03	6.5871	58,765,673	93.92	3,763,107	62,528,780	99.94
2004	9,075,796,054	3.97	57,918,849	(1.30)	6.3818	54,417,169	93.95	3,463,582	57,880,751	99.93

<sup>(1)</sup> Includes Local Option Levy.

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

<sup>(3)</sup> 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.

<sup>(4)</sup> 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 Department of Assessment and Taxation

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

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**District Direct Rates**

<b>Fiscal Year</b>	<b>General Tax Permanent Rate <sup>(1)</sup></b>	<b>Local Option <sup>(1)</sup></b>	<b>General Obligation Debt Service Bonds</b>	<b>Total Direct Tax Rate</b>
2013	\$ 4.7485	\$ 1.5000	\$ 1.1299	\$ 7.3784
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

<sup>(1)</sup> Tax rates do not reflect post Measure 5 compression loss.

Source: Lane County Department of Assessment and Taxation

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

	<u>2012-2013</u>	<u>2011-2012</u>	<u>2010-2011</u>	<u>2009-2010</u>	<u>2008-2009</u>
<b>GENERAL FUND</b>					
Levy extended by Assessor	<u>\$ 65,539,768</u>	<u>\$ 66,820,808</u>	<u>\$ 67,274,768</u>	<u>\$ 69,076,852</u>	<u>\$ 67,433,941</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 <sup>(1)</sup>					
Current year	\$ 64,268,147	\$ 65,519,719	\$ 65,216,364	\$ 66,621,682	\$ 63,603,885
1st year prior	1,000,693	757,315	1,357,575	2,792,548	1,093,583
2nd year prior	450,597	155,897	466,929	382,922	311,836
3rd year prior	350,687	311,377	249,304	187,743	168,833
4th year prior	157,729	138,524	105,986	96,573	88,995
5th and prior years	<u>33,600</u>	<u>92,174</u>	<u>26,304</u>	<u>108,877</u>	<u>33,051</u>
<i>Total Prior</i>	<u>1,993,306</u>	<u>1,455,287</u>	<u>2,206,098</u>	<u>3,568,663</u>	<u>1,696,298</u>
<i>Total General Fund</i>	<u>\$ 66,261,453</u>	<u>\$ 66,975,006</u>	<u>\$ 67,422,462</u>	<u>\$ 70,190,345</u>	<u>\$ 65,300,183</u>
<b>DEBT SERVICE FUND</b>					
Levy extended by Assessor	<u>\$ 14,084,506</u>	<u>\$ 15,654,130</u>	<u>\$ 15,488,449</u>	<u>\$ 16,381,066</u>	<u>\$ 15,516,400</u>
Tax rate per \$1,000 assessed value	<u>\$ 1.13</u>	<u>\$ 1.29</u>	<u>\$ 1.30</u>	<u>\$ 1.39</u>	<u>\$ 1.38</u>
Reduction of taxes receivable <sup>(1)</sup>					
Current year	\$ 13,793,249	\$ 15,359,306	\$ 15,040,596	\$ 15,819,130	\$ 14,660,649
1st year prior	221,285	153,029	306,272	624,800	226,194
2nd year prior	102,895	37,233	102,664	83,727	82,947
3rd year prior	84,153	73,530	57,792	51,017	42,515
4th year prior	31,651	26,918	22,753	19,526	14,037
5th and prior years	<u>8,121</u>	<u>12,962</u>	<u>5,151</u>	<u>6,290</u>	<u>6,896</u>
<i>Total prior</i>	<u>448,105</u>	<u>303,672</u>	<u>494,632</u>	<u>785,360</u>	<u>372,589</u>
<i>Total Debt Service Fund</i>	<u>\$ 14,241,354</u>	<u>\$ 15,662,978</u>	<u>\$ 15,535,228</u>	<u>\$ 16,604,490</u>	<u>\$ 15,033,238</u>

<sup>(1)</sup> 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>2007-2008</u>	<u>2006-2007</u>	<u>2005-2006</u>	<u>2004-2005</u>	<u>2003-2004</u>
<u>\$ 65,196,549</u>	<u>\$ 60,855,183</u>	<u>\$ 57,369,015</u>	<u>\$ 52,650,371</u>	<u>\$ 48,437,891</u>
<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>	<u>\$ 6.25</u>
\$ 63,256,929	\$ 59,279,706	\$ 55,897,134	\$ 52,016,649	\$ 46,843,389
828,632	899,896	999,151	960,780	1,015,071
241,694	243,724	338,955	389,730	402,457
147,589	161,223	235,825	201,048	239,485
69,845	89,160	100,120	112,178	102,693
64,278	23,009	35,452	21,885	53,981
<u>1,352,038</u>	<u>1,417,012</u>	<u>1,709,503</u>	<u>1,685,621</u>	<u>1,813,687</u>
<u>\$ 64,608,967</u>	<u>\$ 60,696,718</u>	<u>\$ 57,606,637</u>	<u>\$ 53,702,270</u>	<u>\$ 48,657,076</u>
<u>\$ 14,662,891</u>	<u>\$ 16,524,635</u>	<u>\$ 13,912,350</u>	<u>\$ 9,918,059</u>	<u>\$ 9,480,958</u>
<u>\$ 1.34</u>	<u>\$ 1.61</u>	<u>\$ 1.40</u>	<u>\$ 1.05</u>	<u>\$ 1.04</u>
\$ 14,251,334	\$ 16,125,607	\$ 13,577,001	\$ 9,799,749	\$ 9,196,475
225,016	201,849	166,311	166,173	262,610
58,612	45,362	62,445	104,723	56,072
27,804	31,126	65,048	28,011	49,191
13,671	23,544	13,948	23,041	26,627
5,520	3,840	6,958	4,212	13,622
<u>330,623</u>	<u>305,721</u>	<u>314,710</u>	<u>326,160</u>	<u>408,122</u>
<u>\$ 14,581,957</u>	<u>\$ 16,431,328</u>	<u>\$ 13,891,711</u>	<u>\$ 10,125,909</u>	<u>\$ 9,604,597</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-		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		Profit Housing	Less: Urban Renewal Excess					
2013	\$ 11,969,991	\$ 339,939	\$ 45,882	\$ 242,091	\$ 12,597,903	\$ 9,610	\$ 254,151	\$ 12,353,362	\$ 7.3784	\$ 91,544	\$ 11,920	\$ 79,624
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

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

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

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<b><u>Year Ended June 30</u></b>	<b><u>General Fund Budget</u></b>	<b><u>General Fund Levy</u></b>	<b><u>Percentage of Levy to Budget</u></b>
2013	\$ 143,270,100	\$ 65,539,768	45.75 %
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

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 <sup>(1)</sup> - ALL OVERLAPPING GOVERNMENTS

LAST TEN FISCAL YEARS (Dollars per \$1,000)

	<i>% within</i>					
	<i>School District</i> <sup>(2)</sup>	<i>2012-2013</i>	<i>2011-2012</i>	<i>2010-2011</i>	<i>2009-2010</i>	
Bailey-Spencer RFPD	100.00 %	\$ 2.39	\$ 2.39	\$ 2.39	\$ 2.39	
City of Coburg	100.00	5.28	5.32	5.36	5.50	
City of Eugene	81.47	8.03	8.04	8.33	8.32	
City of Springfield	10.23	6.94	6.99	7.06	7.13	
Coburg RFPD	92.37	1.36	1.37	1.37	1.37	
Eugene Urban Renewal Downtown	81.47	0.25	0.26	0.25	0.24	
Emerald PUD	9.62	-	-	-	-	
Eugene RFPD #1	99.62	2.10	1.85	1.85	2.00	
Glenwood Water	99.96	3.48	3.54	3.69	3.85	
Goshen RFPD	14.14	2.22	1.72	1.72	1.72	
Junction City Water Control	2.53	0.25	0.28	0.29	0.29	
Lane Rural Fire/Rescue	3.39	2.12	2.12	2.12	2.12	
Lane County	46.26	1.39	1.39	1.39	1.40	
Lane County Fire District 1	22.15	1.98	1.98	1.98	1.98	
Lane ESD	46.42	0.22	0.22	0.22	0.22	
Lane Community College	46.34	0.86	0.88	0.86	0.85	
LeBleu Road	100.00	-	-	-	-	
Linn County	0.18	7.38	7.54	7.55	7.64	
Mohawk Valley RFPD	2.13	1.91	1.91	1.91	1.91	
Rainbow Water & Fire District	2.26	3.72	3.76	3.58	3.62	
River Road Park & Recreation	98.09	3.87	3.88	3.89	3.90	
River Road Water Subdistrict #1	2.43	0.28	0.28	0.28	0.28	
River Road Water	98.02	1.97	1.97	1.97	1.97	
Santa Clara RFPD	98.52	1.64	1.04	1.04	1.04	
Santa Clara Water District	84.98	-	-	-	-	
South Lane County Fire & Rescue	0.03	1.03	1.03	1.03	1.03	
Springfield Economic Development Agency	11.45	0.67	0.31 <sup>(3)</sup>	0.30 <sup>(3)</sup>	0.31 <sup>(3)</sup>	
Willakenzie RFPD	52.69	3.07	3.07	3.07	3.07	
Willamalane Park & Rec	11.62	2.01	2.01	2.01	2.01	
Zumwalt Fire	81.69	2.34	2.34	2.34	2.34	

<sup>(1)</sup> Gross tax rate before Measure 5 limitations applied.

