



AMITY SCHOOL DISTRICT NO. 4J

Amity, Oregon

Annual Financial Report

June 30, 2020

AMITY SCHOOL DISTRICT NO. 4J

807 Trade Street
Amity, Oregon 97101
(503) 835-2171

DISTRICT OFFICIALS

TIM HAARSMA Board Chair
PO Box 827, Amity, OR 97101

AMANDA GROVE Vice Chair
8254 SE Sky Vista Dr, Amity, 97101

RAY BOTTENBERG Board Member
9605 Yocum Road, Sheridan, OR 97378

RYAN JONES Board Member
22320 SE Boulder Crest Lane, Amity, OR 97101

JENNIFER LEPPIN Board Member
22500 SE Old Bethel Rd., Amity, OR 97101

ADMINISTRATION

JEFF CLARK Superintendent
807 Trade Street, Amity, OR 97101

ANN ADAMS Deputy Clerk
807 Trade Street, Amity, OR 97101

AMITY SCHOOL DISTRICT NO. 4J

AUDIT REPORT

June 30, 2020

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AUDIT REPORT

June 30, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Amity School District No. 4J,
807 Trade Street Amity, Oregon 97101

I have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Amity School District No. 4J as of and for the year ended June 30, 2020 which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinions

Opinions

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Amity School District No. 4J as of June 30, 2020, and the respective changes in financial position and in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion on pages 2-9, the schedules of revenues, expenditures and changes in fund balances – budget and actuals on pages 49-50, the pension schedules on pages 51-52, and the pension and OPEB schedules on pages 53-54 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.

I have applied certain limited procedures to the management's discussion and analysis and the pension schedules in accordance with the auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I do not express an opinion or provide any assurance on the information because the limited procedures do not provide me with sufficient evidence to express an opinion or provide any assurance.

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals described above on pages are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The schedules of revenues, expenditures and changes in fund balances – budget and actuals 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 and other records used to prepare the basic financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the schedules of revenues, expenditures and changes in fund balances – budget and actuals are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Amity School District No. 4J's basic financial statements. The other supplementary data on pages 55-83 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Amity School District No. 4J.

The other supplementary data on pages 55-83 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 other 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 my opinion, other supplementary data is fairly stated in all material respects in relation to the financial statements taken as a whole.

Report on Other Legal and Regulatory Requirements

In accordance with the *Minimum Standards for Audits of Oregon Municipal Corporations*, I have issued my report dated December 1, 2020, on my consideration of the Amity School District No. 4J's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of my testing of compliance and the results of that testing and not to provide an opinion on the District's compliance.



Steve Tuchscherer, CPA
December 1, 2020

MANAGEMENT'S
DISCUSSION
AND ANALYSIS

AMITY SCHOOL DISTRICT NO. 4J

Management's Discussion and Analysis (MD&A) For the Fiscal Year Ended June 30, 2020 Unaudited

The discussion and analysis of Amity School District No. 4J's financial performance provides an overview of the District's financial activities for the fiscal year that ended June 30, 2020. The intent of this discussion and analysis is to look at the District's financial performance as a whole. Readers should also review the basic financial statements and notes to enhance their understanding of the District's financial performance.

FINANCIAL HIGHLIGHTS

Key financial highlights for the fiscal year ended June 30, 2020 are as follows:

- The District's net position increased by \$92,891 which represents a 7.0% increase from the previous year primarily due to the increase in grant revenue.
- General revenues accounted for \$10,030,142 in revenue, or 89.9% of all revenues. Program specific revenues in the form of charges for services, and grants and contributions accounted for \$1,128,314 or 10.1% of total revenues of \$11,158,456.
- The District had \$11,272,011 in expenses, which was more than total revenues, but also had a gain on disposition of assets of \$206,443 resulting in an increase in total net position of \$92,891.
- Total assets of governmental activities decreased by \$326,683, primarily due to a decrease in the accumulated amortization balance from the prior year.
- Total liabilities decreased by \$964,173 during the year primarily due to principal payments on long term debt.

OVERVIEW OF THE FINANCIAL STATEMENTS

Management's Discussion and Analysis introduces the District's basic financial statements. The basic financial statements include: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also includes additional supplementary information to supplement the basic financial statements.

Government-wide Financial Statements

The first of the government-wide statements is the *Statement of Net Position*. This is the District-wide statement of financial position presenting information that includes all of the District's assets and liabilities. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District as a whole is improving or deteriorating. Evaluation of the overall economic health of the District would extend to other non-financial factors such as the condition of school buildings and other facilities and changes in the district's enrollment, which dictates the majority of revenue to be collected through the State Funding Formula.

AMITY SCHOOL DISTRICT NO. 4J

Management's Discussion and Analysis (MD&A) For the Fiscal Year Ended June 30, 2020 Unaudited

The second government-wide statement is the *Statement of Activities* which reports how the District's net position changed during the current fiscal year. All current year revenues and expenses are included regardless of when cash is received or paid. An important purpose of the design of the *Statement of Activities* is to show the financial reliance of the distinct activities or functions of the District that are primarily supported by intergovernmental revenues, principally state basic school support and property tax revenues. The governmental activities of the District include instruction, instructional support services, operation and maintenance of plant, student transportation, and non-instructional support services.

Fund Financial Statements

A fund is an accountability unit used to maintain control over resources segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related laws and regulations. Within the basic financial statements, Fund Financial Statements focus on the District's most significant funds rather than the District as a whole. Major funds are separately reported while all others are combined into a single, aggregated presentation. Individual fund data for non-major funds is provided in the form of individual budget versus actual statements and combining statements in a later section of this report.

Governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. Unlike the government-wide financial statements, these statements report short-term fiscal accountability focusing on use of spendable resources during the year and balances of spendable resources available at the end of the fiscal year.

Since the government-wide focus includes the long-term view, comparisons between these two perspectives may provide insight into the long-term impact of short-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to government-wide statements to assist in understanding the differences between these two perspectives.

Fiduciary funds such as private-purpose trust funds for scholarships are reported in the fiduciary fund financial statements, but are excluded from government-wide reporting. Fiduciary fund financial statements report net position and changes in net position on a cash basis.

Notes to the Financial Statements

The accompanying notes to the financial statements provide information essential to a full understanding of the government-wide and fund financial statements. The notes to the financial statements begin immediately following the basic financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents as required supplementary information budgetary comparison statements for the General Fund, the Debt Service Fund, and the Capital Improvement Fund. The required supplementary information immediately follows the notes to the financial statements. Other supplementary data includes combining statements, individual fund statements and schedules, and other schedules. These statements and schedules immediately follow the required supplementary information in this report.

AMITY SCHOOL DISTRICT NO. 4J

Management's Discussion and Analysis (MD&A)

For the Fiscal Year Ended June 30, 2020

Unaudited

FINANCIAL ANALYSIS OF THE DISTRICT AS A WHOLE

Recall that the Statement of Net Position provides the perspective of the District as a whole. Net position may serve over time as a useful indicator of a government's financial position.

The District's net position at fiscal year-end was \$1,417,703. This is a \$92,891 increase from last year's net position and represents a 7.0% increase from the previous year.

The following table provides a summary of the District's net position. Comparative information from the previous year is provided.

Summary of Net Position

	Governmental Activities		Percentage Change
	June 30, 2020	June 30, 2019	
Assets			
Current and Other Assets	\$ 5,651,993	\$ 5,702,258	-0.9%
Capital Assets	<u>4,909,616</u>	<u>5,186,033</u>	-5.3%
Total Assets	10,561,609	10,888,291	-3.0%
Deferred Outflow of Resources	<u>2,074,967</u>	<u>2,216,546</u>	-6.4%
Liabilities			
Long-Term Liabilities	9,182,884	10,117,123	-9.2%
Other Liabilities	<u>913,193</u>	<u>943,127</u>	-3.2%
Total Liabilities	<u>10,096,077</u>	<u>11,060,250</u>	-8.7%
Deferred Inflow of Resources	<u>1,122,796</u>	<u>719,775</u>	56.0%
Net Position			
Net Investment in Capital Assets	3,142,952	2,741,089	14.7%
Restricted	43,935	66,497	-33.9%
Unrestricted	<u>(1,769,183)</u>	<u>(1,482,774)</u>	19.3%
Total Net Position	<u>\$ 1,417,703</u>	<u>\$ 1,324,812</u>	7.0%

AMITY SCHOOL DISTRICT NO. 4J

Management's Discussion and Analysis (MD&A)

For the Fiscal Year Ended June 30, 2020

Unaudited

The following table shows the changes in net position. Prior-year information is provided for comparative analysis of government-wide revenue and expense information.

Changes in Net Position

	Governmental Activities		
	2019-20	2018-19	Percentage Change
Revenues			
Program Revenues			
Charges for Services	\$ 359,711	\$ 352,008	2.2%
Operating Grants and Contributions	768,603	712,592	7.9%
Capital Grants and Contributions	-	251,080	-100.0%
General Revenues			
Property Taxes	2,452,989	2,399,557	2.2%
State Basic School Support	7,113,768	6,847,382	3.9%
Federal Forest Fees	4	-	N/A
Other	463,381	378,538	22.4%
Total Revenues	<u>11,158,456</u>	<u>10,941,157</u>	2.0%
Program Expenses			
Instruction	6,667,899	6,382,526	4.5%
Support Services	3,733,582	3,393,514	10.0%
Community Services	313,205	350,428	-10.6%
Interest on Long-Term Debt	557,325	528,439	5.5%
Total Program Expenses	<u>11,272,011</u>	<u>10,654,906</u>	5.8%
Special Item: Gain (Loss) on disposition of assets	<u>206,443</u>	<u>-</u>	
Change in Net Position	<u>\$ 92,888</u>	<u>\$ 286,251</u>	

AMITY SCHOOL DISTRICT NO. 4J

Management’s Discussion and Analysis (MD&A)

For the Fiscal Year Ended June 30, 2020

Unaudited

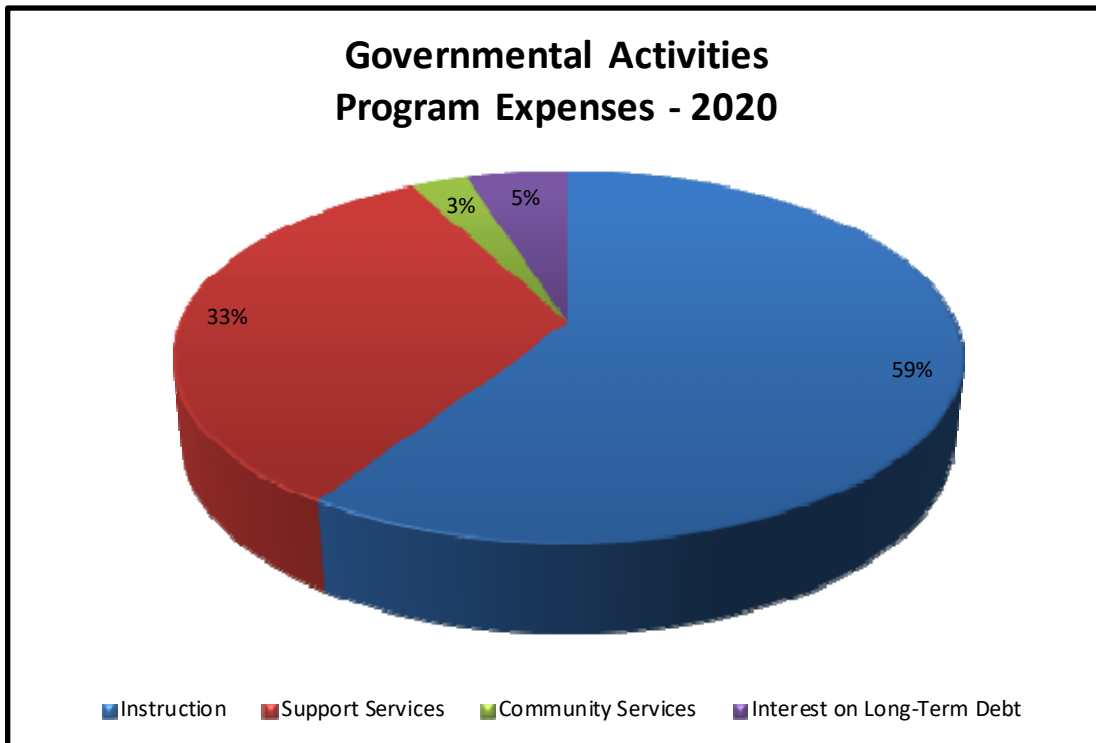
The Statement of Activities shows the cost of program services and the charges for services, grants, and contributions offsetting those services. The following table shows, for governmental activity, the total cost of the four major functional activities of the District. The table also shows each function’s net cost (total cost less charges for services generated by the activities and intergovernmental aid provided for specific programs). The net cost shows the financial burden that was placed on the State and District’s taxpayers by each of these functions. Prior-year information is provided for comparative analysis.

