

**MAPLETON SCHOOL DISTRICT
LANE COUNTY, OREGON**

FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2016



**12700 SW 72nd Ave.
Tigard, OR 97223**

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

BOARD OF DIRECTORS AS OF JUNE 30, 2016

<u>NAME</u>	<u>TERM EXPIRES</u>
Carl West, Chair	June 30, 2019
Mizu Burruss, Vice Chair	June 30, 2017
Michelle Holman	June 30, 2019
Marilyn Fox	June 30, 2017
John Simington	June 30, 2019

All board members receive mail at the address below:

ADMINISTRATION

Jodi O'Mara, Superintendent
Maria McEldowney, Business Manager

10868 East Mapleton Road
Mapleton, Oregon 97453

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

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LANE COUNTY, OREGON

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December 20, 2016

To the Board of Directors
Lane County District District No. 32
Lane County, Oregon

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying basic financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Lane County District District No. 32, as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these basic 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 the basic financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express opinions on these basic financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the basic financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the basic financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the basic financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the basic financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the basic 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 basic 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 District District No. 32, as of June 30, 2016, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The School adopted the provisions of GASB 72 – *Fair Value Measurement and Application* and GASB 79 – *Certain External Investment Pools and Pool Participants*, for the year ended June 30, 2016. Our opinion is not modified with respect to these matters.

Other Matters

Required Supplementary Information

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

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The supplementary information, as listed in the table of contents, is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 20, 2016, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.


ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.

MAPLETON SCHOOL DISTRICT 32
Lane County, Oregon
Management's Discussion and Analysis
June 30, 2016

INTRODUCTION

As management of Mapleton School District 32 (the District), Lane County, Oregon, we offer readers this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2016. It should be read in conjunction with the district's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

- At June 30, 2016, total net position of Mapleton School District 32 amounted to \$79,411; a net change of (\$1,059,771). The net position was significantly lowered due to an increase in net pension liability (see below).
- The introduction of GASB No. 68 in 2015, established new accounting and financial reporting requirements related to pensions provided by governments. GASB No. 71 established guidance for contribution made after the measurement date of net pension liability. The objective of these standards is to reflect the status of pensions on governmental financial statements. The District's proportionate share of the net pension liability (NPL) to the Oregon Public Retirement System (PERS) increased significantly. For fiscal year ended June 30, 2015, the District's proportionate share of the net pension liability was (\$676,515). For fiscal year ended June 30, 2016 the District's proportionate share of the net pension liability was \$1,564,706. Overall, system-wide actuarial accrued liability increased primarily due to the *Moro V.* State of Oregon decision, assumption changes, along with interest in the liability as current active members get closer to retirement.
- At June 30, 2016, the District's governmental funds reported a combined ending fund balance of \$959,901; a net change in fund balance of \$200,857.
- At June 30, 2016, the District's General Fund reported an ending fund balance of \$736,402; a net change in fund balance of \$249,231.
- The districts long term debt totaled \$50,919 a decrease of \$24,639. In August 2016, a \$4,000,000 bond was issued. Payments will begin in the 2017 fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the basic financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

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 statement of net position presents information on the District's assets and liabilities with the difference between the two reported as net position. 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.

The statement of activities presents information showing how the District's net position changed over the year by tracking revenues, expenditures, and other transactions that increase or reduce net position. 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 years. (e.g., uncollected taxes).

Fund Financial Statements

The fund financial statements are designed to demonstrate compliance with finance related legal requirements overseeing the use of fund accounting. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities and objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance related legal requirements.

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of available resources, as well as balances of available resources at the end of the fiscal year. Such information may be useful in evaluating the district's near-term financing requirements.

Because 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 district's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Information is presented separately in the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances for the major governmental funds. Data from the non-major governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all of its governmental funds. A budgetary comparison statement has been provided for each fund individually to demonstrate compliance with their respective budgets.

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.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may, over time, serve as a useful indicator of the district's financial position. At June 30, 2016, the District had assets of \$1,862,380, deferred outflows of \$340,405, liabilities of \$1,727,559, deferred inflows of \$395,815, and total net position of \$79,411.

The largest portion, 55.1 percent, of the District' total assets reflect cash and investments at \$1,026,981. The second largest portion, 41.1 percent, of the District's total assets reflect investment in capital assets (e.g., land, buildings and improvements, and vehicles and equipment) less any related debt used to acquire those assets that is still outstanding. The district uses these capital assets for classrooms and supporting services for providing kindergarten through twelfth grade education; consequently, these assets are not available for future spending. Although the district's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remaining assets consist of accounts receivable, property taxes receivable, and inventories.

The District's largest liability, comprising 90.6 percent of the total, is Net Pension Liability. Current liabilities consist of accounts payable, unearned revenue, and payroll liabilities. Long Term Liabilities consist entirely of a 2014 Blue Bird Bus capital lease.

District's Net Position

The government-wide statement of net position recognizes a liability as soon as an obligation is incurred, even though the payment may not be made until some future time. Governments tend to raise resources when the liabilities are expected to be paid, rather than when they are incurred.

The net position of the District in the government-wide financial statements is \$79,411. The district's net position decreased by \$1,059,771; this decrease in net position is principally due to the increase in Net Pension Liability. For fiscal year ended June 30, 2015, the District's proportionate share of the net pension liability was (\$676,515). For fiscal year ended June 30, 2016 the District's proportionate share of the net pension liability was \$1,564,706. Overall, the system-wide actuarial accrued liability increased primarily due to the *Moro V.* State of Oregon decision, assumption changes, along with interest in the liability as current active members get closer to retirement.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Governmental funds report the differences between their assets and liabilities as fund balances, which is classified and reported by the following categories: (1) Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories. (2) Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation) (3) Committed represents funds formally set aside by the governing body for a particular purpose. (4) Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. (5) Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

The focus of the District's governmental funds is to provide information on relatively short-term cash flow and funding for future basic services. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measurement of the District's net resources available for spending at the end of the fiscal year.

At June 30, 2016, the balance sheet of the District's governmental funds reported combined ending fund balance of \$959,901, an increase of \$200,857 from the prior year. Approximately \$438 (.05%) of the ending fund balance constitutes nonspendable, \$171,915 (18%) is restricted, \$51,146 (5%) is assigned, and \$736,402 (77%) constitutes unassigned ending fund balance, which is available for spending at the District's discretion.

The General Fund is the chief operating fund of the District. Resources supporting the General Fund primarily reflect state (State School Fund) and local (property taxes) revenues, with additional revenues representing federal, county, and other sources. As of June 30, 2016, the General Fund unassigned fund balance was \$736,402. As a measure of liquidity, it is useful to compare total fund balance to total fund revenues. At the end of the fiscal year, the General Fund balance amounted to 32% of General Fund revenues.

Condensed statement of net position and condensed statement of changes of net position are displayed below.

Condensed Statement of Net Position

	June 30, 2016	June 30, 2015	Change
Assets			
Current and other assets	\$ 1,096,511	\$ 917,161	\$ 179,350
Net pension asset	\$ -	\$ 676,515	\$ (676,515)
Capital assets	\$ 765,869	\$ 782,268	\$ (16,399)
Total Assets	\$ 1,862,380	\$ 2,375,944	\$ (513,564)
Deferred Outflows of Resources			
Pension Related Deferrals	\$ 340,405	\$ -	\$ 340,405
Liabilities			
Current liabilities	\$ 111,934	\$ 141,229	\$ (29,295)
Long term liabilities	\$ 50,919	\$ 75,558	\$ (24,639)
Net pension liability	\$ 1,564,706	\$ -	\$ 1,564,706
Total Liabilities	\$ 1,727,559	\$ 216,787	\$ 1,510,772
Deferred Inflows			
Pension Related Deferrals	\$ 395,815	\$ 1,019,974	\$ (624,159)
Net Position			
Invested in capital assets	\$ 765,869	\$ 782,268	\$ (16,399)
Restricted assets	\$ 171,915	\$ 205,781	\$ (33,866)
Unrestricted assets	\$ (858,373)	\$ 151,134	\$ (1,009,507)
Total Net Position	\$ 79,411	\$ 1,139,183	\$ (1,059,772)

Condensed Statement of Changes in Net Position

	June 30, 2016	June 30, 2015	Change
Program Revenues			
Charges for Services	\$ 8,567	\$ 8,478	\$ 89
Operating Grants and Contributions	\$ 437,663	\$ 428,465	\$ 9,198
General Revenues			
Property Taxes	\$ 581,117	\$ 550,569	\$ 30,548
Earnings in Investments	\$ 6,659	\$ 4,225	\$ 2,434
Other Local	\$ 56,936	\$ 56,638	\$ 298
State Support	\$ 1,683,155	\$ 1,803,572	\$ (120,417)
Unrestricted Intermediate	\$ 22,733	\$ 21,186	\$ 1,547
Unrestricted Federal	\$ -	\$ 11,767	\$ (11,767)
Total Revenues	<u>\$ 2,796,830</u>	<u>\$ 2,884,900</u>	<u>\$ (88,070)</u>
Expenditures			
Instruction	\$ 1,987,823	\$ 781,641	\$ 1,206,182
Support Services	\$ 1,701,230	\$ 1,004,580	\$ 696,650
Community Services	\$ 167,548	\$ 91,010	\$ 76,538
Total Expenditures	<u>\$ 3,856,601</u>	<u>\$ 1,877,231</u>	<u>\$ 1,979,370</u>
Change in Net Position	\$ (1,059,771)	\$ 1,007,669	\$ (2,067,440)
Net Position - beginning of year*	<u>\$ 1,139,182</u>	<u>\$ 131,513</u>	<u>\$ 1,007,669</u>
Net Position - end of year	<u><u>\$ 79,411</u></u>	<u><u>\$ 1,139,182</u></u>	<u><u>\$ (1,059,771)</u></u>

*2015 as restated for GASB 68

GENERAL FUND BUDGETARY HIGHLIGHTS

Final budgeted revenues were estimated lower than the actual experience of the District for the year ended June 30, 2016. Actual revenue earned by the General Fund totaled \$171,943 more than when compared to the projected amount to be received. A review of actual expenditures to the appropriations in the final budget yields a variance or underspending of budget authority of \$74,417.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The District's investment in capital assets includes land, buildings and improvements, site improvements, vehicles and equipment. As of June 30, 2016, the District had \$765,869 invested in capital assets.