<sup>(2)</sup> 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.

<sup>(3)</sup> Revised.

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



	<u>2008-2009</u>	<u>2007-2008</u>	<u>2006-2007</u>	<u>2005-2006</u>	<u>2004-2005</u>	<u>2003-2004</u>
\$	2.39	\$ 2.39	\$ 2.39	\$ 2.39	\$ 2.39	\$ 2.39
	5.48	5.49	5.38	5.54	5.48	5.44
	7.73	7.89	8.79	8.90	9.28	9.22
	7.19	6.13	6.12	6.10	6.15	6.17
	1.37	1.39	1.65	1.73	1.78	1.78
	0.25	0.26	0.26	0.26	-	-
	-	-	-	-	-	-
	2.00	2.54	2.54	2.54	1.72	2.54
	3.85	3.89	4.14	4.14	4.14	3.19
	1.72	1.72	1.72	1.72	1.72	1.72
	0.30	0.31	0.31	0.29	0.32	0.34
	2.12	2.12	2.12	2.12	2.12	2.12
	1.40	1.40	1.41	1.41	1.41	1.43
	1.98	1.98	1.98	1.98	1.98	1.98
	0.22	0.22	0.22	0.22	0.22	0.22
	0.87	0.83	0.85	0.88	0.89	0.86
	-	-	-	-	-	-
	7.62	7.59	7.84	7.65	7.28	7.29
	2.41	2.41	2.48	2.55	2.51	2.56
	3.73	3.73	3.15	3.18	3.21	3.25
	3.46	3.48	3.48	3.50	3.06	3.45
	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	1.03
	0.43	0.41	0.33	0.18	-	-
	3.07	3.07	3.07	3.07	3.07	3.07
	2.15	2.15	2.18	2.33	2.33	2.35
	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, 2013**

<b>Overlapping Issuer</b>	<b>Net Property-tax Backed Debt <sup>(1)</sup></b>	<b>Percentage Within School District <sup>(2)</sup></b>	<b>Overlapping Debt <sup>(3)</sup></b>
River Road Park & Recreation District	\$ 340,000	98.09 %	\$ 333,501
Coburg RFPD	403,333	92.69	373,854
City of Eugene	24,920,000	83.10	20,708,445
Lane ESD	7,480,000	49.33	3,690,071
Lane County	44,380,000	49.16	21,818,806
Lane Community College	66,220,000	48.49	32,107,628
Willamalane Park and Recreation District	20,000,000	21.44	4,288,360
City of Springfield	23,665,000	20.62	4,880,457
Harrisburg Rural Fire Protection District	160,000	4.40	7,041
Total			88,208,163
District direct debt			175,163,882
Total direct and overlapping debt			<u>\$ 263,372,045</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 4J

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

**Legal Debt Margin Calculation as of June 30, 2013**

Real Market Value	<u>\$ 21,512,085</u>
Debt Limit (7.95%) <sup>(1)</sup>	\$ 1,710,211
Amount of Debt Applicable to Debt Limit:	
General Obligation Bonded Debt	121,382
Less: Amount Available in Debt Service Fund	<u>6,559</u>
Amount of Debt Applicable to Debt Limit	<u>114,823</u>
Legal Debt Margin	<u>\$ 1,595,388</u>

**Fiscal Year**

	<u>2013</u>	<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>
Debt limit	\$ 1,710,211	\$ 1,775,897 <sup>(2)</sup>	\$ 1,782,950 <sup>(2)</sup>	\$ 1,889,683 <sup>(2)</sup>	\$ 1,692,305	\$ 1,591,775	\$ 1,402,753	\$ 1,149,304	\$ 1,020,733	\$ 922,233
Total net debt applicable to limit	<u>114,823</u>	<u>125,991</u>	<u>100,828</u>	<u>110,624</u>	<u>121,131</u> <sup>(2)</sup>	<u>130,576</u> <sup>(2)</sup>	<u>137,027</u> <sup>(2)</sup>	<u>153,165</u>	<u>113,294</u>	<u>119,685</u>
Legal debt margin	<u>\$ 1,595,388</u>	<u>\$ 1,649,906</u>	<u>\$ 1,682,122</u>	<u>\$ 1,779,059</u>	<u>\$ 1,571,174</u>	<u>\$ 1,461,199</u>	<u>\$ 1,265,726</u>	<u>\$ 996,139</u>	<u>\$ 907,439</u>	<u>\$ 802,549</u>
Total net debt applicable to the limit as a percentage of debt limit	6.71%	7.09%	5.66%	5.85%	7.16%	8.20%	9.77%	13.33%	11.10%	12.98%

<sup>(1)</sup> 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.

<sup>(2)</sup> Revised.

Allowable Percentage of Real Market Value:

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

Source: Lane County Department of Assessment and Taxation  
Linn County Department of Assessment and Taxation  
Lane County School District 4J

**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**

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<b>Year Ended June 30</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Bonded Debt Service</b>	<b>Total General Fund Expenditures and Transfers</b>	<b>Ratio</b>
2013	\$ 10,985,000	\$ 5,781,450	\$ 16,766,450	\$ 143,643,962	0.1167
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

Source: Statement of Revenues, Expenditures and Changes in Fund Balance  
Long-term Debt Note

**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**

<b>Year Ended June 30</b>	<b>District Population (Estimated)</b>	<b>Average Daily Membership (Resident) K-12<sup>(1)</sup></b>	<b>Assessed Valuation</b>	<b>Net Bonded Debt</b>	<b>Ratio of Net Bonded Debt to Assessed Valuation</b>	<b>Net Bonded Debt Per Capita</b>	<b>Net Bonded Debt Per Student</b>
2013	154,905	15,184	\$ 12,353,361,067	\$ 121,382,258	0.0098	\$ 784	\$ 7,994
2012	153,667	15,248	12,070,171,533	134,847,258	0.0112	878	8,844
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

<sup>(1)</sup> Excludes District sponsored public charter schools and alternative education providers.  
935 ADM were excluded from the 2013 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**

<b>Fiscal Year</b>	<b>Governmental Activities</b>			<b>Total Primary Government</b>	<b>Percentage of Personal Income <sup>(1)</sup></b>	<b>Per Capita <sup>(1)</sup></b>	<b>Per Student <sup>(2)</sup></b>
	<b>General Obligation Bonds</b>	<b>Pension Bonds</b>	<b>Capital Leases</b>				
2013	\$ 121,382,258	\$ 49,925,000	\$ 3,856,623	\$ 175,163,881	N/A <sup>(4)</sup>	\$ 1,131	\$ 11,536
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	1.427% <sup>(3)</sup>	1,093	10,572
2010	121,695,000	52,410,000	3,223,243	177,328,243	1.560% <sup>(3)</sup>	1,181	10,936
2009	131,255,000	52,895,000	3,325,396	187,475,396	1.560% <sup>(3)</sup>	1,257	11,642
2008	139,830,000	53,235,000	2,582,834	195,647,834	1.715% <sup>(3)</sup>	1,321	12,083
2007	146,638,929	53,435,000	2,484,059	202,557,988	1.841% <sup>(3)</sup>	1,377	12,294
2006	153,164,719	53,435,000	1,827,233	208,426,952	2.064% <sup>(3)</sup>	1,427	12,446
2005	113,294,150	53,435,000	1,473,159	168,202,309	1.753% <sup>(3)</sup>	1,160	9,904
2004	119,684,627	53,435,000	1,753,062	174,872,689	1.910% <sup>(3)</sup>	1,214	10,223

<sup>(1)</sup> 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.