Governmental Activities

	2019-20		2018-19	
	Total Cost of Services	Net Cost (Profit) of Services	Total Cost of Services	Net Cost (Profit) of Services
Instruction	\$ 6,667,899	\$ 5,896,409	\$ 6,382,526	\$ 5,647,502
Support Services	3,733,582	3,629,463	3,393,514	3,076,526
Community Services	313,205	60,500	350,428	86,760
Interest on Long-Term Debt	557,325	557,325	528,439	528,439
Total Program Expenses	\$ 11,272,011	\$ 10,143,697	\$ 10,654,906	\$ 9,339,226

The dependence on general revenues for general government activities is apparent. For the current year, 88% of general government activities are supported through general revenues.

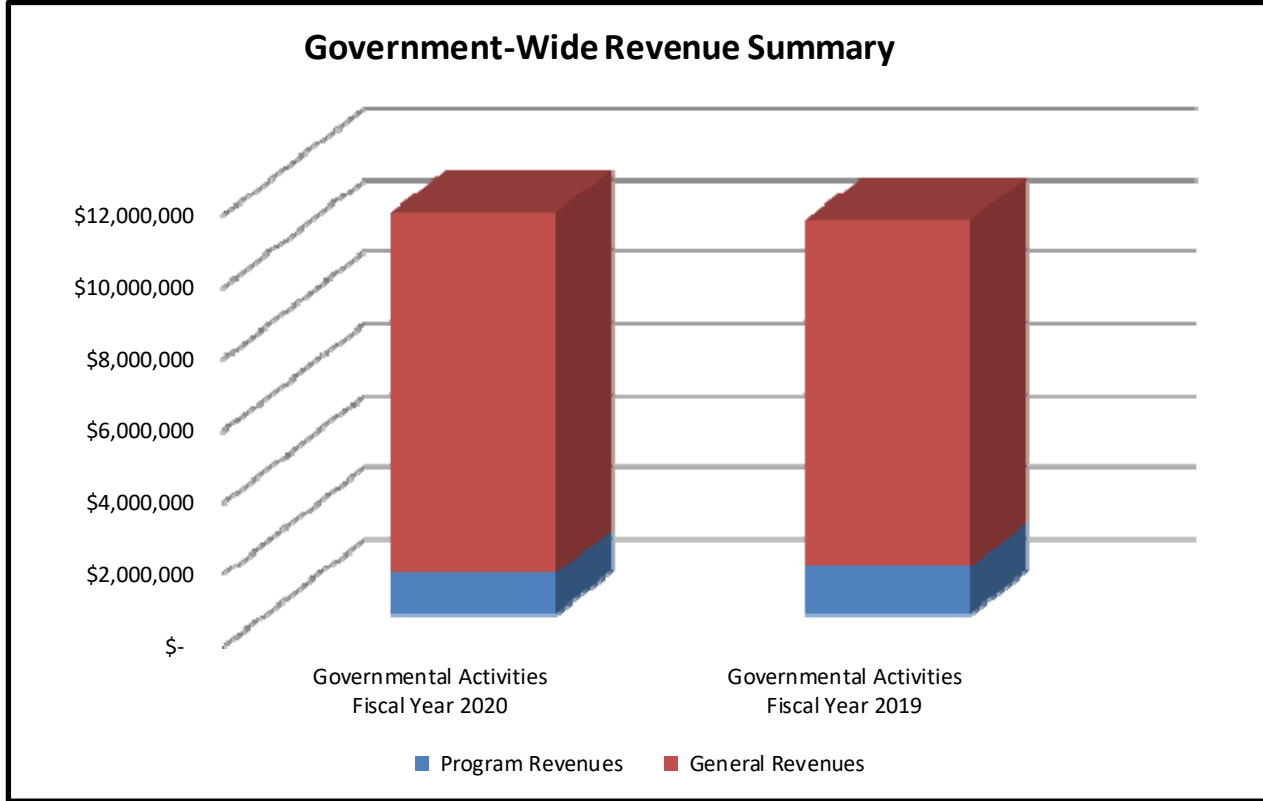
This graph represents the cost of the District’s Program expenses by governmental activities.



AMITY SCHOOL DISTRICT NO. 4J

Management's Discussion and Analysis (MD&A) For the Fiscal Year Ended June 30, 2020 Unaudited

The following chart analyzes the revenue between governmental activities from prior to current year.



FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the District's governmental funds is to provide information on short-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unreserved fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

The financial performance of the District as a whole is reflected in its governmental funds. As the District completed the year, its governmental funds reported a combined fund balance of \$3,404,620, an increase of \$262,344. The fund balance consists of restricted, committed, assigned and unassigned amounts. Of the current fund balances, \$310,392 is restricted, \$1,286,259 is committed and \$1,803,088 is unassigned and available for spending at the District's discretion.

The General Fund is the principal operating fund of the District. The increase in fund balance in the General Fund for the fiscal year was \$543,626.

AMITY SCHOOL DISTRICT NO. 4J
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2020
Unaudited

BUDGETARY HIGHLIGHTS

Over the course of the year, the District made only minor changes to its various funds' budgets.

General Fund revenues were budgeted and anticipated to be collected in the amount of \$9,155,167 during the fiscal year. Actual revenues of \$9,698,163 were more than budgeted revenues by \$542,996. General Fund expenditures budget was under-spent by \$1,200,630. The actual ending fund balance was more than the budgeted ending fund balance by \$1,803,088.

The IDEA Grant Fund #200 ending fund balance decreased by \$0. Actual revenues were less than budgeted revenues by \$65,756, and actual expenditures were \$65,756 under budgeted expenditures.

The Debt Service Fund #300 ending fund balance decreased by \$22,562. Actual revenues were more than budgeted revenues by \$35,438, and actual expenditures were \$0 under budgeted expenditures.

The Capital Improvement Fund #430 ending fund balance increased by \$61,053. Actual revenues were more than budgeted revenues by \$61, and actual expenditures were \$461,644 under budgeted expenditures.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

As of June 30, 2020, the District had invested \$11,606,619 in capital assets, including school buildings, athletic facilities, land, vehicles, computers and other equipment and furnishings. This amount represents a net increase prior to depreciation of \$61,745 from last year due to additions of \$726,757 and deletions of \$665,012.

Total depreciation expense for the year was \$391,197. Additional information on the District's capital assets can be found in the Capital Asset Note in the notes to the basic financial statements section of this report.

Long-Term Debt

At June 30, 2020 the District had \$5,767,603 in long-term debt outstanding. The District paid \$854,765 toward the principal balance of the long-term debt. The District paid \$555,835 in interest on total debt.

Additional information on the District's long-term debt can be found in the Long-Term Debt Note in the notes to the basic financial statements section of this report.

AMITY SCHOOL DISTRICT NO. 4J
Management's Discussion and Analysis (MD&A)
For the Fiscal Year Ended June 30, 2020
Unaudited

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

The primary factors considered in developing the budget for next year were the District's continued commitment to provide quality education programs for all of their students while maintaining fiscal responsibility to their community.

The District's adopted budget for the fiscal year ending June 30, 2021 represents an overall increase of \$2,017,596 or 12.5% when compared with the current fiscal year. The total budget for the fiscal year ending June 30, 2021 is \$18,153,506. The most significant changes in the 2020-21 budget are the increase of state and federal grants and state funding and a significant increase in the budgeted beginning fund balance for the general fund. The remaining operating costs of governmental activities are expected to be similar to those of the current period.

The District will levy its maximum permanent property tax rate of \$4.7796 per \$1,000 of assessed property valuation.

CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the resources it receives.

If you have any questions about this report or need additional information, contact the Amity School District No. 4J at 807 Trade Street, Amity, Oregon 97101.

BASIC FINANCIAL
STATEMENTS

Government -Wide
Financial Statements

AMITY SCHOOL DISTRICT NO. 4J**STATEMENT OF NET POSITION**

June 30, 2020

	<u>Governmental Activities</u>	
<u>ASSETS:</u>		
Current Assets:		
Cash and Cash Equivalents	\$ 3,231,122	
Property Taxes Receivable	130,866	
Accounts Receivable	145,167	
Prepaid Loan Fees, net of accumulated amortization	10,115	
Inventory-Food, Supplies & Commodities	4,881	
Total Current Assets		\$ 3,522,151
Restricted Assets:		
Net OPEB Asset (RHIA)	87,199	
Total Restricted Assets		87,199
Capital Assets:		
Land	296,099	
Land Improvement	845,891	
Building and Building Improvement	9,279,885	
Machinery and Equipment	1,184,744	
Less: Accumulated Depreciation	(6,697,004)	
Total Capital Assets, Net of Depreciation		4,909,616
Other Assets:		
Prepaid Expense - Pension Obligation	6,618,174	
Less: Accumulated Amortization	(4,575,531)	
Total Other Assets, Net of Amortization		2,042,643
Total Assets		<u>10,561,609</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>		
Pension Related Deferrals	2,049,299	
OPEB Related Deferrals - RHIA	5,609	
OPEB Related Deferrals - OEBC	20,059	
Total Deferred Outflow of Resources		<u>2,074,967</u>
<u>LIABILITIES:</u>		
Accounts Payable	\$ 20,678	
Accrued Interest Payable	3,373	
Accrued Vacation Benefits	41,888	
Bonds Payable		
Due within one year	847,254	
Due in more than one year	4,920,349	
Net OPEB Obligation - OEBC	393,275	
Net Pension Liability	3,869,260	
Total Liabilities		<u>10,096,077</u>
<u>DEFERRED INFLOW OF RESOURCES</u>		
Pension Related Deferrals	1,100,892	
OPEB Related Deferrals - RHIA	21,904	
Total Deferred Inflow of Resources		<u>1,122,796</u>
<u>NET POSITION:</u>		
Net Investment in Capital Assets	3,142,952	
Restricted for:		
Debt Service	43,935	
Unrestricted	(1,769,183)	
Total Net Position		<u>\$ 1,417,703</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

AMITY SCHOOL DISTRICT NO. 4J

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2020

		Program Revenues			Net
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	(Expense) Revenue and Change in Net Position
<u>GOVERNMENTAL ACTIVITIES:</u>	<u>(Expenses)</u>				<u>Governmental Activities</u>
Instruction	\$ 6,667,899	\$ 312,482	\$ 459,008	\$ -	\$ (5,896,409)
Support Services	3,733,582	-	104,119	-	(3,629,463)
Enterprise and Community Services	313,205	47,229	205,476	-	(60,500)
Interest on Long-Term Debt	557,325	-	-	-	(557,325)
Total Governmental Activities	\$ 11,272,011	\$ 359,711	\$ 768,603	\$ -	\$ (10,143,697)

GENERAL REVENUES:

Local Sources:

Property Taxes, Levied for General Purposes	\$ 1,863,307
Property Taxes, Levied for Debt Service	589,682
Earnings on Investments	79,207
Unrestricted State and Local Revenue	152,118
Intermediate Sources	147,544
State School Fund for Education and Support Services	7,113,768
State Common School Fund	84,512
Federal Forest Fees for General Purposes	4
Subtotal - General Revenues	10,030,142

Special Items:

Gain on Disposition of Assets	206,443
Change in Net Position	92,888
Net Position, July 1, 2019	1,324,815
Net Position, June 30, 2020	\$ 1,417,703

The accompanying notes to the basic financial statements are an integral part of this statement.