	June 30, 2016	June 30, 2015	Change
Land	\$ 46,410	\$ 46,410	\$ -
Building and Improvements	\$ 449,214	\$ 471,947	\$ (22,733)
Equipment	\$ 67,016	\$ 29,305	\$ 37,711
Vehicles	\$ 203,229	\$ 234,606	\$ (31,377)
Total	\$ 765,869	\$ 782,268	\$ (16,399)

During the year, the District's net investment in capital assets decreased, as annual depreciation exceeded the cost of additions and improvements. Additional information regarding the District's capital assets can be found under Note 5.

Debt Administration

At the end of the current fiscal year, the District had a total long-term debt outstanding of \$50,919. This is the remaining principal on a 2014 Blue Bird capital lease; the agreement will be paid off October 2017. Additional information regarding the District's capital assets can be found under Note 6.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Across the State of Oregon, school districts continue to be faced with similar ongoing economic challenges to meet the diverse needs of the student population and increased curriculum standards without state funding at a level to fully support these factors.

The most significant revenue source for the District is the State School Fund. The State School Fund was developed with the goal of providing equal funding to all school districts. The State School Fund includes a complex formula for distributing money to Oregon school districts. Funds are allocated according to number of students enrolled (average daily membership). Mapleton School District receives extra weighting for special education students, students in poverty or foster care, and students enrolled in remote schools (weighted average daily membership). In recent years Mapleton School District's enrollment has remained stable; however, the District has the capacity to serve many more students.

The District will experience increases in salary and associated payroll costs. The collective bargaining agreements between the District and certified and classified employees are set to expire June 30, 2017. Due to the *Moro V. State of Oregon* decision, assumption changes, along with interest in the liability as current active members get closer to retirement the District will face higher PERS rates for the 2017-19 biennium. Tier I/II payroll contributions will increase from 22.33% to 27.20%, while OPSRP contributions will increase from 17.64% to 21.87%. The District has proactively built up our General Fund ending fund balance to prepare for higher PERS rates.

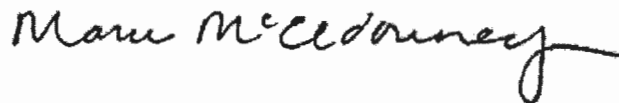
In May 2016, a \$4,000,000 General Obligation Bond was approved by the community. By passing Measure 20-243, the District received a matching \$4,000,000 grant from the State of Oregon. These revenues will be used to remodel Mapleton Elementary School (1957) and Mapleton High School (1948). On behalf of Mapleton School District, students and staff, we express our deep appreciation to the Mapleton, Swisshome, and Deadwood communities for the successful passage of our General Obligation Bond. It should be noted bond funds may not be used for operating expenses (salary and associated payroll costs).

Looking forward to fiscal year 2017-18, as budget season begins, issues such as equitable resource allocation, closing the achievement gap, PERS, and use of reserves, are key components of discussion. The District's Budget Committee and School Board will consider all of these factors

when preparing and adopting the District's annual budget. Staff and the School Board are actively involved in ongoing strategic planning to continue to lead the district in a fiscally responsible manner.

REQUEST FOR INFORMATION

This financial report is designed to provide 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 the District's Business Manager, at 10868 East Mapleton Road, Mapleton, Oregon 97453.

A handwritten signature in black ink that reads "Maria McEldowney". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Maria McEldowney
Business Manager

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

BASIC FINANCIAL STATEMENTS

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

STATEMENT OF NET POSITION
 June 30, 2016

	GOVERNMENTAL ACTIVITIES
ASSETS	
Cash and Investments	\$ 1,026,981
Receivables - Taxes	45,129
Receivables - Other	23,963
Supply Inventories	438
Capital Assets:	
Land	46,410
Buildings, Improvements and Equipment, net of depreciation	719,459
Total Assets	1,862,380
DEFERRED OUTFLOWS OF RESOURCES	
Pension Related Deferrals	340,405
TOTAL ASSETS AND PENSION RELATED DEFERRALS	2,202,785
LIABILITIES	
Accounts Payable	\$ 5,703
Unearned Revenue	13,427
Payroll Liabilities	74,766
Accrued Compensated Absences	18,038
Long-Term Liabilities:	
Capital Leases due within one year	25,181
Capital Leases due in more than one year	25,738
Net Pension Liability	1,564,706
Total Liabilities	1,727,559
DEFERRED INFLOWS OF RESOURCES	
Pension Related Deferrals	395,815
TOTAL LIABILITIES AND PENSION RELATED DEFERRALS	2,123,374
NET POSITION	
Net Investments in Capital Assets	765,869
Restricted for:	
Student Body	69,802
Transportation	70,582
Food Service	2,942
Other Programs	28,589
Unrestricted	(858,373)
Total Net Position	\$ 79,411

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

FUNCTIONS	EXPENSES	PROGRAM REVENUES		NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	
Instruction	\$ 1,987,823	\$ 69	\$ 237,133	\$ (1,750,621)
Supporting Services	1,701,230	8,052	63,398	(1,629,780)
Community Services	167,548	446	137,132	(29,970)
Total Governmental Activities	<u>\$ 3,856,601</u>	<u>\$ 8,567</u>	<u>\$ 437,663</u>	<u>(3,410,371)</u>

General Revenues	
Property Taxes Levied for General Purposes	581,117
Earnings on Investment	6,659
Other Local	56,936
State Support	1,683,155
Unrestricted Intermediate	<u>22,733</u>
Total General Revenues	<u>2,350,600</u>
Changes in Net Position	(1,059,771)
Net Position - Beginning	<u>1,139,182</u>
Net Position - Ending	<u>\$ 79,411</u>

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

BALANCE SHEET - GOVERNMENTAL FUNDS
June 30, 2016

	GENERAL	OTHER PROGRAMS	OTHER GOVERNMENTAL FUNDS	TOTALS
ASSETS				
Cash and Investments	\$ 798,777	\$ 36,674	\$ 191,530	\$ 1,026,981
Property Taxes Receivables	45,129	-	-	45,129
Other Receivables	11,712	5,342	6,909	23,963
Due From Other Funds	3,967	-	-	3,967
Supply Inventories	-	-	438	438
Total Assets	\$ 859,585	\$ 42,016	\$ 198,877	\$ 1,100,478
LIABILITIES, DEFERRED INFLOWS, AND FUND BALANCES:				
Liabilities:				
Accounts Payable	\$ 5,703	\$ -	\$ -	\$ 5,703
Payroll Liabilities	74,766	-	-	74,766
Due to Other Funds	-	-	3,967	3,967
Unearned Revenue	-	13,427	-	13,427
Total Liabilities	80,469	13,427	3,967	97,863
Deferred Inflows of Resources:				
Unavailable Revenue	42,714	-	-	42,714
Total Deferred Inflows of Resources	42,714	-	-	42,714
Fund Balances:				
Nonspendable	-	-	438	438
Restricted for:				
Student Body	-	-	69,802	69,802
Transportation	-	-	70,582	70,582
Food Service	-	-	2,942	2,942
Other Programs	-	28,589	-	28,589
Assigned	-	-	51,146	51,146
Unassigned	736,402	-	-	736,402
Total Fund Balances	736,402	28,589	194,910	959,901
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 859,585	\$ 42,016	\$ 198,877	\$ 1,100,478

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

RECONCILIATION OF THE GOVERNMENTAL FUNDS
BALANCE SHEET TO THE STATEMENT OF NET POSITION
June 30, 2016

Total Fund Balances - Governmental Funds		\$	959,901
<p>The cost of capital assets (land, buildings, furniture and equipment) purchased or constructed is reported as an expenditure in government accounting. The Statement of Net Position includes those capital assets among the assets of the District as a whole.</p>			
Net Capital Assets			765,869
<p>The Net Pension Asset (Liability) is the difference between the total pension liability and the assets set aside to pay benefits earned to past and current employees and beneficiaries.</p>			
			(1,564,706)
<p>Deferred Inflows and Outflows of resources related to the pension plan include differences between expected and actual experience, changes of assumptions, differences between projects and actual earning, and contributions subsequent to the measurement date.</p>			
Deferred Outflows			340,405
Deferred Inflows			(395,815)
<p>Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the Statement of Net Position.</p>			
Long-Term Liabilities			
Accrued Vacation	\$	(18,038)	
Capital Lease Payable		<u>(50,919)</u>	(68,957)
Unearned revenue related to property taxes			<u>42,714</u>
Ending Net Position		\$	<u><u>79,411</u></u>