<sup>(2)</sup> See page 111 for average daily membership data.

<sup>(3)</sup> Revised.

<sup>(4)</sup> Information not available at time of printing.

Source: Lane County School District 4J

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

<b>Year Ended June 30</b>	<b>City of Eugene</b>				<b>Lane County</b>		<b>State of Oregon</b>	
	<b>Estimated Population</b>	<b>Percent Change</b>	<b>Area (Square Miles)</b>	<b>Average Density Persons/Square Mile</b>	<b>Estimated Population</b>	<b>Percent Change</b>	<b>Estimated Population</b>	<b>Percent Change</b>
2013	159,580	<sup>(1)</sup> 0.79 %	40.5	3,940	356,125	<sup>(1)</sup> 0.54 %	3,919,020	<sup>(1)</sup> 0.91 %
2012	158,335	0.84	40.5	3,910	354,200	<sup>(2)</sup> 0.30	3,883,735	<sup>(2)</sup> 0.68
2011	157,010	0.46	40.5	3,877	353,155	0.33	3,857,625	0.53
2010	156,295	1.08	40.5	3,859	352,010	1.24	3,837,300	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

<sup>(1)</sup> Based on preliminary estimates by Population Research Center as of November 15, 2013.

<sup>(2)</sup> 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**

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<b>Year Ended December 31</b>	<b>Estimated County Population <sup>(1)</sup></b>	<b>County Personal Income (thousands of dollars)</b>	<b>County Per Capita Personal Income</b>	<b>County Unemployment Rate</b>	
2012	356,125 <sup>(3)</sup>	N/A <sup>(4)</sup>	N/A <sup>(4)</sup>	8.6	%
2011	354,200 <sup>(2)</sup>	12,214,306	34,561	9.6	<sup>(2)</sup>
2010	353,155 <sup>(2)</sup>	11,679,708 <sup>(2)</sup>	33,193 <sup>(2)</sup>	11.0	<sup>(2)</sup>
2009	352,010 <sup>(2)</sup>	11,370,062 <sup>(2)</sup>	32,407 <sup>(2)</sup>	12.1	<sup>(2)</sup>
2008	347,690 <sup>(2)</sup>	12,014,865 <sup>(2)</sup>	34,508 <sup>(2)</sup>	6.7	<sup>(2)</sup>
2007	345,880 <sup>(2)</sup>	11,406,108 <sup>(2)</sup>	33,076 <sup>(2)</sup>	5.2	<sup>(2)</sup>
2006	339,740	11,005,242 <sup>(2)</sup>	32,375 <sup>(2)</sup>	5.4	<sup>(2)</sup>
2005	336,085	10,096,385 <sup>(2)</sup>	30,064 <sup>(2)</sup>	6.2	
2004	333,350 <sup>(2)</sup>	9,597,595 <sup>(2)</sup>	28,880 <sup>(2)</sup>	7.3	
2003	329,400 <sup>(2)</sup>	9,154,084 <sup>(2)</sup>	27,669 <sup>(2)</sup>	8.0	<sup>(2)</sup>

<sup>(1)</sup> Mid-year population estimates.

<sup>(2)</sup> Revised.

<sup>(3)</sup> Based on preliminary estimates by Population Research Center as of November 15, 2013.

<sup>(4)</sup> Information not available at time of printing.

Source: *Population information: Portland State University Center for Population Research and Census*  
*Personal income: US Department of Commerce, Bureau of Economic Analysis*  
*Unemployment: State of Oregon Employment Department, Local Area Employment Statistics*



**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**MAJOR TAXPAYERS - CURRENT YEAR AND NINE YEARS AGO**  
**JUNE 30, 2013**

<i>Name</i>	<b>2013</b>			<b>2004</b>		
	<i>2012-13 Assessed Valuation</i>	<i>Rank <sup>(1)</sup></i>	<i>Percentage of District Total Assessed Value</i>	<i>2003-04 Assessed Valuation</i>	<i>Rank <sup>(1)</sup></i>	<i>Percentage of District Total Assessed Value</i>
Comcast Corporation	\$ 108,234,000	1	0.88 %			
Valley River Center	106,139,760	2	0.86	\$ 77,129,592	4	0.85 %
Symantec Corporation	86,747,813	3	0.70			
PeaceHealth	539,122,898	4	4.37	31,694,693	8	0.35
McKay Investment Company	52,682,812	5	0.43			
Shepard Investment Group LLC	38,592,784	6	0.31			
Real Property Investors LLC	42,152,726	7	0.34			
CenturyLink <sup>(2)</sup>	43,678,300	8	0.35	118,830,275	2	1.31
Chase Village LLC	35,428,331	9	0.29			
United States Bakery	38,348,208	10	0.31			
Hynix Semiconductor Mfg				456,687,935	1	5.03
Sony Music Entertainment Inc				44,205,060	3	0.49
Monaco Coach Corp				36,881,630	5	0.41
NW Natural Gas Co				33,316,500	6	0.37
SHLP Financing LLC				28,476,456	7	0.31
Shorewood Packaging Corp				57,149,573	9	0.63
Guard Publishing Co				28,550,287	10	0.31
<i>Total Major Taxpayers</i>	<u>1,091,127,632</u>		<u>8.84</u>	<u>912,922,001</u>		<u>10.06</u>
<i>Other</i>	<u>11,247,420,665</u>		<u>91.16</u>	<u>8,162,874,053</u>		<u>89.94</u>
<i>Total All Taxpayers</i>	<u>\$ 12,338,548,297</u>		<u>100.00 %</u>	<u>\$ 9,075,796,054</u>		<u>100.00 %</u>

<sup>(1)</sup> Ranking is based on amount of tax and not assessed valuation.

<sup>(2)</sup> Formerly Qwest Corp.

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, 2013**

<b>Company</b>	<b>2013</b>			<b>2004</b>		
	<b>Number of Employees</b> <sup>(1)</sup>	<b>Rank</b>	<b>Percentage of Total Employment</b>	<b>Number of Employees</b>	<b>Rank</b>	<b>Percentage of Total Employment</b>
PeaceHealth Oregon	4,212	1	3.00 %	4,125 <sup>(4)</sup>	1	2.84 %
University of Oregon	4,038	2	2.87	3,760	2	2.59
Lane County School District 4J	2,794 <sup>(2)</sup>	3	1.99	1,691	6	1.17
Lane County Government	2,000	4	1.42	1,786	5	1.23
State of Oregon	1,781	5	1.27	1,200	9	0.83
U.S. Government	1,667	6	1.19	2,000	3	1.38
City of Eugene	1,310	7	0.93	1,465	8	1.01
Springfield School District	1,300	8	0.93	1,500	7	1.03
Lane Community College	1,118	9	0.80	2,000	4	1.38
Wal-Mart	1,050	10	0.75			
McKenzie-Willamette Hospital				1,200	10	0.83
<i>Total Major Employers</i>	21,270		15.15	20,727		14.29
<i>Other</i>	119,230		84.85	124,373		85.71
<i>Total All Employers</i>	140,500 <sup>(3)</sup>		100.00 %	145,100 <sup>(5)</sup>		100.00 %

<sup>(1)</sup> Updated information not available at time of printing; as of June 2012.

<sup>(2)</sup> Includes part-time employees.

<sup>(3)</sup> July 2013 total.

<sup>(4)</sup> Includes PeaceHealth Medical Group, Sacred Heart Medical, Cottage Grove Hospital.

<sup>(5)</sup> Annual average for 2004.

Source: Lane County Department of Budget and Financial Planning, Fiscal Year 2013-2014 Adopted Budget  
 Oregon Employment Department, Current Employment Statistics

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

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<b>Year Ending December 31</b>	<b>Eugene MSA</b>	<b>State of Oregon</b>	<b>United States</b>
2012	8.6 %	8.7 %	8.1 %
2011	9.6 <sup>(1)</sup>	9.6 <sup>(1)</sup>	8.9
2010	11.0 <sup>(1)</sup>	10.7	9.6
2009	12.1 <sup>(1)</sup>	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

<sup>(1)</sup> Revised.