BASIC FINANCIAL
STATEMENTS

Governmental Fund
Financial Statements

AMITY SCHOOL DISTRICT NO. 4J

**BALANCE SHEET
GOVERNMENTAL FUNDS**

June 30, 2020

	General Fund #100	Debt Service Fund #300	Capital Improvement Fund #430	Other Govern- mental Funds	Total Govern- mental Funds
<u>ASSETS:</u>					
Cash and Cash Equivalents	\$ 1,733,623	\$ 32,970	\$ 412,378	\$ 1,052,151	\$ 3,231,122
Property Taxes Receivable	97,559	33,307	-	-	130,866
Accounts Receivable	54,105	-	-	91,062	145,167
Inventory-Food, Supplies & Commodities	-	-	-	4,881	4,881
Total Assets	<u>\$ 1,885,287</u>	<u>\$ 66,277</u>	<u>\$ 412,378</u>	<u>\$ 1,148,094</u>	<u>\$ 3,512,036</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES:</u>					
LIABILITIES:					
Accounts Payable	\$ 17,803	\$ -	\$ -	\$ 2,875	\$ 20,678
Total Liabilities	<u>17,803</u>	<u>-</u>	<u>-</u>	<u>2,875</u>	<u>20,678</u>
DEFERRED INFLOWS OF RESOURCES:					
Unavailable Revenue - Property Taxes	64,396	22,342	-	-	86,738
Total Deferred Inflows of Resources	<u>64,396</u>	<u>22,342</u>	<u>-</u>	<u>-</u>	<u>86,738</u>
FUND BALANCES:					
Unspendable	-	-	-	4,881	4,881
Restricted for:					
Debt Service	-	43,935	-	266,457	310,392
Committed for:					
Capital Construction & Building Maintenance	-	-	412,378	-	412,378
Community Projects	-	-	-	35,313	35,313
Educational Programs	-	-	-	61,704	61,704
Employee Benefits Programs	-	-	-	113,496	113,496
Equipment Acquisition	-	-	-	405,778	405,778
Food Service Program	-	-	-	7,128	7,128
Student Body Activities	-	-	-	250,462	250,462
Unassigned	1,803,088	-	-	-	1,803,088
Total Fund Balances	<u>1,803,088</u>	<u>43,935</u>	<u>412,378</u>	<u>1,145,219</u>	<u>3,404,620</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 1,885,287</u>	<u>\$ 66,277</u>	<u>\$ 412,378</u>	<u>\$ 1,148,094</u>	<u>\$ 3,512,036</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

AMITY SCHOOL DISTRICT NO. 4J
RECONCILIATION OF THE BALANCE SHEET
GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION
June 30, 2020

Total Fund Balances - Governmental Funds		\$ 3,404,620
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Cost of assets	\$ 11,606,619	
Accumulated depreciation	<u>(6,697,004)</u>	
Net Value of Capital Assets		4,909,616
Property taxes receivable that will not be available to pay for current-period expenditures are deferred in the governmental funds.		
		86,738
Deferred inflows and outflows of pension and OPEB contributions and earnings are not reported in the governmental funds.		
Deferred Pension/OPEB Contributions	2,074,967	
Deferred Earnings on Pension/OPEB Assets	<u>(1,122,796)</u>	
Net Value of Deferrals		952,171
Amounts paid to Oregon Public Retirement System to reduce the unfunded pension obligation of the District are not financial resources and therefore are not capitalized as a prepaid expense in the governmental funds.		
Original prepaid amount	6,618,174	
Accumulated amortization	<u>(4,575,531)</u>	
Net Value of Prepaid Expense		2,042,643
Amounts paid for loan fees out of refunding bond proceeds are not financial resources and therefore are not capitalized as a prepaid expense in the governmental funds.		
Original prepaid amount, net of accumulated amortization		10,115
Some liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
These liabilities consist of :		
Accrued Interest Payable	3,373	
Bonds Payable	5,767,603	
Net Pension Liability	3,869,260	
Net OPEB Obligations	306,076	
Accrued Vacation Benefits	<u>41,888</u>	
Total		<u>(9,988,200)</u>
Net Position of Governmental Activities		<u>\$ 1,417,703</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

AMITY SCHOOL DISTRICT NO. 4J

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

For the Fiscal Year Ended June 30, 2020

	General Fund #100	Debt Service Fund #300	Capital Improvement Fund #430	Other Govern- mental Funds	Total Govern- mental Funds
<u>REVENUES:</u>					
Taxes	\$ 1,873,223	\$ 603,939	\$ -	\$ -	\$ 2,477,162
Tuition Charges	9,516	-	-	-	9,516
Earnings on Investments	45,722	7,141	7,369	18,975	79,207
Fees and Charges	33,683	-	-	248,360	282,043
Miscellaneous Revenue	139,195	-	21,392	683,220	843,807
Intermediate Government Aid	149,807	-	-	-	149,807
State Aid	7,212,013	-	-	218,218	7,430,231
Federal Aid	4	-	-	528,570	528,574
Total Revenues	9,463,163	611,080	28,761	1,697,343	11,800,347
<u>EXPENDITURES:</u>					
Current:					
Instruction	5,419,788	-	-	637,238	6,057,026
Support Services	3,421,283	-	14,055	151,760	3,587,098
Enterprise and Community Services	-	-	-	299,494	299,494
Capital Outlay:					
Support Services	75,132	-	-	-	75,132
Facilities Acquisition and Construction	-	-	28,653	-	28,653
Debt Service	43,334	633,642	-	733,624	1,410,600
Total Expenditures	8,959,537	633,642	42,708	1,822,116	11,458,003
Excess (Deficiency) of Revenues Over Expenditures	503,626	(22,562)	(13,947)	(124,773)	342,344
<u>OTHER FINANCING SOURCES (USES):</u>					
Interfund Transfers In	-	-	75,000	120,000	195,000
Interfund Transfers Out	(195,000)	-	-	-	(195,000)
PERS UAL Bond Lump Sum Payment to PERS	-	-	-	(315,000)	(315,000)
Sale of or Compensation for Loss of Fixed Assets	235,000	-	-	-	235,000
Total Other Financing Sources (Uses)	40,000	-	75,000	(195,000)	(80,000)
Net Change in Fund Balance	543,626	(22,562)	61,053	(319,773)	262,344
Beginning Fund Balance	1,259,462	66,497	351,325	1,464,992	3,142,276
Ending Fund Balance	\$ 1,803,088	\$ 43,935	\$ 412,378	\$ 1,145,219	\$ 3,404,620

The accompanying notes to the basic financial statements are an integral part of this statement.

AMITY SCHOOL DISTRICT NO. 4J

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES**

GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

For the Fiscal Year Ended June 30, 2020

Net Changes in Fund Balances - Total Governmental Funds	\$	262,344
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the Statement of Activities, the cost of those assets are allocated over their estimated useful lives as depreciation expense.		
Expenditures for capitalized assets	\$	143,337
Less current year depreciation		<u>(391,197)</u>
		(247,860)
Some property tax revenues will not be collected for several months after the District's fiscal year end and are therefore not considered "available" revenues in the governmental funds, instead these funds are shown as deferred revenue.		
Deferred revenues increased by this amount this year.		(24,174)
Gain (Loss) on disposition of capital assets is not reported in the fund financial statements.		206,443
Proceeds from Sales of Assets is not reported as income in the Statement of Activities		(235,000)
Prepaid expenses were originally reported in the governmental funds as an expenditure. In the Statement of Activities the amount to be charged each year as an expense over the estimated expense incurred to pay the obligation is amortized, rather than expensed at the time of the prepayment.		
Amount of current year amortization - Loan fees		(30,333)
Amount of current year amortization - Pension obligation		<u>(255,331)</u>
		(285,664)
Repayment of principal on long term debt and leases are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.		
Retirement of principal is as follows:		
Leases		34,946
Bonds		<u>819,819</u>
		854,765
Government funds report pension contributions as expenditures. However, in the Statement of Activities, pension expense and changes in deferred inflows and outflows related to the net pension asset/(liability) are recorded based upon an actuarial valuation of such activity.		
This is the net change in pension related items.		(460,388)
Some items reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds.		
The activities consist of:		
Net increase/(decrease) in accrued interest expense		(1,490)
Increase/(decrease) in accrued OPEB		49,353
Increase/(decrease) in accrued vacation benefits		<u>(25,441)</u>
		22,423
Change in Net Position of Governmental Activities	\$	<u>92,888</u>

The accompanying notes to the basic financial statements are an integral part of this statement.

BASIC FINANCIAL
STATEMENTS

Notes to the Basic
Financial Statements

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The Amity School District No. 4J was organized under the provisions of Oregon Statutes pursuant to ORS Chapter 332 for the purpose of operating elementary and secondary schools. The District is government by a separately elected five-member Board of Directors who approve the administrative officials. The daily functioning of the District is under the supervision of the Superintendent. As required by generally accepted accounting principles, all activities of the District have been included in the basic financial statements.

The basic financial statements of Amity School District No. 4J has been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The more significant of the District's accounting policies are described below.

Reporting Entity

In determining the financial reporting entity, the Amity School District No. 4J complies with Governmental Accounting Standards Board Statement 14 as amended, "The Financial Reporting Entity." The criteria for including organizations as component units within the District's reporting entity, include whether 1) the organization is legally separate (can sue and be sued in their own name); 2) the District holds the corporate powers of the organization; 3) the District appoints a voting majority of the organization's board; 4) the District is able to impose its will on the organization; 5) the organization has the potential to impose a financial benefit/burden on the District; and 6) there is fiscal dependency by the organization on the District. Based on the aforementioned criteria, the Amity School District No. 4J has no component units.

Basis of Presentation

Government-wide Statements: The statement of net position and the statement of activities display information about the District as a whole. These statements include the financial activities of the overall District with most of the interfund activities removed to minimize the double counting of internal activities. Governmental activities include programs supported primarily by taxes, state school support payments, grants and other intergovernmental revenues. The District has no business type activities that rely, to a significant extent, on fees and charges for support. The District also reports no fiduciary activities.