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended June 30, 2016

	GENERAL	OTHER PROGRAMS	OTHER GOVERNMENTAL FUNDS	TOTALS
REVENUES				
Local Sources	\$ 609,338	\$ 14,145	\$ 44,997	\$ 668,480
Intermediate Sources	1,096	5,838	15,799	22,733
State Sources	1,683,155	-	44,113	1,727,268
Federal Sources	7,470	234,556	136,323	378,349
Total Revenues	<u>2,301,059</u>	<u>254,539</u>	<u>241,232</u>	<u>2,796,830</u>
EXPENDITURES				
Current Expenditures:				
Instruction	1,021,733	199,207	33,802	1,254,742
Supporting Services	1,076,176	58,888	26,421	1,161,485
Community Services	-	-	136,123	136,123
Facilities Acquisition	-	-	43,623	43,623
Total Expenditures	<u>2,097,909</u>	<u>258,095</u>	<u>239,969</u>	<u>2,595,973</u>
Excess of Revenues Over (Under) Expenditures	203,150	(3,556)	1,263	200,857
OTHER FINANCING SOURCES (USES)				
Transfers In	46,081	-	-	46,081
Transfers Out	-	(2,071)	(44,010)	(46,081)
Total Other Financing Sources (Uses)	<u>46,081</u>	<u>(2,071)</u>	<u>(44,010)</u>	<u>-</u>
Net Change in Fund Balance	249,231	(5,627)	(42,747)	200,857
Beginning Fund Balance	<u>487,171</u>	<u>34,216</u>	<u>237,657</u>	<u>759,044</u>
Ending Fund Balance	<u>\$ 736,402</u>	<u>\$ 28,589</u>	<u>\$ 194,910</u>	<u>\$ 959,901</u>

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
For the Year Ended June 30, 2016

Total Net Changes in Fund Balances - Total Governmental Funds \$ 200,857

Capital outlays are reported in governmental funds as expenditures. However, in the Statement of Activities, the cost of those assets is capitalized and allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay exceeds depreciation.

Capital Asset Additions	\$ 49,605	
Depreciation Expense	<u>(66,004)</u>	(16,399)

The Pension Expense represents the changes in Net Pension Asset (Liability) from year to year due to changes in total pension liability and the fair value of pension plan net position available to pay pension benefits. (1,276,657)

Repayment of capital leases is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position. Additions to capital leases are expenses for the Statement of Net Position but not the Governmental Funds.

Long-Term Debt Principal Payments	24,639
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Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities the net payment represents a reduction in liability. 7,789

Change in Net Position of Governmental Activities \$ (1,059,771)

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Basic Financial Statements of Lane County District District No. 32 (the District) have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the accounting policies are described below.

A. REPORTING ENTITY

Lane County District District No. 32 is a municipal corporation governed by an elected board, organized under provisions of Oregon Statutes Chapter 332 for the purpose of providing kindergarten through high school education. Accounting principles generally accepted in the United States of America require that these basic financial statements present Lane County District District No. 32 (the primary government) and all component units, if any. Component units, as established by the Governmental Accounting Standards Board (GASB) Statement 61, are separate organizations that are included in the District's reporting because of the significance of their operational or financial relationships with the District. There are no component units.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION

Government Wide Financial Statements (GWFS)

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) display information about the District as a whole.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, expenses, gains, losses of assets and liabilities resulting from exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets and liabilities resulting from non-exchange transactions are recognized in accordance with GASB Statement No. 33 "Accounting and Financial Reporting for Non-Exchange Transactions." Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

All direct expenses are reported by function in the Statement of Activities. The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Interest on general long-term debt is considered an indirect expense and is reported separately on the Statement of Activities.

Program revenues derive directly from the program itself or from parties outside the taxpayers or citizenry, as a whole. Program revenues reduce the cost of the function to be financed from general revenues and include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

In the process of aggregating data for the Statement of Net Position and the Statement of Activities, some amounts reported as interfund activity and balances in the funds were eliminated or reclassified. Interfund receivables and payables were eliminated to minimize the "grossing up" effect on assets and liabilities.

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Fund Financial Statements

The accounts are organized and operated on the basis of funds. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance-related legal and contractual provisions. Funds are maintained consistent with legal requirements.

Governmental Fund Types

Governmental funds are used to account for general governmental activities. Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized as soon as they are both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, except for unmatured interest on general long-term debt and pension costs which are recognized when due, interfund transactions and certain compensated absences which are recognized as expenditures because they will be liquidated with expendable financial resources.

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

The following major governmental funds are reported:

General Fund

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

Other Programs Fund

This fund primarily accounts for revenues and expenditures of federal grants.

The following non-major governmental funds are reported:

Other Governmental Funds

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

Interfund Transfers

The interfund transfers reported on the combined statement of revenues, expenditures and changes in fund balances are operating transfers. Operating transfers are legally authorized transfers from a fund receiving revenue to the fund where they are to be expended.

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Property Taxes

Ad valorem property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Property taxes unpaid and outstanding on May 16 are considered delinquent. Property taxes are collected from taxpayers by the Lane County Department of Assessment and Taxation and are remitted to the District.

Uncollected property taxes are shown in the balance sheet. Uncollected taxes are deemed by management to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established.

Grants

Grants are recognized as revenue in the accounting period in which they become both measurable and available and in which all eligibility requirements have been met. When expenditure is the prime factor for determining eligibility, the revenue is recognized when the expenditure is made. Cash received from grantor agencies in excess of related grant expenditures is recorded as a liability on the combined balance sheet.

Inventories of Supplies

Purchased inventory is valued at the lower of cost (first-in, first-out method) or market. Commodities inventory is valued at estimated market value at the date of donation. Inventory consists of commodities and purchased food and supplies. The cost of purchased inventory is recorded as an asset at the time of purchase and expensed when it is consumed in the government-wide financial statements, and expensed when purchased in the fund statements.

Accounts Receivable

The accounts receivable are all current and are considered by management to be fully collectible. Therefore, no provision for uncollectable accounts has been made.

Capital Assets

Capital assets, which include land, buildings and improvements, and equipment, are reported in the government-wide financial statements. Capital assets are defined as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of one year. Capital assets are recorded at historical cost or estimated historical cost. Donated capital assets are recorded at their estimated fair market value on the date donated. The cost of routine maintenance and repairs that do not add to the value of the assets or materially extend asset lives are charged to expenditures as incurred and not capitalized. The capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and Improvements	15 to 50 years
Furniture	20 years
Vehicles and Equipment	5 to 15 years

Use of Estimates

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

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the governmental activities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses.

Retirement Plans

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

Accrued Compensated Absences

Accumulated accrued compensated absences for vacation pay are recorded as liabilities in the government-wide financial statements as the entire amount is expected to be liquidated with expendable available resources. Accumulated sick pay does not vest and therefore, no expense is recorded until leave is taken.

Net Position

Net position is comprised of the various net earnings from operations, nonoperating revenues, expenses and contributions of capital. Net position is classified in the following three categories:

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

Restricted – consists of external constraints placed on assets used by creditors, grantors, contributors or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There are restricted assets for Student Body, Transportation, Food Service, and Other Programs.

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

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND BASIS OF PRESENTATION (continued)

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net positions that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District's statement of net position shows a Deferred Outflow of \$340,405 related to pension deferrals.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of these items, which qualify for reporting in this category. The governmental funds balance sheet has unearned property taxes with a value of \$42,714. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The District's statement of net position shows a Deferred Inflow of \$395,815 related to pension deferrals.

C. FUND EQUITY

GASB issued Statement No. 54, Fund Balance Reporting and Governmental Fund-type Definitions is followed. The objective of this statement is to enhance the usefulness of fund balance information by providing clearer fund balance classifications that can be more consistently applied and by clarifying the existing governmental fund-type definitions. This statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which a government is bound to observe constraints imposed on the use of the resources reported in governmental funds. The fund balance classifications are nonspendable, restricted, committed, assigned, and unassigned.

- Nonspendable represents amounts that are not in a spendable form. The nonspendable fund balance represents inventories.
- Restricted represents amounts that are legally restricted by outside parties for a specific purpose (such as debt covenants, grant requirements, donor requirements, or other governments) or are restricted by law (constitutionally or by enabling legislation).
- Committed represents funds formally set aside by the governing body for a particular purpose. The use of committed funds would be approved by resolution.
- Assigned represents amounts that are constrained by the expressed intent to use resources for specific purposes that do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body. The authority to classify portions of ending fund balance as Assigned is granted to the Superintendent and the Business Manager. Such assignments cannot exceed the available (spendable, unrestricted, uncommitted) fund balance in any particular fund.
- Unassigned is the residual classification of the General Fund. Only the General Fund may report a positive unassigned fund balance. Other governmental funds would report any negative residual fund balance as unassigned.

There were no committed fund balances as of June 30, 2016. The District has established an unassigned targeted minimum fund balance of ten percent of the annual operating revenues of the General Fund.