Source: State of Oregon Employment Department, Local Area Employment Statistics

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

<b>Year Ended June 30</b>	<b>Assessed Property Value <sup>(1)</sup> (in thousands)</b>	<b>Commercial Permits</b>	<b>Construction Value (in thousands)</b>	<b>Residential Permits</b>	<b>Construction Value (in thousands)</b>	<b>Bank Deposits (in thousands)</b>
2013	\$ 12,338,548	605	\$ 91,934	786	\$ 87,902	\$ 2,847,031
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

<sup>(1)</sup> Assessed property value from Lane County only.

Source: City of Eugene, Department of Public Works  
 Federal Deposit Insurance Corporation  
 Lane County Department of Assessment and Taxation

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

<b>Year Ended June 30</b>	<b>Average Daily Membership (K-12) <sup>(1)</sup></b>	<b>Total Government- wide Expenses</b>	<b>Government- wide Expenses Per Pupil (ADM)</b>	<b>Total General Fund Expenditures <sup>(3)</sup></b>	<b>General Fund Per Pupil (ADM)</b>	<b>General Fund Instruction Expenditures <sup>(3)</sup></b>	<b>General Fund Instruction Per Pupil (ADM)</b>	<b>General Fund Other Expenditures <sup>(3)</sup></b>	<b>General Fund Other Per Pupil (ADM)</b>
2013	16,118	\$ 188,666,556	\$ 11,706	\$ 138,360,478	\$ 8,584	\$ 82,476,559	\$ 5,117	\$ 55,883,919	\$ 3,467
2012	16,165 <sup>(2)</sup>	185,363,458	11,467	136,724,558	8,458	83,228,479	5,149	53,496,079	3,309
2011	16,546	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

<sup>(1)</sup> Includes District sponsored public charter schools and alternative education providers.

<sup>(2)</sup> Revised in 2013 to reflect final numbers for fiscal year.

<sup>(3)</sup> Budgetary basis.

Source: State of Oregon Department of Education  
Statement of Activities  
Statement of Revenues, Expenditures and Changes in Fund Balance

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

Activity/Function	Fiscal Year									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Direct classroom services										
Regular instruction	652.0	661.6	730.6	767.2	789.2	792.6	776.1	775.6	778.6	767.2
Special programs	309.3	321.0	360.5	380.1	350.6	347.0	345.3	338.6	317.9	307.4
Total direct classroom services	961.3	982.6	1,091.1	1,147.3	1,139.8	1,139.6	1,121.4	1114.2	1096.5	1074.6
Classroom support services										
Extracurricular activities	6.6	6.6	6.6	5.9	6.2	7.5	6.0	6.4	5.4	4.3
Student support	102.5	101.4	107.7	110.1	122.7	122.2	122.9	120.7	107.6	107.4
Libraries, curriculum and staff development	63.5	48.0	55.7	59.5	62.6	68.5	65.5	60.1	57.3	51.1
School administration	125.0	124.1	130.7	134.2	143.0	139.8	150.3	152.1	143.8	145.0
Community services	11.9	10.3	13.2	10.0	9.9	11.5	12.3	10.7	9.6	9.1
Total classroom support services	309.5	290.4	313.9	319.7	344.4	349.5	357.0	350.0	323.7	316.9
Building support services										
Facilities operation and maintenance	132.0	126.6	145.1	154.1	159.2	152.8	145.2	158.5	150.5	153.1
Student transportation	80.0	76.4	77.5	79.4	85.1	71.1	63.3	59.6	62.6	58.4
Computing and information services	40.7	38.7	38.8	41.5	33.6	30.4	20.7	21.2	21.2	18.7
Warehouse and purchasing	4.6	4.6	4.7	5.7	6.0	7.3	6.3	6.5	5.5	6.5
Total building support services	257.3	246.3	266.1	280.7	283.9	261.6	235.5	245.8	239.8	236.7
Central support services										
Executive administration	4.0	4.2	3.2	4.3	7.8	7.2	6.1	4.7	2.5	2.5
Financial services	17.4	15.4	14.4	15.9	15.9	13.9	14.8	14.8	14.4	14.0
Human resources/employee insurance benefits	17.1	20.0	18.6	17.6	18.2	18.9	25.0	19.6	19.3	18.0
Communications and intergovernmental relations	3.0	2.5	3.0	3.2	3.1	3.0	3.0	3.2	3.2	3.1
Total central support services	41.5	42.1	39.2	41.0	45.0	43.0	48.9	42.3	39.4	37.6
Nutrition services	58.3	63.4	68.1	72.1	68.0	71.6	72.1	73.7	75.1	74.8
Total employees	1,627.9	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
Licensed staff	841.8	834.6	922.5	962.9	976.4	969.4	951.5	959.3	931.1	919.2
Classified staff	668.8	687.2	752.2	791.5	789.8	784.3	772.3	754.7	735.5	715.8
Professional staff	33.4	27.0	19.6	24.3	26.3	25.2	23.2	22.5	21.0	17.2
Total classified and professional	702.2	714.2	771.8	815.8	816.1	809.5	795.5	777.2	756.5	733.0
Administrative staff	70.9	64.7	73.1	71.1	77.6	75.4	76.9	78.1	76.4	77.6
Supervisory staff	13.0	11.3	11.0	11.0	11.0	11.0	11.0	11.4	10.5	10.8
Total administrators and supervisors	83.9	76.0	84.1	82.1	88.6	86.4	87.9	89.5	86.9	88.4
Total employees	1,627.9	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

Note: FTE as of June.

Source: Lane County School District 4J

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

<u>Year Ended June 30</u>	<u>Licensed</u>	<u>Classified and Professional<sup>(3)</sup></u>	<u>Administrative and Supervisory<sup>(4)</sup></u>	<u>Total</u>	<u>Average Daily Membership (Resident) K-12<sup>(2)</sup></u>	<u>Licensed Staffing Ratio</u>
2013	778.2	521.7	78.0	1,377.9	15,184	19.5
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 <sup>(1)</sup>	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

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

<sup>(2)</sup> Excludes District sponsored public charter schools and alternative education providers.

<sup>(3)</sup> Beginning 2006 includes Professional.

<sup>(4)</sup> Beginning 2006 includes Supervisors.

Note: FTE as of June.

**EUGENE SCHOOL DISTRICT NO. 4J**  
**BARGAINING UNITS & CONTRACT STATUS**  
**JUNE 30, 2013**

<u>Collective Bargaining Unit</u>	<u>No. of Employees</u>	<u>Termination Date of Current Contract</u>
Oregon Education Association/ Eugene Education Association	879	06/30/2014
Oregon School Employees Association	821	06/30/2014

Source: Lane County School District 4J

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**LICENSED PROFESSIONAL SALARY PLAN**  
**JUNE 30, 2013**

<b>LEVEL</b>	<b>BACHELORS</b>	<b>BACHELORS + 23</b>	<b>BACHELORS + 45</b>	<b>BACHELORS + 60 MASTERS</b>	<b>BACHELORS + 83 B+68 W/ MASTERS MASTERS + 23</b>	<b>BACHELORS +105 B+90 W/ MASTERS MASTERS + 45</b>	<b>DOCTORATE MASTERS + 90</b>
1	\$34,058	\$35,318	\$36,625	\$37,980	\$39,385	\$40,842	\$42,353
2	35,318	36,625	37,980	39,385	40,842	42,353	43,920
3	35,971	37,302	38,682	40,113	41,597	43,136	44,733
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	54,640
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
12		48,997	50,810	52,690	54,640	56,662	58,758
13		50,810	52,690	54,640	56,662	58,758	60,932
Longevity (16)		52,690	54,640	56,662	58,758	60,932	63,186
Longevity (16+)		54,640	56,662	58,758	60,932	63,186	65,524
Longevity (17)		NA	NA	NA	NA	67,490	69,986

\* Highest entry level.