The statement of activities demonstrates the degree to which direct expenses of a given function are offset by program revenues. Direct expenses are those that are specifically associated with a program of function and, therefore, are clearly identifiable to a particular function. Program revenues include (a) fees and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Basis of Presentation (Cont.)

Fund Financial Statements: During the fiscal year, the District segregates transactions related to school district functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. The fund financial statements provide information about the District's funds.

The fund financial statements provide reports on the financial condition and results of operations for governmental activities. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

General Fund - The General Fund is the main operating fund of the District. All financial resources, except those required to be accounted for in another fund, are accounted for in the General Fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General Fund expenditures are categorized by "Instruction" which is the direct teaching of students or the interaction between teacher and students. "Support Services" covers all the support activities for students, teachers, and facilities. Major activities in support services are transportation, maintenance of facilities (i.e. heating, phones, electricity, cleaning,) administration, counseling for students, and technology support.

Debt Service Fund – Revenues accounted for in the Debt Service Fund are from local property taxes levied to make general obligation bond payments, which are also accounted for in this fund according to the bond repayment schedule.

Capital Improvement Fund – Accounting for this fund is for the use of capital improvements.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when transactions are recognized in the financial records and reported on the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increases (revenues) and decreases (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned. Expenses are recognized when the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or within sixty days after year end. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on long-term debt which are reported when due. General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources.

The revenues susceptible to accrual are property taxes, charges for services, interest income and intergovernmental revenues. All other governmental fund revenues are recognized when received, as they are deemed immaterial. Deferred revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. In subsequent periods, when the revenue recognition is met or when the District has a legal claim to the resources, the liability for deferred revenue is removed from the balance sheet and revenue is recognized.

The District's policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

Budgeting

The District budgets all funds as required by state law. The District budgets for all funds on a modified accrual basis. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations. Total expenditures are controlled by annual appropriations at the following organizational levels: instruction, support services, community services, facilities acquisition and construction, and other expenditures. Appropriations lapse as of the fiscal year-end. A detailed budget document is required that contains more detailed information for the above-mentioned expenditure categories.

Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriations resolution. A supplemental budget may require hearings before the public, publications in newspapers, and approval by the District Board of Directors. Original and supplemental budgets may be modified by the use of appropriations transfers between the levels of control. Such transfers require approval by the District Board of Directors.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Cash and Investments

For purposes of the statement of cash flows, cash and cash equivalents include cash on hand, checking, savings and money market accounts and any short-term, highly liquid investments with initial maturity dates of three months or less.

The District has adopted an investment policy requiring compliance with Oregon statutes, which authorizes the District to invest in obligations of the United States, the agencies and instrumentalities of the United States and the State of Oregon, and numerous other investment instruments.

The District's investments may consist of time certificates of deposit, banker's acceptances, commercial paper, U.S. Government Agency securities, and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value at year-end. Changes in the fair value of investments are recorded as investment earnings. The LGIP is stated at cost, which approximates fair value. Fair value of the LGIP is the same as the District's value in the pool shares.

The Oregon State Treasury administers the LGIP. It is an open-ended, non-load diversified portfolio offered to any agency, political subdivision or public corporation of the State that by law is made the custodian of, or has control of, any fund. The LGIP is included in the Oregon Short Term Fund (OSTF) which was established by the State Treasurer. In seeking to best serve local governments of Oregon, the Oregon legislature established the Oregon Short-Term Fund Board. The purpose of the Board is to advise the Oregon State Treasury in the management and investment options of the LGIP.

Receivables

Amounts due from individuals, organizations or other governmental units are recorded as receivables at year-end. These amounts include charges for services rendered, or for goods and material provided by the District. All receivables are expected to be collected. Accordingly, receivables are reported at the gross amount without an allowance for uncollectible accounts.

Receivables are also recognized for property taxes and intergovernmental grants. Property taxes receivable consist of uncollected taxes levied and payable at the end of the fiscal year. All taxes are considered collectible. Consequently, no allowance for uncollectible taxes has been established. In the governmental fund financial statements, property taxes not collected within sixty days of the end of the fiscal year are reported as a deferred inflow or resources.

Intergovernmental grant reimbursement and entitlement amounts for which all eligibility requirements imposed by the provider have been met, but which were not received by the fiscal year end, are reported as accounts receivable.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Inventory

Food and supply inventories in the Food Service Fund are valued at cost determined on the FIFO method. Commodities inventory in the Food Service Fund is valued at estimated fair market value. Inventory is treated as being expended when used rather than when purchased. Inventories of non-food service supplies are not considered significant. The District records the cost of non-food service supplies as expenses and expenditures when purchased rather than when used.

Restricted Assets and Liabilities

Assets with use restricted to future bond payments and the related liability, are segregated in the statements of net position.

Capital Assets

The District has established a formal system of accounting for its capital assets. Purchased or constructed capital assets are reported at cost, or estimated cost when original cost is not available. Donated capital assets are valued at their estimated fair market value on the date received. Maintenance and repairs of capital assets are not capitalized, but rather are charged to expenditures in the governmental funds. The District does not possess any infrastructure. The capitalization threshold used by the District as recommended by the State of Oregon is \$5,000.

In the government-wide financial statements, all reported capital assets except for land and construction in progress are depreciated. Depreciation is computed using the straight-line method over the estimated useful lives as follows:

<u>Asset Class</u>	<u>Estimated Years of Useful Lives</u>
Buildings	20-50
Building Improvements	20-50
Land Improvements	15-25
Vehicles	10
Equipment	5-10

In the governmental fund financial statements, fixed assets are accounted for as capital outlay expenditures of the governmental fund upon acquisition. Fixed assets are not capitalized and related depreciation is not reported in the fund financial statements.

Compensated Absences and Accrued Liabilities:

The liability for accrued vacation benefits reported in the government-wide statements consists of unpaid, accumulated annual vacation. The early retirement liability has been calculated using the accrual method for benefit amounts due to former employees who currently are receiving early-termination benefits. Early retirement benefits are available to a limited number of employees each year.

All payables and accrued liabilities are reported on the government-wide financial statements. In general, governmental fund payables and accrued liabilities that, once incurred, are paid in a timely manner and in full by current financial resources are reported as obligations of the funds.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Deferred Inflows/Outflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the District has only one item that qualifies for reporting in this category, deferred pension contributions.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item that qualifies for reporting in this category, deferred earnings on pension assets. In the governmental funds balance sheet, a different category of deferred inflow of resources, delinquent property tax revenue not available, is reported. Property taxes levied and considered receivable at the end of the fiscal year, but not collected within sixty days of the end of the fiscal year are reported in this category. These amounts are recognized as an inflow of resources (revenue) in the period that the amounts become available.

Long-Term Debt

All bonds, notes and capital leases payable are recognized in the government-wide financial statements as liabilities of the District. Amounts of the long-term debt due within the following fiscal year are included in the current liabilities section of the Statement of Net Position.

In the governmental fund financial statements, proceeds of long-term debt and acquisitions under capital leases are reported as other financing sources. Principal and interest payments on long-term debt are recorded as debt service in the expenditure section of the statement and schedules.

Equity Classifications

Government-wide Statements

Equity is classified as net position, which represents the difference between assets, liabilities, and deferred accounts. Net position is displayed in three components:

- a. Net investment in capital assets - Consists of capital assets including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowing that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position - Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantor, contributors, or laws or regulations of other governments; or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position - All other net position that do not meet the definition of “restricted” or “invested in capital assets, net of related debt.”

The District’s policy is to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Equity Classifications (Cont.)

Governmental Fund Financial Statements

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in the respective governmental funds can be spent. The classifications used in the governmental fund financial statements are as follows:

- Nonspendable: This classification includes amounts that cannot be spent either because it is not in spendable form or because of legal or contractual constraints.
- Restricted: This classification includes fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations of other governments, or imposed by law through constitutional provisions or enabling legislation.
- Committed: This classification includes fund balance amounts that are constrained for specific purpose that are internally imposed by the government through resolution of the highest level of decision-making authority, the District Council, and does not lapse at year-end.
- Assigned: This classification includes fund balance amounts that are intended to be used for specific purposes that are neither restricted nor committed. This intent can be expressed by the District Council or through the District Council delegating this responsibility to selected staff members or through the budgetary process.
- Unassigned: This classification includes positive fund balance within the General Fund which has not been classified within the above-mentioned categories, and negative fund balances of other governmental funds.

The District's policy is to use restricted fund balances first, followed by committed resources, and then assigned resources, as appropriate opportunities arise, but reserves the right to selectively spend unassigned resources first to defer the use of the constrained fund balances.

Property Taxes

Real and personal property taxes attach as an enforceable lien on property as of January 1. All taxes are levied as of the lien date and are payable in three installments on November 15, February 15, and May 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are recorded on the statement of net position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectable taxes has been established. All property taxes receivable are due from property owners within the District.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.):

Inter-Fund Transactions

Quasi-external transactions are accounted for as revenues or expenditures. Transactions that constitute reimbursements to a fund for expenditures initially made from it that are properly applicable to another fund, are recorded as expenditures in the reimbursing fund and as reductions of expenditures in the fund that is reimbursed. All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers in the fund financial statements. Non-recurring or non-routine permanent transfers of equity are reported as residual equity transfers. All other inter-fund transfers are reported as operating transfers. For the purposes of the Statement of Activities, all interfund transfers between individual governmental funds have been eliminated.

Use of Estimates

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

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement Fund (OPERF) and the Oregon Public Service Retirement Plan (OPSRP) and additions to/deductions from OPERF's and OPSRP'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.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

CASH AND INVESTMENTS:

For discussion of deposit and investment policies and other related information, see Cash and Investments note under the Summary of Significant Accounting Policies.

The District follows the practice of aggregating the cash assets of various funds to maximize cash management efficiency and returns. Various restrictions on deposits and investments are imposed by state statutes. These restrictions are summarized at Cash and Investments note under the Summary of Significant Accounting Policies.

Investments, including amounts held in pool cash and investments are stated at fair value. In accordance with Governmental Accounting Standards Board (GASB) Statement No. 31, Accounting and Financial Reporting for Certain Investments and for External Investment Pools, investments with a remaining maturity of more than one year at the time of purchase are stated at fair value. Fair value is determined at the quoted market prices, if available; otherwise, the fair value is estimated based on the amount at which the investment could be exchanged in a current transaction between willing parties, other than a forced liquidation sale. Investments in the State of Oregon Local Government Investment Pool (LGIP) are stated at fair value.

Deposits - All cash is deposited in compliance with Oregon statutes. The insurance and collateral requirements for deposits are established by banking regulations and Oregon law. FDIC insurance of \$250,000 applies to the deposits in each depository. ORS 295 governs the collateralization of Oregon public funds and provides the statutory requirements for the Oregon Public Funds Collateralization Program (PFCP). Where balances continually exceed \$250,000, ORS 295 requires the depositor to verify that deposit accounts are only maintained at financial institutions on the list of qualified depositories found on the state treasurer's website.

Custodial Credit Risk for Deposits - Custodial credit risk for deposits exists when, in the event of a depository failure, the District's deposits may not be returned to it. The District does not have a deposit policy for custodial credit risk.

As of June 30, 2020, the reported amount of the District's deposits was \$419,639, the bank balance was \$1,040,133. Of the bank balance, the entire amount was insured by the FDIC or covered by the collateral held in a multiple financial institutions collateral pool administered by the Oregon State Treasurer.