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

C. FUND EQUITY (continued)

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

2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

A budget is prepared and legally adopted for each governmental fund in accordance with Oregon Local Budget Law. These budgets are all prepared using the modified accrual basis of accounting. The budgetary basis of accounting is substantially the same as generally accepted accounting principles in the United States of America with the exception that capital outlay expenditures are expensed when purchased, depreciation is not recorded, inventories of supplies are budgeted as expenditures when purchased, debt, capital leases and compensated absences are expensed when paid, pension costs are not recorded until paid, and property taxes received greater than 60 days after year-end are not considered budgetary resources in the funds.

The budgeting process begins by appointing Budget Committee members in early fall. Budget recommendations are developed by management through spring, with the Budget Committee meeting and approving the budget document in late spring. Public notices of the budget hearing are generally published in May or June, and the hearing is held in June. The budget is adopted, appropriations are made and the tax levy is declared no later than June 30. Expenditure budgets are appropriated at the major function level (instruction, support services, community services, debt service, contingency and transfers) for each fund. Expenditure appropriations may not legally be over expended, except in the case of grant receipts which could not be reasonably estimated at the time the budget was adopted.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution. Supplemental budgets less than 10% of the fund's original budget may be adopted by the Board of Directors at a regular meeting. A supplemental budget greater than 10% of the fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels). Such transfers require approval by the Board.

Budget amounts shown in the basic financial statements include the original budget amounts and appropriation transfers approved by the Board. Appropriations lapse at the end of each fiscal year.

For the year ended June 30, 2016, expenditures of the various funds were within authorized appropriation levels, except in General Fund where Instruction expenditures exceeded appropriations by \$24,700, Food Service Fund where Community Services expenditures exceeded appropriations by \$31,573, Capital Improvement Fund where Facilities Acquisition expenditures exceeded appropriations by \$28,503, and Other Programs Fund where Instruction expenditures and Transfers Out exceeded appropriations by \$25,469 and \$2,071 respectively.

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. CASH AND CASH EQUIVALENTS

A. DEPOSITS

Deposits with financial institutions are comprised of bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury. At June 30, 2016 all depository accounts were held at approved depositories identified by the Treasury.

At fiscal year-end, cash and equivalents were as follows:

Deposit with Financial Institutions:	
Local Government Investment Pool	\$ 663,254
Demand Deposits	<u>363,727</u>
Total Cash and Investments	<u>\$ 1,026,981</u>

Credit Risk – Deposits

In the case of deposits, this is the risk that in the event of a bank failure, the deposits may not be returned. There is no deposit policy for custodial credit risk. As of June 30, 2016, \$250,000 of the bank balance of \$432,834 was covered by FDIC, and the remaining balance was adequately collateralized.

B. INVESTMENTS

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2016. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2016, the fair value of the position in the LGIP is 100.6% of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

As of June 30, 2016 the District had the following investments and maturities:

Investment Type	Investment Maturities (in months)		
	Fair Value	Less than 3	More than 3
State Treasurer's Investment Pool	\$ 663,254	\$ 663,254	\$ -

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

3. CASH AND CASH EQUIVALENTS (continued)

B. INVESTMENTS (continued)

Interest Rate Risk

Oregon Revised Statutes require investments to not exceed a maturity of 18 months, except when the local government has adopted a written investment policy that was submitted to and reviewed by the OSTFB. There are no investments that have a maturity date beyond three months.

Credit Risk

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

Concentration of Credit Risk

At June 30, 2016 100% of total investments were in the State Treasurer's Investment Pool. State statutes do not limit the percentage of investments in this instrument. Oregon Revised Statutes require no more than 25 percent of the moneys of a local government to be invested in bankers' acceptances of any qualified financial institution. At June 30, 2016, there appears to be compliance with all percentage restrictions.

4. RECEIVABLES

Receivables at June 30, 2016 consist of the following:

- A. Property taxes receivable represent delinquent amounts due for property taxes levied in the current and prior years.
- B. Grants receivable represent amounts due for claims for reimbursement of costs under various Federal grant programs.

5. CAPITAL ASSETS

The changes in capital assets for governmental activities for the fiscal year ended June 30, 2016 are as follows:

	Balance July 1, 2015	Additions	(Deletions)	Balance June 30, 2016
Land	\$ 46,410	\$ -	\$ -	\$ 46,410
Total Non-Depreciable	<u>46,410</u>	<u>-</u>	<u>-</u>	<u>46,410</u>
Buildings and Improvements	8,571,948	-	-	8,571,948
Equipment	247,013	49,605	-	296,618
Vehicles	613,408	-	-	613,408
Total Depreciable	<u>9,432,369</u>	<u>49,605</u>	<u>-</u>	<u>9,481,974</u>
Accumulated Depreciation				
Buildings and Improvements	8,100,001	22,733	-	8,122,734
Equipment	217,708	11,894	-	229,602
Vehicles	378,802	31,377	-	410,179
Total Accumulated Depreciation	<u>\$ 8,696,511</u>	<u>\$ 66,004</u>	<u>\$ -</u>	<u>\$ 8,762,515</u>
Government Activities:				
Capital Assets, Net	<u>\$ 782,268</u>			<u>\$ 765,869</u>

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

5. CAPITAL ASSETS (continued)

Depreciation was allocated to the following functions:

Instruction	\$	32,448
Support Services		30,036
Community Services		<u>3,520</u>
Total	\$	<u>66,004</u>

6. LONG-TERM DEBT

The following changes occurred in the long-term debts during the fiscal year ending June 30, 2016:

	<u>Outstanding July 1, 2015</u>	<u>Additions</u>	<u>Reductions</u>	<u>Outstanding June 30, 2016</u>	<u>Due Within One Year</u>
Capital Leases	\$ 75,558	\$ -	\$ 24,639	\$ 50,919	\$ 25,181
Total	<u>\$ 75,558</u>	<u>\$ -</u>	<u>\$ 24,639</u>	<u>\$ 50,919</u>	<u>\$ 25,181</u>

In September 2013, an installment purchase agreement was entered into with Sovereign Bank. The purpose of the loan was for the lease of a bus for student transportation. The terms of the installment purchase agreement require annual payments of \$26,301, which includes principal and interest, beginning October 1, 2013 for five years, with an interest rate of 2.2%. The agreement will be paid off in October 2017.

Future maturities of long-term debt are as follows:

Fiscal Year Ending June 30	Capital Leases Principal	Capital Leases Interest	Total
2017	25,181	1,120	26,301
2018	25,738	562	26,300
Total	<u>\$ 50,919</u>	<u>\$ 1,682</u>	<u>\$ 52,601</u>

In August 2016, a \$4,000,000 bond was issued. Payments will begin in the 2016-2017 fiscal year.

7. PROPERTY TAX LIMITATION

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

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

7. PROPERTY TAX LIMITATION (continued)

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

8. DEFINED BENEFIT PENSION PLAN

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
- i) Pension Benefits. The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits results.
- ii) Death Benefits. Upon the death of a non-retired member, the beneficiary receives a lump-sum refund of the member's account balance (accumulated contributions and interest). In addition, the beneficiary will receive a lump-sum payment from employer funds equal to the account balance, provided on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or
 - member was on an official leave of absence from a PERS-covered job at the time of death.
- iii) Disability Benefits. A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
- iv) Benefit Changes After Retirement. Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

NOTES TO BASIC FINANCIAL STATEMENTS

8. DEFINED BENEFIT PENSION PLAN (continued)

Plan Description –continued

- b) **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i) Pension Benefits. This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:
- Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.
 - General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.
 - A member of the pension program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.
- ii) Death Benefits. Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.
- iii) Disability Benefits. A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
- iv) Benefit Changes After Retirement. Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2013 actuarial valuation, which became effective July 1, 2015. The state of Oregon and certain Districts, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2016 were \$256,028, excluding amounts to fund employer specific liabilities.

At June 30, 2016, the District reported a net pension liability of \$1,564,706 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2013. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. At June 30, 2015, the District's proportion was .027 percent.

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. DEFINED BENEFIT PENSION PLAN (continued)

Contributions –continued

	Deferred Outflow of Resources	Deferred Inflow of Resource
Difference between expected and actual experience	\$ 84,377	\$ -
Changes in assumptions	-	-
Net difference between projected and actual earnings on pension plan investments	-	327,998
Changes in proportion and differences between District contributions and proportionate share of contributions	-	67,817
Subtotal - Amortized Defferrals (below)	84,377	395,815
District contributions subsequent to measurement date	256,028	-
Net deferred outflow (inflow) of resources	\$ 340,405	\$ 395,815

Subtotal amounts related to pension as deferred outflows of resources, \$84,377, and deferred inflows of resources, \$(395,815), net to \$(311,438) and will be recognized in pension expense as follows:

Year Ending June 30,	Amount
2017	\$ (152,892)
2018	(152,892)
2019	(152,892)
2020	145,452
2021	1,788
Thereafter	-
Total	\$ (311,438)

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated May 23, 2016. Oregon PERS produces an independently audited CAFR which can be found at:

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

Actuarial Valuations – The employer contribution rates effective July 1, 2015 through June 30, 2017, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Valuations –continued

Actuarial Methods and Assumptions:

Valuation date	December 31, 2013 rolled forward to June 30, 2015
Experience Study Report	2014, Published September 2015
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.75 percent
Investment rate of return	7.75 percent
Projected salary increase	3.75 percent overall payroll growth; salaries for individuals are assumed to grow at 3.75 percent plus assumed rates of merit/longevity increases based on service For COLA, a blend of 2% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decision, blend based on service.
Mortality	Healthy retirees and beneficiaries: RP-2000 Sex-distinct, generational per Scale AA, with collar adjustments and set-backs as described in the valuation. Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation. Disabled retirees: Mortality rates are a percentage (65% for males and 90% for females) of the RP-2000 static combined disabled mortality sex-distinct table.