**LICENSED STAFFING PER LEVEL AND EDUCATION IN FULL-TIME EQUIVALENT EMPLOYEES—JUNE 2013**

<b>LEVEL</b>	<b>BACHELORS</b>	<b>BACHELORS + 23</b>	<b>BACHELORS + 45</b>	<b>BACHELORS + 60 MASTERS</b>	<b>BACHELORS + 83 B+68 W/ MASTERS MASTERS + 23</b>	<b>BACHELORS +105 B+90 W/ MASTERS MASTERS + 45</b>	<b>DOCTORATE MASTERS + 90</b>	<b>TOTAL</b>
1	1.4	0.0	1.0	5.7	5.7	1.8	2.4	18.0
2	0.0	0.0	0.0	2.9	3.7	1.0	1.2	8.8
3	0.7	0.0	1.0	5.7	8.0	4.1	0.8	20.3
4	3.8	0.0	0.0	4.5	5.9	5.5	0.0	19.7
5	0.0	0.0	0.3	4.9	14.0	5.3	2.0	26.5
6	1.0	0.0	1.0	12.1	18.3	12.0	0.0	44.4
7	3.0	0.0	0.0	10.7	10.8	10.2	4.5	39.2
8	2.8	1.0	1.0	15.5	15.8	14.8	3.6	54.5
9	3.0	0.0	0.0	14.1	14.6	12.4	2.5	46.6
10	2.7	0.3	0.0	14.7	17.4	9.8	1.0	45.9
11	0.0	0.5	0.0	8.1	10.5	20.5	2.0	41.6
12	0.0	0.0	0.0	15.4	8.0	13.6	3.7	40.7
13	2.0	2.0	0.0	9.8	10.8	18.6	7.4	50.6
Longevity (16)	3.5	0.0	1.0	9.5	10.5	18.7	4.0	47.2
Longevity (16+)	16.6	11.0	10.8	62.4	55.5	17.9	8.0	182.2
Longevity (17)						110.3	45.3	155.6
<b>Total</b>	<b>40.5</b>	<b>14.8</b>	<b>16.1</b>	<b>196.0</b>	<b>209.5</b>	<b>276.5</b>	<b>88.4</b>	<b>841.8</b>

Average Education: Bachelor's +68 with Master's  
Average Salary: \$52,619

Note: FTE as of June. This data includes licensed employees on paid full-time leave.

Source: Eugene Education Association Collective Bargaining Agreement  
Lane County School District 4J



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

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Breakfast Program:										
Paid Breakfasts Served	66,895	69,079	80,617	75,466	86,906	99,441	80,683	67,338	60,583	44,976
Free Breakfasts Served	330,169	347,884	337,179	352,510	325,119	300,421	268,803	242,860	239,964	231,067
Reduced Breakfasts Served	40,900	38,655	39,383	50,529	46,936	46,696	34,128	33,403	31,374	21,731
Lunch Program:										
Paid Lunches Served	251,017	285,617	372,168	425,932	478,193	497,358	504,989	479,532	459,032	439,433
Free Lunches Served	628,675	641,936	650,842	676,620	615,451	569,180	554,097	538,406	541,274	521,887
Reduced Lunches Served	87,096	82,432	93,648	117,056	116,851	117,973	104,879	109,223	103,591	91,847
Supper/Snack Program:										
Paid Suppers/Snacks Served										
Free Suppers/Snacks Served	20,662	17,617	28,913	40,831	35,068	28,840	26,419	18,436	21,449	27,048
Reduced Suppers/Snacks Served										
A la Carte Sales	\$ 144,369	\$ 153,006	\$ 186,274	\$ 230,736	\$ 315,740	\$ 574,353	\$ 605,771	\$ 712,648	\$ 787,917	\$ 786,211
Percentage of Students Eligible to Receive Free or Reduced-Price Meals	42.35%	42.37%	40.01%	38.79%	35.60%	32.70%	32.50%	30.70%	33.10%	28.20%
Pupil transportation statistics:										
Number of Buses	107	95	92	93	93	88	87	83	83	81
Number of Vans	12	12	12	12	12	10	10	10	10	10
Total Miles Traveled <sup>(1)</sup>	1,412,378	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
Number of students transported daily	4,830	5,042	5,197	4,985	4,832	5,056	4,855	4,407	4,567	4,437

<sup>(1)</sup> 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**

	<i>Fiscal Year</i>									
	<u>2013</u>	<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>
<b>Enrollment Summary: <sup>(1)</sup></b>										
Elementary Schools	6,166.5	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
K - 8 Schools	543.5	545.0	525.5	509.0	326.0	281.0	NA	NA	NA	NA
Middle Schools	3,538.0	3,490.0	3,478.0	3,505.0	3,661.0	3,652.0	3,915.0	4,024.0	4,201.0	4,386.0
High Schools	5,226.0	5,336.0	5,547.0	5,584.0	5,592.0	5,839.0	6,056.0	6,073.0	6,227.0	6,199.0
<b>Total Enrollment</b>	<b>15,474.0</b>	<b>15,524.5</b>	<b>15,942.5</b>	<b>16,068.5</b>	<b>16,263.0</b>	<b>16,437.0</b>	<b>16,734.5</b>	<b>16,934.0</b>	<b>17,214.0</b>	<b>17,477.5</b>

<sup>(1)</sup> Excludes District sponsored public charter schools and alternative education providers. Kindergarten reported at 0.5 FTE.

**Elementary Schools (K=0.5)**

**Adams (1949)**

Gross Floor Area (sq ft): 47,660

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

**Awbrey Park (1967)**

Gross Floor Area (sq ft): 58,375

Elementary Enrollment	389.5	430.5	424.5	456.5	449.5	422.5	436.5	437.0	413.0	441.5
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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	499.5	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	418.0	402.5	419.0	415.5	368.5	328.0	332.0	324.5	323.0	-
Elementary Enrollment - Family <sup>(2)</sup>	-	-	-	-	124.0	123.0	121.0	123.0	110.0	-

<sup>(2)</sup> 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	276.5	265.0	261.0	271.0	267.5	267.5	270.0	276.0	280.0	269.0
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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
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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
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**Edgewood (1962)**

Gross Floor Area (sq ft): 36,719

Elementary Enrollment - Edgewood	364.0	404.0	291.0	286.0	280.5	293.5	267.5	224.5	229.0	227.0
Elementary Enrollment - Evergreen	-	-	-	-	-	-	-	76.0	98.0	95.0

**Edison (1926)**

Gross Floor Area (sq ft): 42,195

Elementary Enrollment	315.0	303.0	283.0	295.5	275.0	302.5	286.0	265.5	281.5	290.0
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**Gilham (1966)**

Gross Floor Area (sq ft): 74,500

Elementary Enrollment	472.0	466.0	454.5	463.5	475.0	479.0	476.5	498.5	511.5	454.0
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**Harris (1949) (Became Camas Ridge 7/1/2009)**

Gross Floor Area (sq ft): 41,327

Elementary Enrollment - Camas Ridge	392.0	384.0	271.5	256.5	-	-	-	-	-	-
Elementary Enrollment - Harris	-	-	-	-	166.0	156.5	164.0	188.5	173.0	191.0
Elementary Enrollment - Eastside <sup>(3)</sup>	-	-	-	-	136.0	-	-	-	-	-

<sup>(3)</sup> 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	274.5	282.0	239.5	266.5	275.0	256.5	268.0	293.5	306.0	292.0
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**Magnet Arts (K - 8 School: Arts & Technology Academy At Jefferson)**