Investments - Oregon statutes authorize the District to invest in obligations of the U.S. Treasury and U.S. agencies, banker's acceptances, repurchase agreements, commercial paper rated A-1 by Standard & Poor's Corporation or P-1 by Moody's Commercial Paper Record, and the Local Governmental Investment Pool. The District has no credit risk policy or investment policy that would further limit its investment choices.

Credit Risk - Credit risk exists when there is a possibility the issuer or other counterparty to an investment may be unable to fulfill its obligations. As of June 30, 2020, the District's investment in the Oregon State Treasurer's Local Government Investment Pool (LGIP) was unrated.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

CASH AND INVESTMENTS (Cont.):

At June 30, 2020, the District's investments in financial institutions are as follows:

<u>Type of Investment</u>	<u>Fair Value</u>	<u>Credit Rating</u>
Oregon State Treasurer's Local Government Investment Pool (LGIP)	\$ 2,811,354	N/A
PERS Bond	4,536	
Total Investments	<u>\$ 2,815,890</u>	

Concentration of Credit Risk - An increased risk of loss occurs as more investments are acquired from one issuer. This results in a *concentration of credit risk*. The District places no limit on the amount that may be invested in any one issuer. More than 5 percent of the District's investments are in the Oregon State Treasurer's Local Government Investment Pool (LGIP). This investment is 99.7% of the District's total investments.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

CAPITAL ASSETS:

The following is a summary of capital asset activity for the fiscal year ended June 30, 2020:

<u>Governmental Activities</u>	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balances</u>
Assets not being depreciated:				
Land	\$ 296,099	\$ -	\$ -	\$ 296,099
Construction in Progress	583,420	-	583,420	-
Total assets not being depreciated	879,519	-	583,420	296,099
Assets being depreciated:				
Land Improvement	832,459	13,432	-	845,891
Building and Building Improvement	8,866,569	494,908	81,592	9,279,885
Machinery and Equipment	966,327	218,417	-	1,184,744
Total Depreciable Assets	10,665,355	726,757	81,592	11,310,520
Less: Accumulated Depreciation				
Land Improvement	638,776	28,897	-	667,673
Building and Building Improvement	5,015,846	292,412	53,035	5,255,223
Machinery and Equipment	704,219	69,888	-	774,107
Total Accumulated Depreciation	6,358,841	391,197	53,035	6,697,004
Net Value of Capital Assets Being Depreciated	4,306,514	335,560	28,557	4,613,517
Total Governmental Activities --				
Net Value of Capital Assets	<u>\$ 5,186,033</u>	<u>\$ 335,560</u>	<u>\$ 611,978</u>	<u>\$ 4,909,616</u>

Depreciation expense was charged to governmental functions as follows:

Instruction	\$ 350,933
Support Services	35,071
Enterprise and Community Services	5,193
Total Depreciation Expense	<u>\$ 391,197</u>

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

LONG-TERM DEBT:

A summary of debt transactions for the year ended June 30, 2020 is as follows:

On March 19, 2015, the District issued General Obligation Refunding Bond, Series 2015 for refunding of GO Refunding Bonds, Series 2005. The bonds are held by Heritage Bank. The original balance of the 2015 refunding bonds was \$4,076,000, with a fixed interest rate of 1.78%.

April 21, 2003, the District issued Oregon School Boards Association Limited Tax Pension Obligation Bonds, Series 2003. The bonds are held by Wells Fargo Corporate Trust Services. The original balance was \$6,618,174 and has a variable interest rate on the bonds varying from 1.5% to 6.27%. Interest payments are due the 30th of June and December of each year with a principal payment due with the June payment.

Qualified Zone Academy Bond (QZAB), original balance of \$650,000, dated April 6, 2016, for the purchase of equipment and improvements to real property. The bonds are held by Columbia Bank. Deposit amounts of \$43,334 per year are required, with the first deposit due April 6, 2017. Bond interest is computed at 0.00%.

On October 15, 2013, the District entered into a Bus Lease/ purchase agreement with Santander Bank, NA, for the purchase of 3 busses. The total amount of the lease was \$237,820. The lease carries an interest rate of 2.30% per annum.

The following is a schedule of transactions during the year:

	Outstanding Balance <u>July 1, 2019</u>	Principal Paid	Interest Paid	Outstanding Balance <u>June 30, 2020</u>	Due Within One Year
Leases Payable:					
Bus Leases with Santander Bank, NA.	\$ 34,946	\$ 34,946	\$ 1,462	\$ -	\$ -
Total Leases Payable	<u>\$ 34,946</u>	<u>\$ 34,946</u>	<u>\$ 1,462</u>	<u>\$ -</u>	<u>\$ -</u>
Bonds Payable:					
GO Refunding Bond, Series 2015	\$ 1,890,000	\$ 600,000	\$ 33,642	\$ 1,290,000	\$ 630,000
OSBA Limited Tax Pension Bond, Series 2013	4,177,424	176,485	520,731	4,000,939	173,920
QZAB held by Columbia Bank	519,998	43,334	-	476,664	43,334
Total Bonds Payable	<u>6,587,422</u>	<u>819,819</u>	<u>554,373</u>	<u>5,767,603</u>	<u>847,254</u>
Total Long-Term Debt	<u>\$ 6,622,368</u>	<u>\$ 854,765</u>	<u>\$ 555,835</u>	<u>\$ 5,767,603</u>	<u>\$ 847,254</u>

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

LONG-TERM DEBT (Cont.):

The future debt service requirements on the above debt are as follows:

Bonds Payable:	Due Fiscal Year Ending June 30,	Principal	Interest	Total
	2021	\$ 847,254	\$ 576,258	\$ 1,423,512
	2022	876,428	600,870	1,477,298
	2023	217,259	628,290	845,549
	2024	688,334	197,216	885,550
	2025	763,334	161,028	924,362
	2026 - 2030	2,331,670	218,964	2,550,634
	2031 - 2035	43,324	-	43,324
	Total	<u>\$ 5,767,603</u>	<u>\$ 2,382,626</u>	<u>\$ 8,150,229</u>

The District has no unused lines of credit.

The District has not pledged any assets as collateral for their debt.

For further detail on debt service, see the 'Schedule of Long-Term Debt Transactions' in the Other Supplementary Data section of this report.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN:

Name of Pension Plan

The Oregon Public Employees Retirement System (OPERS) consists of a cost-sharing multiple-employer defined benefit pension plan.

Description of Benefit Terms

Plan Benefits

All benefits of the System are established by the legislature pursuant to ORS Chapters 238 and 238A.

1. Tier One/Tier Two Retirement Benefit (Chapter 238). OPERS is a defined benefit pension plan that provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to members and their beneficiaries. Benefits are established by state statute. This defined benefit pension plan portion of OPERS is closed to new members hired on or after August 29, 2003.

Pension Benefits

The OPERS 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, 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 benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier Two members are eligible for full benefits at age 60. The ORS Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003.

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 one or more of the following conditions are met:

- the member was employed by an OPERS employer at the time of death,
- the member died within 120 days after termination of OPERS-covered employment,
- the member died as a result of injury sustained while employed in an OPERS-covered job, or
- the member was on an official leave of absence from an OPERS-covered job at the time of death.

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 OPERS judge members) for disability benefits regardless of the length of OPERS-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.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

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 of equity investments.

Under ORS 238.360, monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2019 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. The COLA is capped at 2.0 percent.

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

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 OPSRP 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.

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.

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.

Benefit Changes After Retirement

Under ORS 238A.210, monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2019 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000. The COLA is capped at 2.0 percent.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

3. IAP Plan Description:

OPSRP Individual Account Program (OPSRP IAP)

Pension Benefits

An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member 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, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies.

Upon retirement, a member of the OPSRP Individual Account Program (IAP), may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Recordkeeping

OPERS contracts with VOYA Financial to maintain IAP participant records.

Contributions

OPERS 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. This funding policy applies to the OPERS Defined Benefit Plan and the Other Postemployment Benefit Plans.

Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivisions have made lump sum payments to establish side accounts, and their rates have been reduced.

Members of OPSRP are required to contribute six percent of their salary covered under the plan which is invested in the IAP. The Employer makes this contribution on behalf of its employees.

Employer contributions for the year ended June 30, 2020 were \$837,461 excluding amounts to fund employer specific liabilities.

Pension Plan CAFR

Oregon PERS produces an independently audited CAFR which can be found at:
<https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

Actuarial Valuations

The employer contribution rates effective July 1, 2017, through June 30, 2019, were set using the Entry Age Normal actuarial cost method. For the Tier One/Tier Two component of the OPERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) 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 20 years.

For the OPSRP Pension Program component of the OPERS Defined Benefit Plan, this method produced an employer contribution 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 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.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Cost of living adjustments (COLA)	Blend of 2.00% COLA and graded COLA (1.25%/0.15%) in accordance with Moro decisions; blend based on service.
Mortality	<p>Health retirees and beneficiaries: RP-2014 Healthy annuity, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits 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 methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from 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.

Depletion Date Projection

GASB 67 generally requires that a blended discount rate be used to measure the Total Pension Liability (the Actuarial Accrued Liability calculated using the Individual Entry Age Normal Cost Method). The long-term expected return on plan investments may be used to discount liabilities to the extent that the plan's Fiduciary Net Position is projected to cover benefit payments and administrative expenses. A 20-year high quality (AA/Aa or higher) municipal bond rate must be used for periods where the Fiduciary Net Position is not projected to cover benefit payments and administrative expenses. Determining the discount rate under GASB 67 will often require that the actuary perform complex projections of future benefit payments and pension plan investments. GASB 67 (paragraph 43) does allow for alternative evaluations of projected solvency, if such evaluation can reliably be made. GASB does not contemplate a specific method for making an alternative evaluation of sufficiency; it is left to professional judgment.

The following circumstances justify an alternative evaluation of sufficiency for OPERS:

- OPERS has a formal written policy to calculate an Actuarially Determined Contribution (ADC), which is articulated in the actuarial valuation report.
- The ADC is based on a closed, layered amortization period, which means that payment of the full ADC each year will bring the plan to a 100% funded position by the end of the amortization period if future experience follows assumption.
- GASB 67 specifies that the projections regarding future solvency assume that plan assets earn the assumed rate of return and there are no future changes in the plan provisions or actuarial methods and assumptions, which means that the projections would not reflect any adverse future experience which might impact the plan's funded position.

Based on these circumstances, it is our independent actuary's opinion that the detailed depletion date projections outlined in GASB 67 would clearly indicate that the Fiduciary Net Position is always projected to be sufficient to cover benefit payments and administrative expenses.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

Assumed Asset Allocation

<u>Asset Class/Strategy</u>	<u>OIC Policy Range</u>	<u>OIC Target Allocation</u>	<u>Asset Class/Strategy</u>	<u>Actual Allocation</u>
Debt Securities	15.0% - 25.0%	20.0%	Debt Securities	20.1%
Public Equity	32.5% - 42.5%	37.5%	Public Equity	36.4%
Real estate	9.5% - 15.5%	12.5%	Real estate	11.1%
Private Equity	14.0% - 21.0%	17.5%	Private Equity	21.4%
Alternative Equity	0.0% - 12.5%	12.5%	Alternative Equity	8.9%
Opportunity Portfolio	0.0% - 3.0%	0.0%	Opportunity Portfolio	2.1%
Total		<u>100%</u>	Total	<u>100%</u>

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the Oregon PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below.