Actuarial valuations of an ongoing plan involve estimates of value of reported amounts and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The method and assumptions shown are based on the 2014 Experience Study which is reviewed for the four-year period ending December 31, 2013.

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

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

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

8. DEFINED BENEFIT PENSION PLAN (continued)

Actuarial Valuations –continued

	(6.75%)	(7.75%)	(8.75%)
District's proportionate share of the net pension liability (asset)	\$ 3,776,359	\$ 1,564,706	\$ (299,137)

Since the December 31, 2013 actuarial valuation, the system-wide actuarial accrued liability has increased primarily due to the Moro decision and assumption changes, along with interest on the liability as current active members get closer to retirement. The Oregon Supreme Court decision in *Moro v. State of Oregon*, issued on April 30, 2015, reversed a significant portion of the reductions the 2013 Oregon Legislature made to future system Cost of Living Adjustments (COLA) through Senate Bills 822 and 861. This reversal increased the benefits projected to be paid by Employers compared to those developed in the prior actuarial valuation, and consequently increased plan liabilities. The employers' projected long-term contribution effort has been adjusted for the estimated impact of the Moro Decision. In accordance with statute, a biennial review of actuarial methods and assumptions was completed in 2015 to be used for the December 31, 2014 actuarial valuation. After completion of this review and subsequent to the measurement date, the PERS Board adopted several assumption changes, including lowering the investment return assumption to 7.50%, which will be effective January 1, 2016 and will be included in the next update.

Individual Account Program - In the 2003 legislative session, the Oregon Legislative Assembly created a successor plan for OPERS. The Oregon Public Service Retirement Plan (OPSRP) is effective for all new employees hired on or after August 29, 2003, and applies to any inactive OPERS members who return to employment following a six month or greater break in service. The new plan consists of the defined benefit pension plans and a defined contribution pension plan (the Individual Account Program or IAP). Beginning January 1, 2004, all OPERS member contributions go into the IAP portion of OPSRP. OPERS' members retain their existing OPERS accounts, but any future member contributions are deposited into the member's IAP, not the member's OPERS account. Those employees who had established an OPERS membership prior to the creation of OPSRP will be members of both the OPERS and OPSRP system as long as they remain in covered employment. Members of OPERS and OPSRP are required to contribute six percent of their salary covered under the plan which is invested in the IAP. The District makes this contribution on behalf of its employees.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online at the following website:

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

9. RISK MANAGEMENT

There is exposure to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Commercial insurance is purchased to minimize its exposure to these risks. Settled claims have not exceeded this commercial coverage for the last three years.

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

NOTES TO BASIC FINANCIAL STATEMENTS

10. COMMITMENTS AND CONTINGENCIES

A substantial portion of operating funding is received from the State of Oregon. State funding is determined through state wide revenue projections that are paid to individual District districts based on pupil counts and other factors in the state School fund revenue formula. Since these projections and pupil counts fluctuate they can cause increases or decreases in revenue. Due to these future uncertainties at the state level, the future effect on operations cannot be determined.

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 amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determine at this time, although management expects such amounts, if any, to be immaterial.

11. INTERFUND TRANSFERS AND BALANCES

Amounts were comprised of the following:

	Transfers Out	Transfers In	Due From	Due To
Other Programs	\$ 2,071	\$ -	\$ -	\$ -
Other Funds	44,010	-	-	3,967
General Fund	-	46,081	3,967	-
	\$ 46,081	\$ 46,081	\$ 3,967	\$ 3,967

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

Major Fund Budgetary Basis Schedules

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2016

GENERAL FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 597,050	\$ 597,050	\$ 609,338	\$ 12,288
Intermediate Sources	3,281	3,281	1,096	(2,185)
State Sources	1,528,785	1,528,785	1,683,155	154,370
Federal Sources	-	-	7,470	7,470
Total Revenue	<u>2,129,116</u>	<u>2,129,116</u>	<u>2,301,059</u>	<u>171,943</u>
EXPENDITURES				
Instruction	997,033	997,033 (1)	1,021,733	(24,700)
Support Services	1,146,554	1,146,554 (1)	1,076,176	70,378
Operating Contingency	28,739	28,739 (1)	-	28,739
Total Expenditures	<u>2,172,326</u>	<u>2,172,326</u>	<u>2,097,909</u>	<u>74,417</u>
Excess of Revenues Over (Under) Expenditures	(43,210)	(43,210)	203,150	246,360
OTHER FINANCING SOURCES (USES)				
Transfers In	44,010	44,010	46,081	2,071
Transfers Out	(800)	(800) (1)	-	800
Total Other Financing Sources (Uses)	<u>43,210</u>	<u>43,210</u>	<u>46,081</u>	<u>2,871</u>
Net Change in Fund Balance	-	-	249,231	249,231
Beginning Fund Balance	<u>350,000</u>	<u>350,000</u>	<u>487,171</u>	<u>137,171</u>
Ending Fund Balance	<u>\$ 350,000</u>	<u>\$ 350,000</u>	<u>\$ 736,402</u>	<u>\$ 386,402</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2016

<u>OTHER PROGRAMS</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Local Sources	\$ -	\$ -	\$ 14,145	\$ 14,145
Intermediate Sources	27,055	27,055	5,838	(21,217)
Federal Sources	210,819	210,819	234,556	23,737
Total Revenues	<u>237,874</u>	<u>237,874</u>	<u>254,539</u>	<u>16,665</u>
EXPENDITURES				
Instruction	173,738	173,738 (1)	199,207	(25,469)
Support Services	73,136	73,136 (1)	58,888	14,248
Total Expenditures	<u>246,874</u>	<u>246,874</u>	<u>258,095</u>	<u>(11,221)</u>
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	- (1)	(2,071)	(2,071)
Total Other Financing Sources	<u>-</u>	<u>-</u>	<u>(2,071)</u>	<u>(2,071)</u>
Net Change in Fund Balance	(9,000)	(9,000)	(5,627)	3,373
Beginning Fund Balance	<u>9,000</u>	<u>9,000</u>	<u>34,216</u>	<u>25,216</u>
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,589</u>	<u>\$ 28,589</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

REQUIRED SUPPLEMENTARY INFORMATION

At June 30, 2016

PERS

SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportionate share of the net pension liability (NPL)	(c) Employer's covered payroll	(b/c) NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2016	0.03 %	\$ 1,564,706	\$ 1,349,278	116.0 %	91.9 %
2015	0.03	(676,515)	1,276,094	(53.0)	103.6
2014	0.03	1,523,066	1,511,738	100.7	92.0

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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

SCHEDULE OF CONTRIBUTIONS

Year	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2016	\$ 256,028	\$ 256,028	\$ -	\$ 1,292,375	19.8 %
2015	289,375	289,375	-	1,349,278	21.4
2014	276,038	276,038	-	1,276,094	21.6

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date of 6/30 for each year presented.

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

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SUPPLEMENTARY INFORMATION

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2016

	TRANSPORTATION RESERVE	FOOD SERVICE	STUDENT BODY	QZAB	CAPITAL IMPROVEMENT	TOTALS
ASSETS						
Cash and Investments	\$ 70,582	\$ -	\$ 69,802	\$ -	\$ 51,146	\$ 191,530
Other Receivables	-	6,909	-	-	-	6,909
Supply Inventories	-	438	-	-	-	438
Total Assets	\$ 70,582	\$ 7,347	\$ 69,802	\$ -	\$ 51,146	\$ 198,877
LIABILITIES AND FUND BALANCES						
Liabilities:						
Due to Other Funds	\$ -	\$ 3,967	\$ -	\$ -	\$ -	\$ 3,967
Total Liabilities	-	3,967	-	-	-	3,967
Fund Balances:						
Nonspendable	-	438	-	-	-	438
Restricted	70,582	2,942	69,802	-	-	143,326
Assigned	-	-	-	-	51,146	51,146
Total Fund Balances	70,582	3,380	69,802	-	51,146	194,910
Total Liabilities and Fund Balances	\$ 70,582	\$ 7,347	\$ 69,802	\$ -	\$ 51,146	\$ 198,877

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

COMBINING SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
For the Year Ended June 30, 2016

	TRANSPORTATION RESERVE	FOOD SERVICE	STUDENT BODY	QZAB	CAPITAL IMPROVEMENT	TOTALS
REVENUES						
Local Sources	\$ 404	\$ 716	\$ 43,391	\$ -	\$ 486	\$ 44,997
Intermediate Sources					15,799	15,799
State Sources	30,000	1,283	-	-	12,830	44,113
Federal Sources	-	136,323	-	-	-	136,323
Total Revenues	30,404	138,322	43,391	-	29,115	241,232
EXPENDITURES						
Instruction	-	-	33,802	-	-	33,802
Support Services	26,421	-	-	-	-	26,421
Community Services	-	136,123	-	-	-	136,123
Facilities Acquisition	-	-	-	-	43,623	43,623
Total Expenditures	26,421	136,123	33,802	-	43,623	239,969
Excess of Revenues Over (Under) Expenditures	3,983	2,199	9,589	-	(14,508)	1,263
OTHER FINANCING SOURCES (USES)						
Transfers Out	-	-	-	(44,010)	-	(44,010)
Total Other Financing Sources (Uses)	-	-	-	(44,010)	-	(44,010)
Net Change in Fund Balance	3,983	2,199	9,589	(44,010)	(14,508)	(42,747)
Beginning Fund Balance	66,599	1,181	60,213	44,010	65,654	237,657
Ending Fund Balance	\$ 70,582	\$ 3,380	\$ 69,802	\$ -	\$ 51,146	\$ 194,910