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

Gross Floor Area (sq ft): 56,532

Elementary Enrollment	310.0	365.0	375.0	385.0	393.5	375.0	386.0	383.0	398.5	411.0
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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									
	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
<b>Elementary Schools (Continued)</b>										
<b>Meadowlark (1960)</b>										
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
Elementary Enrollment - Buena Vista	297.5	270.5	270.0	247.0	248.0	251.0	251.0	250.0	254.0	252.0
<b>Parker (1959) <sup>(4)</sup></b>										
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
Elementary Enrollment - Eastside	-	-	-	-	-	146.0	147.0	145.0	143.0	144.0
<sup>(4)</sup> Parker closed at fiscal year-end 6/30/2011 and Eugene Education Options East has been housed there since 7/1/2011.										
<b>Patterson (1957)</b>										
Gross Floor Area (sq ft): 36,199										
Elementary Enrollment - Patterson	-	-	-	-	-	-	-	-	-	119.0
Elementary Enrollment - Family School	-	-	-	-	-	-	-	-	-	106.0
<b>River Road (1953)</b>										
Gross Floor Area (sq ft): 51,301										
Elementary Enrollment	296.5	312.5	351.5	323.5	309.0	279.0	295.5	280.5	295.0	277.5
<b>Silver Lea (1961)</b>										
Gross Floor Area (sq ft): 48,645										
Corridor Enrollment	244.5	245.0	238.5	232.5	237.0	243.5	249.0	247.5	242.5	245.0
Yujin Gakuen Enrollment	242.0	245.0	249.5	260.5	268.5	270.0	273.5	283.0	275.0	266.5
<b>Spring Creek (1964)</b>										
Gross Floor Area (sq ft): 41,387										
Elementary Enrollment	321.5	295.0	314.5	334.5	359.0	349.0	361.0	384.5	345.5	389.0
<b>Twin Oaks (1958)</b>										
Gross Floor Area (sq ft): 35,198										
Elementary Enrollment	203.5	185.5	198.0	183.0	211.0	221.0	225.0	236.0	219.5	234.0
<b>Washington (1950)</b>										
Gross Floor Area (sq ft): 45,561										
Elementary Enrollment	-	-	-	-	-	-	-	-	-	297.0
<b>Westmoreland (1948)</b>										
Gross Floor Area (sq ft): 47,221										
Elementary Enrollment	-	-	-	-	-	-	-	-	-	212.5
<b>Whiteaker (1926)</b>										
Gross Floor Area (sq ft): 31,257										
Elementary Enrollment	-	-	-	-	-	-	-	-	-	-
<b>Willagillespie (1925)</b>										
Gross Floor Area (sq ft): 57,500										
Elementary Enrollment	488.5	462.5	333.0	338.5	347.5	335.0	272.0	240.0	248.5	285.0
<b>Willakenzie (1923)</b>										
Gross Floor Area (sq ft): 37,491										
Elementary Enrollment	-	-	-	-	-	-	-	-	-	297.0
<b>Willard (1954)</b>										
Gross Floor Area (sq ft): 35,454 <sup>(5)</sup>										
Elementary Enrollment	-	-	-	-	-	-	-	-	-	-
<sup>(5)</sup> Willard School square footage reduced by 10,380 due to fire which destroyed a wing of classrooms and the library.										
<b>K - 8 Schools</b>										
<b>Arts and Technology Academy at Jefferson (1957)</b>										
Gross Floor Area (sq ft): 100,237										
K - 8 Enrollment - Arts and Technology	392.0	403.5	391.5	372.5	326.0	281.0	NA	NA	NA	NA
K - 8 Enrollment - Family School <sup>(6)</sup>	151.5	141.5	134.0	136.5	NA	NA	NA	NA	NA	NA
<sup>(6)</sup> 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.										
<b>Middle Schools</b>										
<b>Cal Young Middle School (2006)</b>										
Gross Floor Area (sq ft): 90,341										
Middle School Enrollment	563.0	565.0	559.0	545.0	582.0	610.0	566.0	580.0	569.0	620.0
<b>Jefferson Middle School (K - 8 School: Arts &amp; Technology Academy At Jefferson)</b>										
Middle School Enrollment	NA	NA	NA	NA	NA	NA	219.0	262.0	351.0	405.0
<b>Kelly Middle School (1945)</b>										
Gross Floor Area (sq ft): 112,356										
Middle School Enrollment	406.0	416.0	457.0	491.0	499.0	484.0	511.0	524.0	546.0	550.0

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

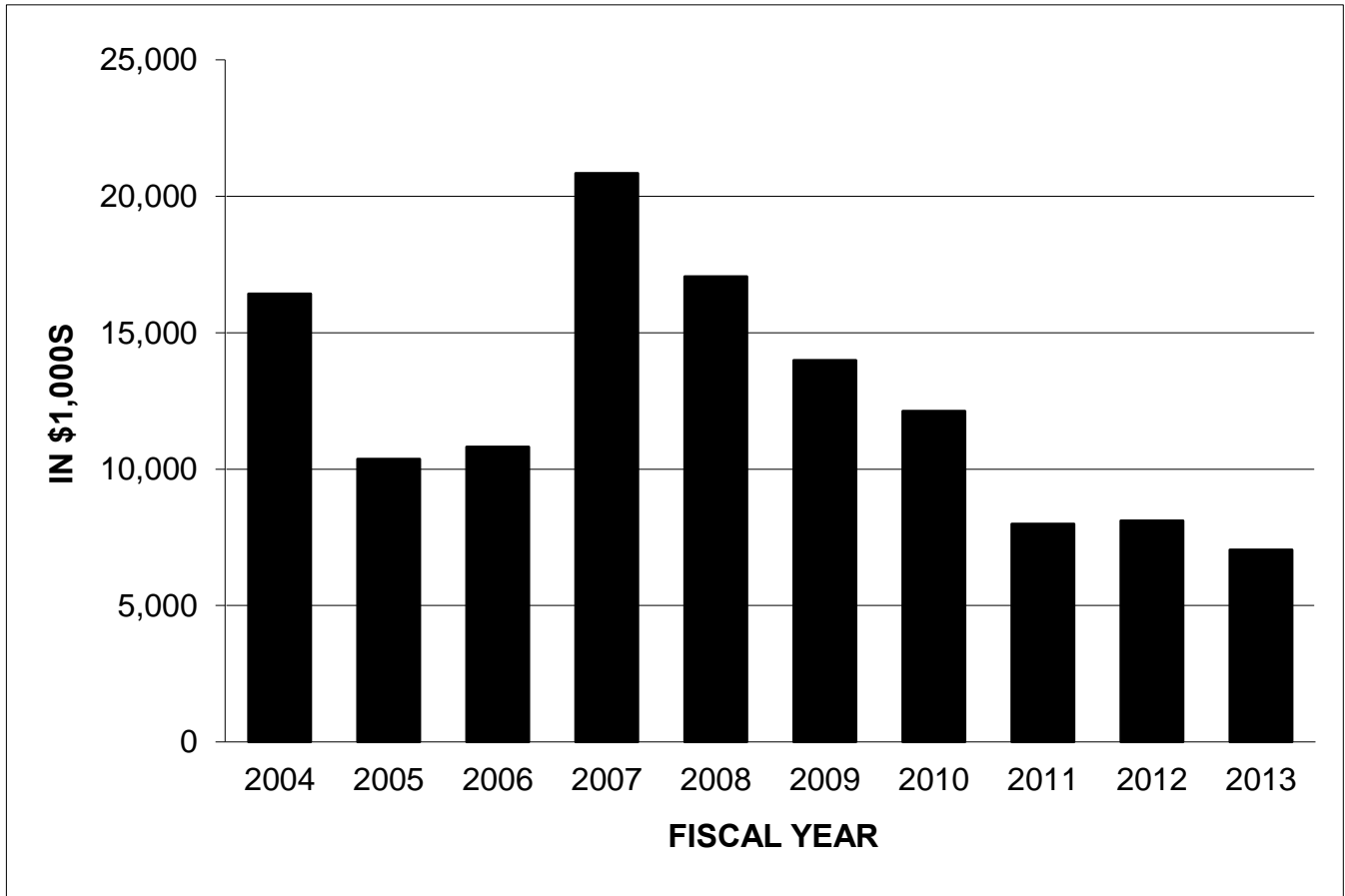
**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**SCHOOL BUILDING AND STUDENT ENROLLMENT INFORMATION**  
**LAST TEN FISCAL YEARS**