<u>Asset Class</u>	<u>Target Allocation*</u>	<u>Annual Arithmetic Mean</u>	<u>20-Year Annualized Geometric Mean</u>	<u>Annual Standard Deviation</u>
Core Fixed Income	9.60%	4.14%	4.07%	3.90%
Short-Term Bonds	9.60%	3.70%	3.68%	2.10%
Bank/Leveraged Loans	3.60%	5.40%	5.19%	6.85%
High Yield Bonds	1.20%	6.13%	5.74%	9.35%
Large/Mid Cap US Equities	16.17%	7.35%	6.30%	15.50%
Small Cap US Equities	1.35%	8.35%	6.68%	19.75%
Micro Cap US Equities	1.35%	8.86%	6.79%	22.10%
Developed Foreign Equities	13.48%	8.30%	6.91%	17.95%
Emerging Foreign Equities	4.24%	10.35%	7.69%	25.35%
Non-US Small Cap Equities	1.93%	8.81%	7.25%	9.10%
Private Equities	17.50%	11.95%	8.33%	30.00%
Real Estate (Property)	10.00%	6.19%	5.55%	12.00%
Real Estate (REITS)	2.50%	8.29%	6.69%	19.30%
Hedge Fund of Funds - Diversified	1.50%	4.28%	4.06%	6.90%
Hedge Fund - Event-driven	0.38%	5.89%	5.59%	8.10%
Timber	1.13%	6.36%	5.61%	13.00%
Farmland	1.13%	6.87%	6.12%	13.00%
Infrastructure	2.25%	7.51%	6.67%	13.85%
Commodities	1.13%	5.34%	3.79%	18.70%
Assumed Inflation - Mean			2.50%	1.85%

*Based on the Oregon Investment Council's (OIC) Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund as most recently revised on April 24, 2019

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

Sensitivity Analysis

The following presents the employer's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the employer's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Employer's proportionate share of the net pension liability	\$ 6,196,276	\$ 3,869,260	\$ 1,921,868

Changes in Assumptions

A summary of key changes implemented since the December 31, 2017 valuation are described briefly below. Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2018 Experience Study for the System, which was published on July 24, 2019 and can be found at:

https://www.oregon.gov/pers/Documents/Exp_Study_2018.pdf

Changes in Actuarial Methods and Allocation Procedures

There were no changes to actuarial methods and procedures since the December 31, 2017 valuation, with the exceptions of:

- Current Tier 1/Tier 2 UAL will be re-amortized over 22 years per Senate Bill 1049.
- Change allocation to 10% (0% for police & fire) based on account balance and 90% (100% for police & fire) based on length of service with each employer.

Changes in Economic Assumptions

There were no changes to economic assumptions since the December 31, 2017 valuation.

Changes in Demographic Assumptions

The changes to demographic assumptions since the December 31, 2017 valuation are as follows:

- Adjust mortality assumptions to use the new "Pub-2010" base tables and a standard update to the mortality improvement scale, which is based on 60-year unisex average Social Security experience.
- Adjust retirement rates for certain member categories and service bands to more closely align with recent and expected future experience; reduce percentage of future retirees assumed to elect a partial lump sum; increase percentage of members assumed to purchase credited service at retirement.
- Increase the merit component of the salary increase assumption for two member categories based on observations of the last eight years of experience.
- Update pre-retirement termination of employment assumptions for two member categories.
- Lower assumed rates of ordinary disability and general service duty disability to more closely match recent experience.
- Increase the Tier One unused vacation cash out assumption for most member categories
- Adjust the Tier One/Tier Two unused sick leave assumption for five member categories to reflect observed experience.
- Decrease the healthy participation assumption for the RHIA retiree healthcare program and decrease the RHIPA participation assumption for most service bands.

Changes in Benefit Terms and Assumptions

There were no changes to benefit terms and assumptions since the December 31, 2017 valuation.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

Mortality Rates

A summary of the current assumed mortality rates and recommended changes is shown below:

Assumption	Recommended December 31, 2016 and 2017 Valuations	Recommended December 31, 2018 and 2019 Valuations
Healthy Annuitant Mortality	RP-2014 Healthy Annuitant, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2010 Healthy Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
School District male	White Collar, set back 12 months	Teachers, no set back
Other General Service male (and male beneficiary)	Blended 50% blue collar/50% white collar, set back 12 months	General Employees, set back 12 months
Police & Fire male	Blended 50% blue collar/50% white collar, set back 12 months	Public Safety, no set back
School District female	White Collar, set back 12 months	Teachers, no set back
Other female (and female beneficiary)	Blended 50% blue collar/50% white collar, set back 12 months	General Employees, set back 12 months
Police & Fire female	Blended 50% blue collar/50% white collar, set back 12 months	Public Safety, no set back
Disabled Retiree Mortality	RP-201 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2010 Disabled Retiree, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
Police & Fire male	No collar adjustment, no set back	Blended 50% Public Safety, 50% Non-Safety, no set back
Other General Service male	No collar adjustment, no set back	Non-Safety, set forward 24 months
Police & Fire female	No collar adjustment, no set back	Blended 50% Public Safety, 50% Non-Safety, no set back
Other General Service female	No collar adjustment, no set back	Non-Safety, set forward 12 months
Non-Annuitant Mortality	RP-2014 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale	Pub-2010 Employee, Sex Distinct, Generational Projection with Unisex Social Security Data Scale
School District male	Same collar and set back as Healthy Annuitant assumption	120% of same table and set back as Healthy Annuitant assumption
Other General Service male	Same collar and set back as Healthy Annuitant assumption	115% of same table and set back as Healthy Annuitant assumption
Police & Fire male	Same collar and set back as Healthy Annuitant assumption	100% of same table and set back as Healthy Annuitant assumption
School District female	Same collar and set back as Healthy Annuitant assumption	100% of same table and set back as Healthy Annuitant assumption
Other General Service female	Same collar and set back as Healthy Annuitant assumption	125% of same table and set back as Healthy Annuitant assumption
Police & Fire female	Same collar and set back as Healthy Annuitant assumption	100% of same table and set back as Healthy Annuitant assumption

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

Changes Subsequent to the Measurement Date

There were no changes subsequent to the measurement date that we are aware of.

Deferred Items

Deferred items are calculated at the system-wide level and are allocated to employers based on their proportionate share. For the measurement period ending June 30, 2019, employers will report the following deferred items:

- A difference between expected and actual experience, which is being amortized over the remaining service lives of all plan participants, including retirees. One year of this amortization is included in the employer's total pension expense for the measurement period.

Employer Contributions

OPERS includes accrued contributions when due pursuant to legal requirements, as of June 30 in its Statement of Changes in Fiduciary Net Position.

Beginning with fiscal year 2016, OPERS will be able to report cash contributions and UAL side account amortization by employer, and will publish this information on the OPERS Website. Prior to fiscal year 2016, contributions to the OPSRP Defined Benefit plan were not accounted for by employer, as all employers were pooled for actuarial purposes.

Elements of Changes in Net Position

This information can be found in the Schedule of Changes in Net Pension Liability found on page 76, of the June 30, 2019 Oregon PERS CAFR.

Pension Liabilities/(Assets), Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At June 30, 2020, the employer reported a liability of \$3,869,260 for its proportionate share of the net pension liability. The net pension liability/(asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The employer's proportion of the net pension liability was based on a projection of the employer's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

PENSION PLAN (Cont.):

At June 30, 2019, the employer's proportion was 0.02236876%.

For the year ended June 30, 2020, the employer recognized pension expense of \$931,122. On June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 213,378	\$ -
Changes of assumptions	524,909	-
Net difference between projected and actual earnings on investments	-	109,690
Changes in proportionate share	473,551	377,225
Differences between employer contributions and employer's proportionate share of system contributions	-	613,977
Total Deferred Outflows/Inflows	\$ 1,211,838	\$ 1,100,892
Post-measurement date contributions	837,461	N/A
Total Deferred Outflow/(Inflow) of Resources	\$ 2,049,299	\$ 1,100,892
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		110,946

The District reported \$837,461 as deferred outflows of resources related to pensions resulting from employer contributions subsequent to the measurement date that will be recognized as a reduction of the net pension liability in the next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	\$ 320,645
2nd Fiscal Year	(84,395)
3rd Fiscal Year	(43,510)
4th Fiscal Year	(58,674)
5th Fiscal Year	(23,120)
Thereafter	-
Total	\$ 110,946

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA:

Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA)

Plan Description

The District contributes to the Oregon Public Employees Retirement Systems' (OPERS) Retiree Health Insurance Account (RHIA), a cost-sharing multiple-employer defined benefit post-employment healthcare plan administered by the Oregon Public Employees Retirement Board (OPERB). The plan, which was established under Oregon Revised Statutes 238.420, provides a payment of up to \$60 per month towards the costs of health insurance for eligible OPERS retirees. RHIA post-employment benefits are set by state statute. The plan was closed to new entrants hired on or after August 29, 2003.

To be eligible to receive this monthly payment toward the premium cost the member must: (1) have eight years or more of qualifying service in OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in a PERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS retiree who was eligible to receive the subsidy is eligible to receive the subsidy if he or she (1) is receiving a retirement benefit or allowance from OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

A comprehensive annual financial report of the funds administered by the OPERB may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700, by calling (503) 598-7377, or by accessing the OPERS web site at <https://www.oregon.gov/pers/Pages/Financials/Actuarial-Financial-Information.aspx>.

Funding Policy

Participating employers are contractually required to contribute at a rate assessed bi-annually by the OPERB, currently 0.50% of annual covered PERS payroll and 0.43% for OPSRP payroll. The OPERB sets the employer contribution rate based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 75. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years.

Contributions

The District's contributions to OPERS' RHIA for the years ended June 30, 2020, 2019, and 2018 were \$5,420, \$5,420, and \$5,420, respectively which equaled the required contributions for the year.

Actuarial Methods and Assumptions Used in Developing Total Pension Liability

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost Sharing Multiple Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2019. That independently audited report was dated February 20, 2020 and can be found at:

<https://www.oregon.gov/pers/EMP/Documents/GASB/2019/PERS%20GASB%2075%20RHIA%20Report%20FY%2006.30.19.pdf>

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

Actuarial Methods and Assumptions-OPEB Plans-RHIA	
Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Long-term expected rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent
Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable
Mortality	<p>Health retirees and beneficiaries: RP-2014 Healthy annuity, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: RP-2014 Employees, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

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 2016 Experience Study which is reviewed for the four-year period ending December 31, 2016.