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2016

TRANSPORTATION RESERVE FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 350	\$ 350	\$ 404	\$ 54
State Sources	28,000	28,000	30,000	2,000
Total Revenues	<u>28,350</u>	<u>28,350</u>	<u>30,404</u>	<u>2,054</u>
EXPENDITURES				
Support Services	26,650	26,650 (1)	26,421	229
Total Expenditures	<u>26,650</u>	<u>26,650</u>	<u>26,421</u>	<u>229</u>
Net Change in Fund Balance	1,700	1,700	3,983	2,283
Beginning Fund Balance	66,000	66,000	66,599	599
Ending Fund Balance	<u>\$ 67,700</u>	<u>\$ 67,700</u>	<u>\$ 70,582</u>	<u>\$ 2,882</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
ACTUAL AND BUDGET
For the Year Ended June 30, 2016

FOOD SERVICE FUND

	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	VARIANCE FROM FINAL BUDGET
REVENUES				
Local Sources	\$ 510	\$ 510	\$ 716	\$ 206
State Sources	800	800	1,283 (2)	483
Federal Sources	103,240	103,240	136,323	33,083
Total Revenues	<u>104,550</u>	<u>104,550</u>	<u>138,322</u>	<u>33,772</u>
EXPENDITURES				
Community Services	104,550	104,550 (1)	136,123	(31,573)
Total Expenditures	<u>104,550</u>	<u>104,550</u>	<u>136,123</u>	<u>(31,573)</u>
Net Change in Fund Balance	-	-	2,199	2,199
Beginning Fund Balance	-	-	1,181	1,181
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,380</u>	<u>\$ 3,380</u>

(1) Appropriation level

(2) State school support match of \$809 was transferred from the General Fund to the Food Service Fund in support of the District's school lunch program.

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2016

STUDENT BODY ACCOUNTS

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 35,000	\$ 35,000	\$ 43,391	\$ 8,391
Total Revenues	<u>35,000</u>	<u>35,000</u>	<u>43,391</u>	<u>8,391</u>
EXPENDITURES				
Instruction	<u>40,000</u>	<u>40,000 (1)</u>	<u>33,802</u>	<u>6,198</u>
Total Expenditures	<u>40,000</u>	<u>40,000</u>	<u>33,802</u>	<u>6,198</u>
Net Change in Fund Balance	(5,000)	(5,000)	9,589	14,589
Beginning Fund Balance	<u>55,000</u>	<u>55,000</u>	<u>60,213</u>	<u>5,213</u>
Ending Fund Balance	<u>\$ 50,000</u>	<u>\$ 50,000</u>	<u>\$ 69,802</u>	<u>\$ 19,802</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2016

<u>QZAB FUND</u>				
	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Total Revenues	-	-	-	-
EXPENDITURES				
Total Expenditures	-	-	-	-
Other Finances Sources, (Uses):				
Transfers Out	(44,010)	(44,010) (1)	(44,010)	-
Total Other Financing Sources, (Uses)	(44,010)	(44,010)	(44,010)	-
Net Change in Fund Balance	(44,010)	(44,010)	(44,010)	-
Beginning Fund Balance	44,010	44,010	44,010	-
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
 ACTUAL AND BUDGET
 For the Year Ended June 30, 2016

CAPITAL IMPROVEMENT FUND

	<u>ORIGINAL BUDGET</u>	<u>FINAL BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FROM FINAL BUDGET</u>
REVENUES				
Local Sources	\$ 255	\$ 255	\$ 486	\$ 231
Intermediate Sources	-	-	15,799	15,799
State Sources	-	-	12,830	12,830
	<u>255</u>	<u>255</u>	<u>29,115</u>	<u>28,860</u>
EXPENDITURES				
Facilities Acquisition	<u>15,120</u>	<u>15,120</u> (1)	<u>43,623</u>	<u>(28,503)</u>
	<u>15,120</u>	<u>15,120</u>	<u>43,623</u>	<u>(28,503)</u>
Net Change in Fund Balance	(15,120)	(14,865)	(14,508)	357
Beginning Fund Balance	<u>65,800</u>	<u>65,800</u>	<u>65,654</u>	<u>(146)</u>
Ending Fund Balance	<u>\$ 50,680</u>	<u>\$ 50,935</u>	<u>\$ 51,146</u>	<u>\$ 211</u>

(1) Appropriation level

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF PROPERTY TAX TRANSACTIONS AND BALANCES OF TAXES UNCOLLECTED
For the Year Ended June 30, 2016

TAX YEAR	ORIGINAL LEVY OR BALANCE UNCOLLECTED JULY 1, 2015	DEDUCT DISCOUNTS	ADJUSTMENTS TO ROLLS	ADD INTEREST	CASH COLLECTIONS BY COUNTY TREASURER	BALANCE UNCOLLECTED/ UNSEGREGATED JUNE 30, 2016
<u>GENERAL FUND</u>						
CURRENT						
2015-16	\$ 605,457	\$ 15,648	\$ (3,978)	\$ 208	\$ 569,696	\$ 16,343
PRIOR YEARS						
2014-15	15,601	(13)	(1,056)	452	5,587	9,423
2013-14	9,002	(3)	(751)	493	2,445	6,303
2012-13	6,493	(4)	(904)	623	1,915	4,300
2011-12	4,183	(0)	(423)	380	1,055	3,085
Prior Years	9,850	(1)	(1,840)	231	316	7,926
Total Prior	45,129	(21)	(4,974)	2,180	11,318	31,037
Total	\$ 650,586	\$ 15,627	\$ (8,952)	\$ 2,388	\$ 581,014	\$ 47,381

RECONCILIATION OF REVENUE:

Cash Collections by County Treasurer, Above	\$ 581,014
Accrual of Receivables	
Taxes in lieu	3,579
June 30, 2015	(2,415)
June 30, 2016	2,080
Total Revenue	<u>\$ 584,258</u>

RECONCILIATION TO FINANCIAL STATEMENTS:

Balance Receivable (above)	\$ 47,381
Timing Differences	(2,252)
Taxes Receivable	<u>\$ 45,129</u>

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

OTHER INFORMATION

Other Financial Schedules

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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2016

GRANTS

<u>Program Title</u>	<u>Pass Through Organization</u>	<u>Federal CFDA Number</u>	<u>Pass Through Entity Number</u>	<u>Period Covered</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
U.S. Department of Education						
Rural Education Achievement Program	NA	84.358A	NA	07/01/2015 - 09/30/2016	\$ 13,785	0
Total Rural Education Achievement Program					<u>13,785</u>	<u>0</u>
Title I Grants to Local Educational Agencies	Oregon Department of Education	84.010	32623	07/01/2014 - 09/30/2015	34,503	0
	Oregon Department of Education	84.010	36014	07/01/2015 - 09/30/2016	94,423	0
	Oregon Department of Education	84.010	32796	07/01/2014 - 09/30/2015	13,832	0
	Oregon Department of Education	84.010	37556	07/01/2016 - 09/30/2016	4,942	0
Total Title I Grants to Local Education Agencies					<u>147,700</u>	<u>0</u>
Title IIA - Teacher Quality	Oregon Department of Education	84.367	28683	07/01/2013 - 09/30/2015	2,199	0
	Oregon Department of Education	84.367	32947	07/01/2014 - 09/30/2016	9,704	0
	Oregon Department of Education	84.367	36211	07/01/2015 - 09/30/2016	6,980	0
Total Title IIA - Teacher Quality					<u>18,883</u>	<u>0</u>
Special Education Cluster	Oregon Department of Education	84.027	36911	07/01/2015 - 09/30/2017	51,132	0
	Oregon Department of Education	84.027	38105	08/17/2015 - 08/30/2015	265	0
	Oregon Department of Education	84.027	38366	10/01/2015 - 09/30/2016	1,591	0
	Oregon Department of Education	84.027	37925	08/01/2015 - 06/30/2016	1,200	0
Total Special Education Cluster					<u>54,188</u>	<u>0</u>
Total U.S. Department of Education					<u>234,557</u>	<u>0</u>
U.S. Department of Agriculture:						
Child Nutrition Cluster:						
Donated Commodities (Non-Cash Assistance)	Oregon Department of Education	10.553/555	NA	07/01/2015 - 06/30/2016	5,292	0
National School Lunch Program	Oregon Department of Education	10.555	NA	07/01/2015 - 06/30/2016	97,306	0
Equipment Grants	Oregon Department of Education	10.579	35652	05/21/2016 - 08/01/2017	28,817	0
Fresh Fruit and Vegetable Program	Oregon Department of Education	10.582	36620	07/01/2015 - 09/30/2015	561	0
Fresh Fruit and Vegetable Program	Oregon Department of Education	10.582	38606	10/01/2015 - 06/30/2016	3,060	0
Fresh Fruit and Vegetable Program	Oregon Department of Education	10.582		05/03/2016 - 06/30/2016	1,286	0
Total Child Nutrition Cluster					<u>136,323</u>	<u>0</u>
Federal Forest Fees	Lane County	10.665	NA	07/01/2014 - 06/30/2015	7,470	0
Total U.S. Department of Agriculture					<u>143,792</u>	<u>0</u>
Total Grants Expended or Passed Through to Subrecipients					<u>378,350</u>	<u>0</u>
TOTAL FEDERAL FINANCIAL ASSISTANCE					<u>\$ 378,350</u>	