	<u>Fiscal Year</u>									
	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>	<u>2005</u>	<u>2004</u>
<b>Middle Schools (Continued)</b>										
<b>Kennedy Middle School (1965)</b>										
Gross Floor Area (sq ft): 89,057										
Middle School Enrollment	507.0	528.0	511.0	494.0	507.0	498.0	496.0	489.0	547.0	570.0
<b>Madison Middle School (2005)</b>										
Gross Floor Area (sq ft): 86,953										
Middle School Enrollment	470.0	480.0	436.0	462.0	468.0	440.0	415.0	423.0	420.0	486.0
<b>Monroe Middle School (1965)</b>										
Gross Floor Area (sq ft): 87,401										
Middle School Enrollment	549.0	532.0	541.0	534.0	533.0	541.0	587.0	630.0	644.0	617.0
<b>Roosevelt Middle School (1950)</b>										
Gross Floor Area (sq ft): 105,770										
Middle School Enrollment	592.0	546.0	556.0	577.0	650.0	659.0	672.0	673.0	694.0	724.0
<b>Spencer Butte Middle School (1960)</b>										
Gross Floor Area (sq ft): 82,414										
Middle School Enrollment	451.0	423.0	418.0	402.0	422.0	420.0	449.0	443.0	430.0	414.0
<b>High Schools</b>										
<b>Churchill High School (1966)</b>										
Gross Floor Area (sq ft): 249,982										
High School Enrollment	1,079.0	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
Alternative High School Enrollment	-	-	153.0	74.0	56.0	89.0	97.0	75.0	90.0	87.0
Eugene Education Options West <sup>(7)</sup>	-	147.0	-	-	-	-	-	-	-	-
<sup>(7)</sup> In 2012-13 EEO West combined with EEO East at the EEO East location.										
<b>Dunn - Opportunity Center (1929) <sup>(8)</sup></b>										
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
<sup>(8)</sup> Opportunity Center closed and Eugene Education Options East opened as of 7/1/2011.										
<b>Eugene Education Options East (1959) <sup>(9)</sup></b>										
Gross Floor Area (sq ft): 42,625										
High School Enrollment	286.0	136.0	-	-	-	-	-	-	-	-
<sup>(9)</sup> Eugene Education Options East is at the location that was formerly Parker Elementary. In 2012-13 EEO East combined with EEO West at the EEO East location.										
<b>North Eugene High School (1957)</b>										
Gross Floor Area (sq ft): 214,767										
High School Enrollment	1,001.0	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
Alternative High School Enrollment	-	-	49.0	32.0	45.0	39.0	34.0	38.0	42.0	52.0
<b>Sheldon High School (1963)</b>										
Gross Floor Area (sq ft): 234,872										
High School Enrollment	1,453.0	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
Life Skills Enrollment <sup>(10)</sup>	40.0	41.0	37.0	33.0	-	-	-	-	-	-
<sup>(10)</sup> Life Skills enrollment included beginning 2010.										
<b>South Eugene High School (1953)</b>										
Gross Floor Area (sq ft): 310,831										
High School Enrollment	1,367.0	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
<b>Administrative and Other Facilities</b>										
<b>Education Center (1957)</b>										
Gross Floor Area (sq ft): 74,102										
<b>Facilities (1940)</b>										
Gross Floor Area (sq ft): 42,700										
<b>Transportation (1963)</b>										
Gross Floor Area (sq ft): 30,315										
<b>Gross Floor Area (sq ft) Summary:</b>										
		<u>Age of building (in years)</u>								
		<u>Oldest</u>	<u>Median</u>	<u>Newest</u>						
Elementary Schools	848,994	88	52	9						
K - 8 Schools	100,237	56	56	56						
Middle Schools	654,292	68	48	7						
High Schools	1,053,077	60	54	47						
Other Facilities	<u>147,117</u>	73	56	50						
<b>Total Gross Floor Area (sq ft)</b>	<b><u>2,803,717</u></b>	<b>88</b>	<b>53</b>	<b>7</b>						

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**

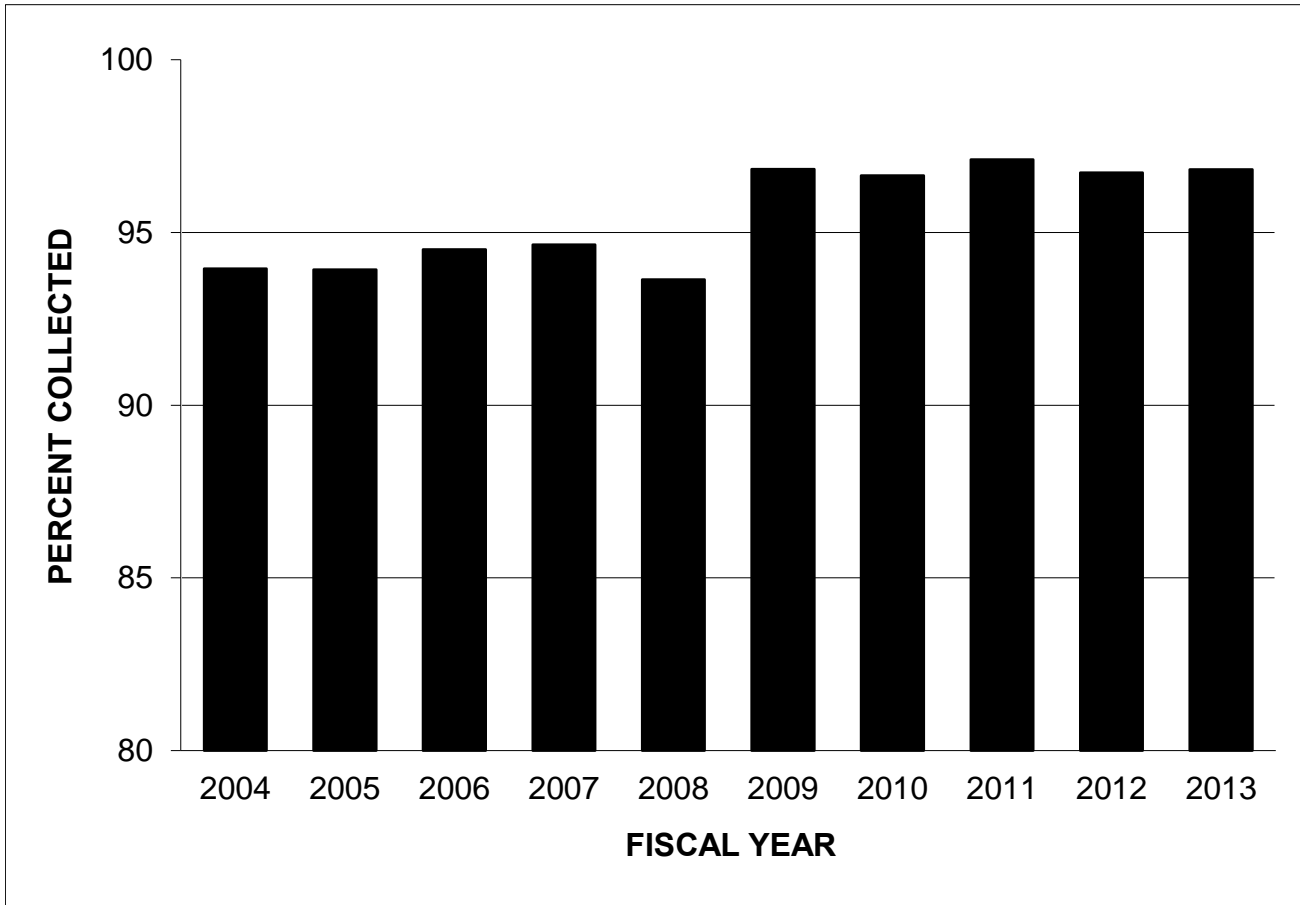
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Source: Statement of Revenues, Expenditures and Changes in Fund Balance