Discount Rate

The discount rate used to measure the total OPEB liability was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA 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 OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long term expected rate of return assumption, in July 2015 the Oregon PERS Board reviewed long term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Milliman's assumptions for each of the asset classes in which the plan was invested at that time are based on the OIC long term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major class, calculated using both arithmetic and geometric means, see Pension Plan note disclosure above or the OPERS' audited financial statements at:

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2019-CAFR.pdf>

Sensitivity Analysis

The following presents the employer's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the employer's proportionate share of the OPEB liability/(asset) would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate:

	1% Decrease 6.20%	Discount Rate 7.20%	1% Increase 8.20%
Employer's proportionate share of the net OPEB liability	\$ (67,602)	\$ (87,199)	\$ (103,898)

OPEB Liabilities/(Assets), OPEB Expense, and Deferred Outflows and Inflows of Resources Related to OPEB

At June 30, 2020, the District reported a net OPEB liability/(asset) of -\$87,199 for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2019, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2017. Consistent with GASB Statement No. 75, paragraph 59(a), The District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2019, the District's proportion was 0.04512578%. OPEB expense/(income) for the year ended June 30, 2020 was -\$13,683

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) RHIA (Cont.):

At June 30, 2020, the employer reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 11,499
Changes of assumptions	-	90
Net difference between projected and actual earnings on investments	-	5,382
Changes in proportionate share	189	4,933
Differences between employer contributions and employer's proportionate share of system contributions	-	-
Total Deferred Outflows/Inflows	\$ 189	\$ 21,904
Post-measurement date contributions	5,420	N/A
Total Deferred Outflow/(Inflow) of Resources	\$ 5,609	\$ 21,904
Net Deferred Outflow/(Inflow) of Resources prior to post-measurement date contributions		(21,715)

Contributions of \$5,420 were made subsequent to the measurement date, but prior to the end of the District's reporting period. These contributions, which are reported as deferred outflows of resources related to OPEB, will be included as a reduction of the net OPEB liability in the next fiscal year.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense/(income) as follows:

Employer subsequent fiscal years	Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)
1st Fiscal Year	\$ (11,004)
2nd Fiscal Year	(10,043)
3rd Fiscal Year	(1,223)
4th Fiscal Year	554
Total	\$ (21,715)

Changes Subsequent to the Measurement Date

We are not aware of any changes subsequent to the June 30, 2019 Measurement Date that meet this requirement and thus require a brief description under the GASB standard.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEBB:

OEBB Health Insurance Subsidy

The OEBB net OPEB liability is reported only as an estimate for the current year financial reporting. No actuarial report was obtained for the current fiscal year. Therefore, the amounts reported on the Statement of Net Position for deferred items and the liability are estimated based on use of the most recent actuarial report.

Plan Description

The District operates a single employer retiree benefit plan through the Oregon Educators Benefit Board that provides post-employment health, dental vision and life insurance benefits to eligible employees and their spouses. The District is required by Oregon Revised Statutes 243.303 to provide retirees and their dependents with group health insurance from the date of retirement to age 65 at the same rate provided to current employees. Premiums for retirees are tiered and based upon the premium rates available to active employees. The retiree is responsible for any portion of the premiums not paid by the Employer. In some cases, the premium itself for retirees, does not represent the full cost of medical coverage (as retirees can be expected to generate higher medical claims and therefore higher premiums than the active population). Providing the same rate to retirees as provided to current employees, raises the medical premium rates for the entire employee group. This additional cost is called the “implicit subsidy” and is required to be valued under GASB 75. This “plan” is not a stand-alone plan, and therefore, does not issue its own financial statements.

Funding Policy

When the District has retirees participating in their health insurance plan, it will, when applicable, collect insurance premiums from all retirees each month and deposit them. The District will then pay healthcare insurance premiums for all retirees at the applicable rate for each family classification.

Actuarial Methods and Assumptions

The District engaged an actuary to perform an evaluation as of July 1, 2017 using entry age normal Actuarial Cost Method. The assumptions are generally based upon those used for valuing pension benefits under Oregon PERS, and were developed in consultation with Milliman. The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date:

Discount Rate	2.85%	3.58%	3.87%
Other Key Actuarial Assumptions and Methods			
Valuation date	July 1, 2017	July 1, 2017	July 1, 2017
Measurement date	June 30, 2016	June 30, 2017	June 30, 2018
Inflation	2.50%	2.50%	2.50%
Salary increases	3.50%	3.50%	3.50%
Withdrawal, retirement, and mortality rates	12/31/2016 Oregon PERS valuation 50% of eligible employees	12/31/2016 Oregon PERS valuation 50% of eligible employees	12/31/2016 Oregon PERS valuation 50% of eligible employees
Election and Lapse Rates	60% of male members and 35% of females members will elect spouse coverage 5% annual lapse rate	60% of male members and 35% of females members will elect spouse coverage 5% annual lapse rate	60% of male members and 35% of females members will elect spouse coverage 5% annual lapse rate
Actuarial cost method	Entry Age Normal	Entry Age Normal	Entry Age Normal

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEBB (Cont.):

In order to apply the entry age normal actuarial cost method, Projected Benefit Payments are determined for each active employee and retiree. These Projected Benefit Payments are the net benefits estimated to be payable in all future years. The net benefits for a particular year are the difference between the total cost of benefits and the portion of the benefits paid by the retirees in that year. The Present Value of Benefits is then allocated over the service of each active employee from their date of hire to their expected retirement age, as a level percent of the employee's pay, as required under GASB 75. This level percent multiplied by expected pay is referred to as the Service Cost, and is the portion of the Present Value of Benefits attributable to an employee's service in a given year. The Service Cost equals \$0 for retirees. For purposes of projecting benefits prior to the valuation date as required by the actuarial cost method, we assumed a health cost trend equal to the ultimate health cost trend rate. The Total OPEB Liability is the portion of the Present Value of Benefits that is attributable to employee service prior to the valuation date. For retirees, the Total OPEB Liability equals the Present Value of Benefits.

The Discount Rate

The Discount Rate is a single rate of return that is applied to the Projected Benefit Payments in order to calculate the Present Value of Benefits. Under GASB 75, for plans without assets, the discount rate is equal to a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Mortality rates were based on the RP-2014 Combined Annuitant Mortality Table for males and females. The Mortality Table reflects recent rates developed by the Society of Actuaries.

Demographic assumptions regarding retirement, mortality, and turnover are based on Oregon PERS valuation assumptions as of December 31, 2016. Election rate and lapse assumptions are based on experience implied by valuation data for this and other Oregon public employers.

Starting per capita costs are based on premium rates. The same rates are charged for actives and pre-Medicare retirees. When an employer provides benefits to both active employees and retirees through the same plan, the benefits to retirees should be segregated and measured independently for actuarial measurement purposes. The projection of future retiree benefits should be based on claims costs, or age-adjusted premiums approximating claims costs, for retirees, in accordance with actuarial standards issued by the Actuarial Standards Board. As such, premiums were estimated for pre-Medicare retirees based on average ages and assumptions on the relationship between costs and increasing age (Morbidity).

Sensitivity Analysis

The following presents the total OPEB liability of the Plan, calculated using the disclosure discount rate as well as what the Plan's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate. A similar sensitivity analysis is then presented for changes in the healthcare cost trend assumption.

	1% Decrease	Discount Rate	1% Increase
	2.58%	3.58%	4.58%
Total OPEB liability from Implicit Rate Subsidy	\$ 420,373	\$ 393,275	\$ 368,153
	1% Decrease	Trend Rate	1% Increase
Total OPEB liability from Implicit Rate Subsidy	\$ 357,411	\$ 393,275	\$ 435,152

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEGB (Cont.):

Participation

As of the valuation date of July 1, 2017, the following employees were covered under the plan:

Active Employees	90
Eligible Retirees	3
Spouses of Ineligible Retirees	0
Total Participants	93
Spouses of Eligible Retirees	2

Changes in Net (OPEB) OEGB Liability

	Increase (Decrease)	Fiduciary	Net OPEB
Changes in Total OPEB Liability June 30, 2019 to June 30, 2020	Total OPEB	Net Position	Liability
	Liability	Net Position	Liability
Balance per actuarial as of June 30, 2018	\$ 360,554	\$ -	\$ 360,554
Changes for the year:			
Service Cost	50,622	-	50,622
Interest	14,284	-	14,284
Effect of changes to benefit terms	-	-	-
Effect of economic/ demographic gains or losses		-	-
Changes in assumptions or other inputs	(7,583)	-	(7,583)
Employer Contributions	-	-	-
Benefit payments	(24,603)	-	(24,603)
Net OPEB Liability per actuarial at June 30, 2019	\$ 393,275	\$ -	\$ 393,275

Components of (OPEB) OEGB Expense

	July 1, 2019 to June 30, 2020
OPEB Expense	
Service cost	\$ 50,622
Interest on total OPEB liability	14,284
Effect of plan changes	-
Recognition of Deferred (Inflows)/Outflows of Resources	
Recognition of economic/demographic (gains) or losses	(3,237)
Recognition of assumption changes	-
Administrative Expense	n/a*
OPEB Expense	\$ 61,669

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

OTHER POST-EMPLOYMENT BENEFITS (OPEB) OEGB (Cont.):

Schedule of Deferred Inflows and Outflows of Resources

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ -
Changes of assumptions or inputs	-	(20,059)
Benefit Payments	36,926	-
Changes in proportionate share	-	-
Differences between employer contributions and employer's proportionate share of system contributions	<u>(36,926)</u>	<u>-</u>
Total Deferred Outflows/Inflows (prior to post-measurement date contributions)	<u>\$ -</u>	<u>\$ (20,059)</u>

Other amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

<u>Employer subsequent fiscal years</u>	<u>Deferred Outflow/(Inflow) of Resources (prior to post-measurement date contributions)</u>
1st Fiscal Year	\$ (3,237)
2nd Fiscal Year	(3,237)
3rd Fiscal Year	(3,237)
4th Fiscal Year	(3,237)
5th Fiscal Year	(3,237)
Thereafter	<u>(3,874)</u>
Total	<u>\$ (20,059)</u>

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

CONTINGENT LIABILITIES:

Amounts received or receivable from grantor agencies are subject to review and adjustment by grantor agencies, principally the federal government. 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 cannot be determined at this time although the District expects such amount, if any, to be immaterial. The District is not currently named as a defendant in any pending or threatened litigation.

RISK:

To reduce the risk of loss from liability, fire, theft, accident, medical costs, and error and omissions, the District maintains various commercial insurance policies.

The District came under the State Unemployment Act as of July 1, 1974. The District has elected to pay State Unemployment insurance to the State to pay for any claims paid to former employees. Any reimbursements are paid by the fund incurring the liability to the Employment Division of the State of Oregon. The estimated liability for unpaid claims is calculated as the present value of expected but unpaid claims based on historical experience and going concern assessments. The District's estimated liability for unpaid unemployment claims is immaterial. Therefore, no liability amount appears on the District's statement of net position or balance sheet.

Certain employees have health care coverage provided by a third-party insurance company. Premiums to the insurance company are paid by employer contributions for eligible employees.

There have been no significant reductions in coverage from the prior years and settlements have not exceeded insurance coverage in the past three years.

INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS:

Interfund transfers for the year ended June 30, 2020 were as follows:

	Transfers Out	Transfers In
General Fund #100	\$ 195,000	\$ -
Food Service Fund #280	-	85,000
Vehicle Replacement Fund #292	-	25,000
Technology Replacement Fund #293	-	10,000
Capital Improvement Fund #430	-	75,000
Total	\$ 195,000	\$ 195,000

The transfers out of the General Fund to the other funds represent the District's election to provide general fund support to the programs and activities of those funds.

AMITY SCHOOL DISTRICT NO. 4J
NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2020

FUND BALANCE COMPARISON:

The following is a comparison of the budget (cash) basis June 30, 2020 fund balance to the amount budgeted as an estimate to be on hand July 1, 2020.