**2015-16 DISTRICT AUDIT REVENUE SUMMARY
MAPLETON SCHOOL DISTRICT 32**

Revenue from Local Sources

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District	\$ 581,883						
1120 Local Option Ad Valorem Taxes Levied by District							
1190 Penalties and Interest on Taxes	\$ 2,375						
1200 Revenue from Local Governmental Units Other Than Districts							
1310 Regular Day School Tuition	\$ 69						
1320 Adult/Continuing Education Tuition							
1330 Summer School Tuition							
1400 Transportation Fees							
1500 Earnings on Investments	\$ 5,761	\$ 412		\$ 486			
1600 Food Service		\$ 446					
1700 Extracurricular Activities	\$ 4,052						
1800 Community Services Activities							
1910 Rentals	\$ 4,000						
1920 Contributions and Donations From Private Sources	\$ 1,055	\$ 14,145					
1930 Rental or Lease Payments From Private Contractors							
1940 Services Provided Other Local Education Agencies							
1950 Textbook Sales and Rentals							
1960 Recovery of Prior Years' Expenditure							
1970 Services Provided Other Funds							
1980 Fees Charged to Grants							
1990 Miscellaneous	\$ 10,143	\$ 43,652					
Total Revenue from Local Sources	\$ 609,339	\$ 58,655	\$ -	\$ 486	\$ -	\$ -	\$ -

Revenue from Intermediate Sources

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
2101 County School Funds	\$ 1,096						
2102 Education Service District Apportionment							
2105 Natural Gas, Oil, and Mineral Receipts							
2199 Other Intermediate Sources							
2200 Restricted Revenue		\$ 5,838		\$ 15,800			
2800 Revenue in Lieu of Taxes							
2900 Revenue for/on Behalf of the District							
Total Revenue from Intermediate Sources	\$ 1,096	\$ 5,838	\$ -	\$ 15,800	\$ -	\$ -	\$ -

Revenue from State Sources

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
3101 State School Fund - General Support	\$ 1,477,557						
3102 State School Fund - School Lunch Match		\$ 809					
3103 Common School Fund	\$ 19,930						
3104 State Managed County Timber	\$ 185,669						
3199 Other Unrestricted Grants-in-Aid							
3204 Driver Education							
3222 State School Fund (SSF) Transportation Equipment		\$ 30,000					
3299 Other Restricted Grants-in-Aid		\$ 474		\$ 12,830			
3800 Revenue in Lieu of Taxes							
3900 Revenue for/on Behalf of the District							
Total Revenue from State Sources	\$ 1,683,155	\$ 31,283	\$ -	\$ 12,830	\$ -	\$ -	\$ -

Revenue from Federal Sources

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
4100 Unrestricted Revenue Direct From the Federal Government							
4200 Unrestricted Revenue From the Federal Government Through the							
4300 Restricted Revenue From the Federal Government							
4500 Restricted Revenue From the Federal Government Through the S		\$ 365,588					
4700 Grants-In-Aid From the Federal Government Through Other Intern							
4801 Federal Forest Fees	\$ 7,470						
4802 Impact Aid to School Districts for Operation (PL 874)							
4803 Coos Bay Wagon Road Funds							
4899 Other Revenue in Lieu of Taxes							
4900 Revenue for/on Behalf of the District		\$ 5,292					
Total Revenue from Federal Sources	\$ 7,470	\$ 370,880	\$ -	\$ -	\$ -	\$ -	\$ -

Revenue from Other Sources

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
5100 Long Term Debt Financing Sources							
5200 Interfund Transfers	\$ 46,081						
5300 Sale of or Compensation for Loss of Fixed Assets							
5400 Resources - Beginning Fund Balance	\$ 487,171	\$ 162,209		\$ 109,664			
Total Revenue from Other Sources	\$ 533,252	\$ 162,209	\$ -	\$ 109,664	\$ -	\$ -	\$ -

Grand Totals

\$ 2,834,312	\$ 628,865	\$ -	\$ 138,780	\$ -	\$ -	\$ -
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**2015-16 DISTRICT AUDIT EXPENDITURE SUMMARY
MAPLETON SCHOOL DISTRICT**

Fund: 100 - General Fund

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Primary, K-3	\$ 320,745	\$ 225,122	\$ 89,906		\$ 5,617		\$ 100	
1112 Intermediate Programs	\$ -							
1113 Elementary Extracurricular	\$ -							
1121 Middle/Junior High Programs	\$ 111,268	\$ 77,674	\$ 32,463		\$ 1,131			
1122 Middle/Junior High School Extracurricular	\$ 15,726	\$ 9,176	\$ 1,309	\$ 688	\$ 4,453		\$ 100	
1131 High School Programs	\$ 311,952	\$ 203,314	\$ 97,934	\$ 3,465	\$ 6,791		\$ 448	
1132 High School Extracurricular	\$ 61,291	\$ 32,875	\$ 10,425	\$ 10,034	\$ 5,591		\$ 2,365	
1140 Pre-Kindergarten Programs	\$ -							
1210 Programs for the Talented and Gifted	\$ -							
1220 Restrictive Programs for Students with Disabilities	\$ -							
1250 Less Restrictive Programs for Students with Disabilities	\$ 193,786	\$ 111,280	\$ 28,812	\$ 51,382	\$ 1,397		\$ 915	
1260 Early Intervention	\$ -							
1271 Remediation	\$ -							
1272 Title I	\$ -							
1280 Alternative Education	\$ -							
1291 English Second Language Programs	\$ -							
1292 Teen Parent Program	\$ -							
1293 Migrant Education	\$ -							
1294 Youth Corrections Education	\$ -							
1299 Other Programs	\$ 6,966				\$ 6,966			
1300 Adult/Continuing Education Programs	\$ -							
1400 Summer School Programs	\$ -							
Total Instruction Expenditures	\$1,021,733	\$659,441	\$260,849	\$65,569	\$31,947	\$0	\$3,928	\$0

Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ 58,082	\$ 42,587	\$ 15,495					
2120 Guidance Services	\$ -							
2130 Health Services	\$ 670	\$ 208	\$ 76		\$ 385			
2140 Psychological Services	\$ -							
2150 Speech Pathology and Audiology Services	\$ -							
2160 Other Student Treatment Services	\$ -							
2190 Service Direction, Student Support Services	\$ -							
2210 Improvement of Instruction Services	\$ 5,226		\$ 5,226					
2220 Educational Media Services	\$ 2,891			\$ 2,826	\$ 65			
2230 Assessment & Testing	\$ -							
2240 Instructional Staff Development	\$ -							
2310 Board of Education Services	\$ 19,859			\$ 19,083	\$ 235		\$ 541	
2320 Executive Administration Services	\$ 86,889	\$ 61,925	\$ 23,227	\$ 312	\$ 15		\$ 1,409	
2410 Office of the Principal Services	\$ 220,959	\$ 159,120	\$ 59,488		\$ 1,537		\$ 815	
2490 Other Support Services - School Administration	\$ -							
2510 Direction of Business Support Services	\$ -							
2520 Fiscal Services	\$ 86,091	\$ 51,104	\$ 26,313	\$ 3,983	\$ 646		\$ 4,046	
2540 Operation and Maintenance of Plant Services	\$ 308,967	\$ 86,760	\$ 38,968	\$ 120,506	\$ 17,645		\$ 45,088	
2550 Student Transportation Services	\$ 220,128	\$ 132,331	\$ 41,137	\$ 22,487	\$ 16,617		\$ 7,556	
2570 Internal Services	\$ -							
2610 Direction of Central Support Services	\$ -							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -							
2630 Information Services	\$ -							
2640 Staff Services	\$ 663			\$ 663				
2660 Technology Services	\$ 36,974	\$ 2,000	\$ 726	\$ 32,430	\$ 1,818			
2670 Records Management Services	\$ -							
2690 Other Support Services - Central	\$ 6,967				\$ 6,967			
2700 Supplemental Retirement Program	\$ 21,808	\$ 14,950	\$ 6,858					
Total Support Services Expenditures	\$1,076,176	\$550,986	\$217,514	\$202,290	\$45,931	\$0	\$59,455	\$0

Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$0							
3200 Other Enterprise Services	\$0							
3300 Community Services	\$0							
3500 Custody and Care of Children Services	\$0							
Total Enterprise and Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Building Acquisition, Construction, and Maintenance Services	\$0							
4190 Other Facilities Construction Services	\$0							
Total Facilities Acquisition and Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

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

Grand Total	\$2,097,909	\$1,210,427	\$478,363	\$267,859	\$77,878	\$0	\$63,382	\$0
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**2015-16 DISTRICT AUDIT EXPENDITURE SUMMARY
MAPLETON SCHOOL DISTRICT**