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

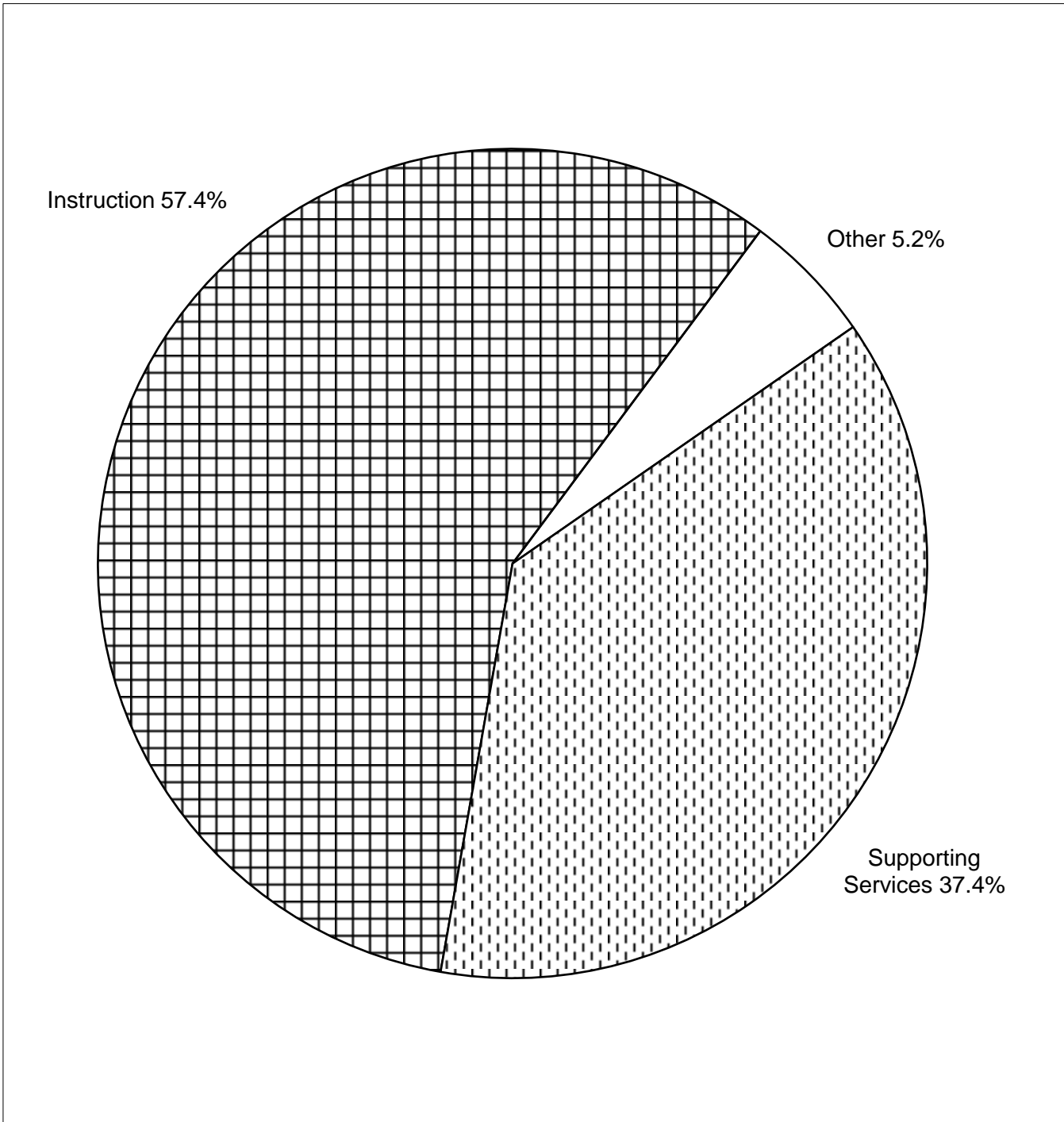
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Source: Property Tax Levies and Collections

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
**GENERAL FUND EXPENDITURES**  
**YEAR ENDED JUNE 30, 2013**

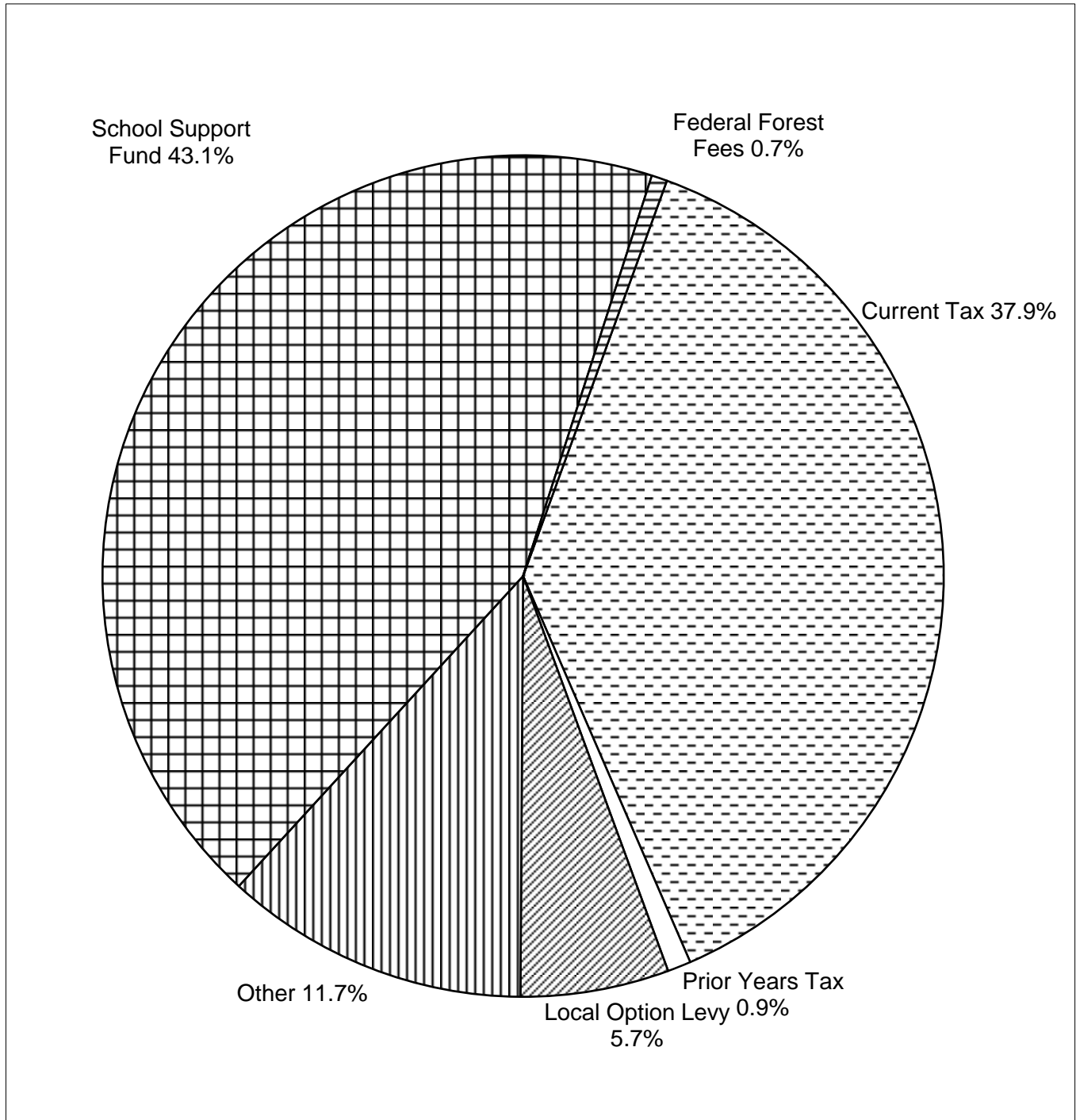
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Source: Schedule of Revenues, Expenditures and Changes in Fund Balance

**LANE COUNTY SCHOOL DISTRICT NO. 4J, EUGENE, OREGON**  
GENERAL FUND RESOURCES  
YEAR ENDED JUNE 30, 2013

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





**Audit Comments**

**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  
Eugene, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Lane County School District No. 4J, Lane County, Oregon (the District) as of and for the year ended June 30, 2013, and have issued our report thereon dated December 26, 2013.

#### ***Compliance and Other Matters***

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

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

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

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

- Expenditures exceeded appropriations as noted in the financial statements.
- The notice of the budget committee meeting was only published one day and the newspaper posting did not contain the District web address as required.
- In our testing of teacher experience, one of 25 teachers tested was reported in error. The District has subsequently corrected their reporting with the Oregon Department of Education.

***Internal Control***


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

Deficiencies in internal control were reported to management in a letter dated December 26, 2013.

***Restriction on Use***

This report is intended solely for the information and use of the school board and management of the 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:   
Larry E. Grant, A Shareholder  
December 26, 2013



## 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 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  
Eugene, Oregon

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Lane County School District No. 4J, Lane County, Oregon, as of and for the year ended June 30, 2013, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 26, 2013.

#### ***Internal Control over Financial Reporting***

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions 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.

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

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

#### ***Compliance and Other Matters***

As part of obtaining reasonable assurance about whether the District's financial statements are free from 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*.

***Purpose of this Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

December 26, 2013



## 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 ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133***

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

#### ***Report on Compliance for Each Major Federal Program***

We have audited Lane County School District No. 4J's compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2013. 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.

#### ***Management's Responsibility***

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

#### ***Auditor's Responsibility***

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

#### ***Opinion on Each Major Federal Program***

In our opinion, Lane County School District No. 4J, Lane County, Oregon complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2013.

#### ***Report on Internal Control over Compliance***

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but

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

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

***Purpose of this Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

December 26, 2013



**LANE COUNTY SCHOOL DISTRICT 4J**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2013**

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**SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	Unmodified
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:	Unmodified
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:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.010	Title I, Part A Cluster
84.060A	Indian Education
84.287	Twenty-First Century Community Learning Centers

Dollar threshold used to distinguish between type A and type B programs:	\$393,653
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, 2013**

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***PRIOR YEAR FINANCIAL STATEMENT FINDINGS***

None

***PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS***

None