Fund: 200 - Special Revenue Fund

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Primary, K-3	\$ -							
1112 Intermediate Programs	\$ -							
1113 Elementary Extracurricular	\$ 7,663				\$ 7,663			
1121 Middle/Junior High Programs	\$ -							
1122 Middle/Junior High School Extracurricular	\$ 1,008				\$ 1,008			
1131 High School Programs	\$ -							
1132 High School Extracurricular	\$ 25,131				\$ 25,131			
1140 Pre-Kindergarten Programs	\$ -							
1210 Programs for the Talented and Gifted	\$ -							
1220 Restrictive Programs for Students with Disabilities	\$ -							
1250 Less Restrictive Programs for Students with Disabilities	\$ 51,397	\$ 33,225	\$ 18,003	\$ 169				
1260 Early Intervention	\$ -							
1271 Remediation	\$ -							
1272 Title I	\$ 128,927	\$ 77,035	\$ 35,679	\$ 900	\$ 11,373		\$ 3,940	
1280 Alternative Education	\$ -							
1291 English Second Language Programs	\$ -							
1292 Teen Parent Program	\$ -							
1293 Migrant Education	\$ -							
1294 Youth Corrections Education	\$ -							
1299 Other Programs	\$ 18,883	\$ 5,114	\$ 1,217	\$ 3,247	\$ 6,870		\$ 2,436	
1300 Adult/Continuing Education Programs	\$ -							
1400 Summer School Programs	\$ -							
Total Instruction Expenditures	\$233,009	\$115,373	\$54,899	\$4,316	\$52,045	\$0	\$6,376	\$0

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -							
2120 Guidance Services	\$ -							
2130 Health Services	\$ -							
2140 Psychological Services	\$ -							
2150 Speech Pathology and Audiology Services	\$ -							
2160 Other Student Treatment Services	\$ -							
2190 Service Direction, Student Support Services	\$ -							
2210 Improvement of Instruction Services	\$ 4,776				\$ 4,776			
2220 Educational Media Services	\$ 13,785	\$ 10,386	\$ 3,399					
2230 Assessment & Testing	\$ -							
2240 Instructional Staff Development	\$ 38,736	\$ 11,745	\$ 3,923	\$ 10,767	\$ 462		\$ 11,839	
2310 Board of Education Services	\$ -							
2320 Executive Administration Services	\$ -							
2410 Office of the Principal Services	\$ -							
2490 Other Support Services - School Administration	\$ -							
2510 Direction of Business Support Services	\$ -							
2520 Fiscal Services	\$ -							
2540 Operation and Maintenance of Plant Services	\$ -							
2550 Student Transportation Services	\$ 26,421			\$ 26,301			\$ 120	
2570 Internal Services	\$ -							
2610 Direction of Central Support Services	\$ -							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ 1,591	\$ 1,068	\$ 523					
2630 Information Services	\$ -							
2640 Staff Services	\$ -							
2660 Technology Services	\$ -							
2670 Records Management Services	\$ -							
2690 Other Support Services - Central	\$ -							
2700 Supplemental Retirement Program	\$ -							
Total Support Services Expenditures	\$ 85,309	\$ 23,199	\$ 7,845	\$ 37,068	\$ 5,237	\$ -	\$ 11,959	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ 136,123	\$ 32,648	\$ 12,779	\$ 17,193	\$ 62,502	\$ 9,551	\$ 1,451	
3200 Other Enterprise Services	\$ -							
3300 Community Services	\$ -							
3500 Custody and Care of Children Services	\$ -							
Total Enterprise and Community Services	\$ 136,123	\$ 32,648	\$ 12,779	\$ 17,193	\$ 62,502	\$ 9,551	\$ 1,451	\$ -

Facilities Acquisition and Construction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Planning, Acquisition, Construction, and Maintenance Services	\$0							
4190 Other Facilities Construction Services	\$0							
Total Facilities Acquisition and Construction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$0							
5200 Transfers of Funds	\$2,071							\$ 2,071
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
Total Other Uses Expenditures	\$2,071	\$0	\$0	\$0	\$0	\$0	\$0	\$2,071

Grand Total

\$456,512	\$171,220	\$75,523	\$58,577	\$119,784	\$9,551	\$19,786	\$2,071
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**2015-16 DISTRICT AUDIT EXPENDITURE SUMMARY
MAPLETON SCHOOL DISTRICT**

Fund: 400 - Capital Projects

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Primary, K-3	\$ -							
1112 Intermediate Programs	\$ -							
1113 Elementary Extracurricular	\$ -							
1121 Middle/Junior High Programs	\$ -							
1122 Middle/Junior High School Extracurricular	\$ -							
1131 High School Programs	\$ -							
1132 High School Extracurricular	\$ -							
1140 Pre-Kindergarten Programs	\$ -							
1210 Programs for the Talented and Gifted	\$ -							
1220 Restrictive Programs for Students with Disabilities	\$ -							
1250 Less Restrictive Programs for Students with Disabilities	\$ -							
1260 Early Intervention	\$ -							
1271 Remediation	\$ -							
1272 Title I	\$ -							
1280 Alternative Education	\$ -							
1291 English Second Language Programs	\$ -							
1292 Teen Parent Program	\$ -							
1293 Migrant Education	\$ -							
1294 Youth Corrections Education	\$ -							
1299 Other Programs	\$ -							
1300 Adult/Continuing Education Programs	\$ -							
1400 Summer School Programs	\$ -							
Total Instruction Expenditures	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -							
2120 Guidance Services	\$ -							
2130 Health Services	\$ -							
2140 Psychological Services	\$ -							
2150 Speech Pathology and Audiology Services	\$ -							
2160 Other Student Treatment Services	\$ -							
2190 Service Direction, Student Support Services	\$ -							
2210 Improvement of Instruction Services	\$ -							
2220 Educational Media Services	\$ -							
2230 Assessment & Testing	\$ -							
2240 Instructional Staff Development	\$ -							
2310 Board of Education Services	\$ -							
2320 Executive Administration Services	\$ -							
2410 Office of the Principal Services	\$ -							
2490 Other Support Services - School Administration	\$ -							
2510 Direction of Business Support Services	\$ -							
2520 Fiscal Services	\$ -							
2540 Operation and Maintenance of Plant Services	\$ -							
2550 Student Transportation Services	\$ -							
2570 Internal Services	\$ -							
2610 Direction of Central Support Services	\$ -							
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -							
2630 Information Services	\$ -							
2640 Staff Services	\$ -							
2660 Technology Services	\$ -							
2670 Records Management Services	\$ -							
2690 Other Support Services - Central	\$ -							
2700 Supplemental Retirement Program	\$ -							
Total Support Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -							
3200 Other Enterprise Services	\$ -							
3300 Community Services	\$ -							
3500 Custody and Care of Children Services	\$ -							
Total Enterprise and Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$0							
4120 Site Acquisition and Development Services	\$0							
4150 Planning, Acquisition, Construction, and Maintenance Services	\$43,623			\$5,827		\$37,676	\$120	
4190 Other Facilities Construction Services	\$0							
Total Facilities Acquisition and Construction	\$43,623	\$0	\$0	\$5,827	\$0	\$37,676	\$120	\$0

Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$0							
5200 Transfers of Funds	\$44,010							\$ 44,010
5300 Apportionment of Funds by ESD	\$0							
5400 PERS UAL Bond Lump Sum	\$0							
Total Other Uses Expenditures	\$44,010	\$0	\$0	\$0	\$0	\$0	\$0	\$44,010

Grand Total	\$87,633	\$0	\$0	\$5,827	\$0	\$37,676	\$120	\$44,010
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LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

SUPPLEMENTAL INFORMATION
AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION
For the Year Ended June 30, 2016

A. ENERGY BILLS FOR HEATING - ALL FUNDS:

Function 2540	\$	54,468
Function 2550		1,008
	<u>\$</u>	<u>55,475</u>

B. REPLACEMENT FOR EQUIPMENT - General Fund: \$ -

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

Exclude These Functions	
1113,1122 & 1132	Co-curricular Activities
1140	Pre-Kindergarten
1300	Continuing Education
1400	Summer School
4150	Construction
2550	Pupil Transportation
3100	Food Service
3300	Community Services

LANE COUNTY SCHOOL DISTRICT NO. 32
LANE COUNTY, OREGON

REPORTS ON LEGAL AND OTHER
REGULATORY REQUIREMENTS

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December 20, 2016

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of Lane County District No. 32 as of and for the year ended June 30, 2016, and have issued our report thereon dated December 20, 2016. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of the basic 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.**
- **Authorized investment of surplus funds (ORS Chapter 294).**
- **Programs funded by outside sources.**
- **Public contracts and purchasing (ORS Chapters 279A, 279B, 279C).**
- **State District fund factors and calculation.**

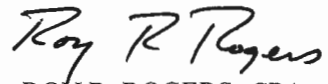
In connection with our testing nothing came to our attention that caused us to believe Lane County District District No. 32 was not in substantial compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations except as follows:

1. Expenditures of the various funds were within authorized appropriations except as noted on page 14.

OAR 162-10-0230 Internal Control

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

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

A handwritten signature in cursive script that reads "Roy R. Rogers".

ROY R. ROGERS, CPA
PAULY, ROGERS AND CO., P.C.