<u>Fund</u>	<u>Actual</u> <u>June 30, 2020</u>	<u>Budgeted</u> <u>July 1, 2020</u>
General Fund #100	\$ 1,803,088	\$ 1,620,000
State Misc. Grants Fund #205	1,841	160,362
Community Projects Fund #250	35,313	36,000
Student Body Fund #270	250,462	1,700
Food Service Fund #280	7,128	21,677
Vehicle Replacement Fund #292	80,447	80,447
Technology Replacement Fund #293	325,331	336,582
Unemployment Fund #298	113,496	113,512
Scholarship Fund #299	59,863	60,000
Debt Service Fund #300	43,935	40,709
PERS Bond Debt Fund #302	581,457	596,213
Capital Improvement Fund #430	412,378	427,000

REQUIRED
SUPPLEMENTARY
INFORMATION

AMITY SCHOOL DISTRICT NO. 4J
Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
General Fund #100
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Taxes	\$ 1,724,000	\$1,724,000	\$ 1,873,223	\$ 149,223
Tuition Charges	-	-	9,516	9,516
Earnings on Investments	35,000	35,000	45,722	10,722
Fees and Charges	45,000	45,000	33,683	(11,317)
Miscellaneous Revenue	47,600	47,600	139,195	91,595
Intermediate Government Aid	123,161	123,161	149,807	26,646
State Aid	7,180,401	7,180,401	7,212,013	31,612
Federal Aid	5	5	4	(1)
Total Revenues	9,155,167	9,155,167	9,463,163	307,996
<u>EXPENDITURES:</u>				
Instruction	5,785,727	5,785,727	5,419,788	(365,939)
Support Services	3,856,106	3,856,106	3,496,415	(359,691)
Debt Service	43,334	43,334	43,334	-
Contingency	500,000	475,000	-	(475,000)
Total Expenditures	10,185,167	10,160,167	8,959,537	(1,200,630)
Excess (Deficiency) of Revenues Over Expenditures	(1,030,000)	(1,005,000)	503,626	1,508,626
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers Out	(170,000)	(195,000)	(195,000)	-
Sale of or Compensation for Loss of Fixed Assets	-	-	235,000	235,000
Total Other Financing Sources (Uses)	(170,000)	(195,000)	40,000	235,000
Net Change in Fund Balance	(1,200,000)	(1,200,000)	543,626	1,743,626
Beginning Fund Balance	1,200,000	1,200,000	1,259,462	59,462
Ending Fund Balance	\$ -	\$ -	\$ 1,803,088	\$ 1,803,088

AMITY SCHOOL DISTRICT NO. 4J

**SCHEDULE OF PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY**

PERS

Last 10 Fiscal Years*

Measurement Date June 30,	(a) Employer's proportion of the net pension liability (asset)	(b) Employer's proportionate share of the net pension liability (asset)	(c) Employer's covered payroll	(b/c) Employer's proportionate share of the net pension liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	0.02236876%	\$ 3,869,260	\$ 4,483,494	86.30%	80.2%
2019	0.02633210%	3,988,966	4,738,267	84.19%	82.1%
2018	0.02351608%	3,169,976	4,511,039	70.27%	83.1%
2017	0.02043542%	3,067,831	3,869,212	79.29%	80.5%
2016	0.03187822%	1,830,276	6,741,352	27.15%	91.9%
2015	0.02998764%	\$ (679,734)	\$ 6,714,550	-10.12%	103.6%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF EMPLOYER CONTRIBUTIONS
PERS
Last 10 Fiscal Years*

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the statutorily required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered payroll	(b/c) Contributions as a percent of covered payroll
2020	\$ 837,461	\$ 837,461	\$ -	\$ 4,483,494	18.68%
2019	354,302	354,302	-	4,738,267	7.48%
2018	366,087	366,087	-	4,511,039	8.12%
2017	315,525	315,525	-	3,869,212	8.15%
2016	344,286	344,286	-	3,931,540	8.76%
2015	338,760	338,760	-	3,864,906	8.77%
2014	286,635	286,635	-	3,864,906	7.42%
2013	257,842	257,842	-	3,589,876	7.18%
2012	255,071	255,071	-	3,553,505	7.18%
2011	\$ 192,983	\$ 192,983	\$ -	\$ 3,363,297	5.74%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF PROPORTIONATE SHARE OF THE
NET OPEB LIABILITY
OPEB RHIA
Last 10 Fiscal Years*

Measurement Date June 30,	(a) Employer's proportion of the net OPEB liability (asset)	(b) Employer's proportionate share of the net OPEB liability (asset)	(c) Employer's covered payroll	(b/c) Employer's proportionate share of the net OPEB liability (asset) as a percentage of its covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	0.04512578%	\$ (87,199)	\$ 4,483,494	-1.94%	144.4%
2019	0.03638783%	(40,619)	4,738,267	-0.86%	124.0%
2018	0.03853805%	(16,084)	4,511,039	-0.36%	108.9%
2017	0.04137321%	\$ 11,235	\$ 3,869,212	0.29%	94.2%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF EMPLOYER CONTRIBUTIONS
OPEB RHIA
Last 10 Fiscal Years*

Year Ended June 30,	(a) Contractually required contribution	(b) Contributions in relation to the contractually required contribution	(a-b) Contribution deficiency (excess)	(c) Employer's covered employee payroll	(b/c) Contributions as a percent of covered payroll
2020	\$ 5,420	\$ 5,420	\$ -	\$ 4,483,494	0.12%
2019	22,365	22,365	-	4,738,267	0.47%
2018	17,619	17,619	-	4,511,039	0.39%
2017	19,539	19,539	-	3,869,212	0.50%
2016	\$ 7,257	\$ 7,257	\$ -	\$ 3,931,540	0.18%

*This schedule is presented to illustrate the requirement to show information for 10 years. However the full 10-year trend will be presented for those years for which information is available

AMITY SCHOOL DISTRICT NO. 4J

SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS

OREGON EDUCATORS BENEFIT BOARD

Last 10 Fiscal Years*

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service cost	\$ 50,622	\$ 51,956	\$ 50,622
Interest on total OPEB liability	14,284	10,819	10,819
Effect of changes to benefit terms	-	-	-
Effect of economic/demographic gains or (losses)	-	-	-
Effect of assumption changes or inputs	(20,059)	(17,991)	(15,714)
Benefit payments	(36,926)	(23,600)	(24,603)
Net change in total OPEB liability *	32,721	21,184	9,885
Total OPEB liability, beginning	360,554	339,370	329,485
Total OPEB liability, ending (a) *	393,275	360,554	339,370
Covered payroll	\$ 4,483,494	\$ 4,738,267	\$ 4,511,039
Total OPEB liability as a % of covered payroll **	8.8%	7.6%	8.0%

This schedule is presented to illustrate the requirement to show information for 10 years. However, recalculations of prior years are not required, and if prior years are not reported in accordance with the current GASB standards, they should not be reported.

* Totals may not agree due to rounding.

OTHER
SUPPLEMENTARY
DATA

Non-Major Governmental Funds

AMITY SCHOOL DISTRICT NO. 4J

COMBINING BALANCE SHEET

ALL NON-MAJOR GOVERNMENTAL FUNDS -- BY FUND TYPE

June 30, 2020

	Special Revenue Funds	Debt Service Funds	Total Non- Major Governmental Funds
<u>ASSETS:</u>			
Cash and Cash Equivalents	\$ 785,694	\$ 266,457	\$ 1,052,151
Accounts Receivable	91,062	-	91,062
Inventory-Food, Supplies & Commodities	4,881	-	4,881
Total Assets	<u>\$ 881,637</u>	<u>\$ 266,457</u>	<u>\$ 1,148,094</u>
<u>LIABILITIES AND FUND BALANCES:</u>			
LIABILITIES:			
Accounts Payable	\$ 2,875	\$ -	\$ 2,875
Total Liabilities	<u>2,875</u>	<u>-</u>	<u>2,875</u>
FUND BALANCES:			
Unspendable	4,881	-	4,881
Restricted for:			
Debt Service	-	266,457	266,457
Committed for:			
Community Projects	35,313	-	35,313
Educational Programs	61,704	-	61,704
Employee Benefits Programs	113,496	-	113,496
Equipment Acquisition	405,778	-	405,778
Food Service Program	7,128	-	7,128
Student Body Activities	250,462	-	250,462
Total Fund Balances	<u>878,762</u>	<u>266,457</u>	<u>1,145,219</u>
Total Liabilities and Fund Balances	<u>\$ 881,637</u>	<u>\$ 266,457</u>	<u>\$ 1,148,094</u>

AMITY SCHOOL DISTRICT NO. 4J

**Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances**

ALL NON-MAJOR GOVERNMENTAL FUNDS - BY FUND TYPE

For the Fiscal Year Ended June 30, 2020

	Special Revenue Funds	Debt Service Funds	Total Non- Major Governmental Funds
<u>REVENUES:</u>			
Earnings on Investments	\$ 4,059	\$ 14,916	\$ 18,975
Fees and Charges	248,360	-	248,360
Miscellaneous Revenue	65,503	617,717	683,220
State Aid	218,218	-	218,218
Federal Aid	528,570	-	528,570
Total Revenues	<u>1,064,710</u>	<u>632,633</u>	<u>1,697,343</u>
<u>EXPENDITURES:</u>			
Current:			
Instruction	637,238	-	637,238
Support Services	151,760	-	151,760
Enterprise and Community Services	299,494	-	299,494
Debt Service	36,408	697,216	733,624
Total Expenditures	<u>1,124,900</u>	<u>697,216</u>	<u>1,822,116</u>
Excess (Deficiency) of Revenues			
Over Expenditures	(60,190)	-	(124,773)
<u>OTHER FINANCING SOURCES (USES):</u>			
Interfund Transfers In	120,000	-	120,000
PERS UAL Bond Lump Sum Payment to PERS	-	(315,000)	(315,000)
Total Other Financing Sources (Uses)	<u>120,000</u>	<u>(315,000)</u>	<u>(195,000)</u>
Net Change in Fund Balance	59,810	(379,583)	(319,773)
Beginning Fund Balance	818,952	646,040	1,464,992
Ending Fund Balance	<u>\$ 878,762</u>	<u>\$ 266,457</u>	<u>\$ 1,145,219</u>

OTHER
SUPPLEMENTARY
DATA

Non-Major Special Revenue Funds

AMITY SCHOOL DISTRICT NO. 4J

COMBINING BALANCE SHEET

NON-MAJOR SPECIAL REVENUE FUNDS

June 30, 2020

	IDEA Grant Fund #200	Title 1 Fund #201	Federal Misc. Grants Fund #204	State Misc. Grants Fund #205	Community Projects Fund #250	Student Body Fund #270	Food Service Fund #280	Vehicle Replacement Fund #292	Technology Replacement Fund #293	Unemployment Fund #298	Scholarship Fund #299	Totals
ASSETS:												
Cash and Cash Equivalents	\$ (123)	\$ (785)	\$ (25,609)	\$ (60,671)	\$ 35,313	\$250,462	\$ 7,970	\$ 80,447	\$ 325,331	\$ 113,496	\$ 59,863	\$ 785,694
Accounts Receivable	123	785	27,642	62,512	-	-	-	-	-	-	-	91,062
Inventory-Food, Supplies & Commodities	-	-	-	-	-	-	4,881	-	-	-	-	4,881
Total Assets	\$ -	\$ -	\$ 2,033	\$ 1,841	\$ 35,313	\$250,462	\$ 12,851	\$ 80,447	\$ 325,331	\$ 113,496	\$ 59,863	\$ 881,637
LIABILITIES AND FUND BALANCES:												
LIABILITIES:												
Accounts Payable	\$ -	\$ -	\$ 2,033	\$ -	\$ -	\$ -	\$ 842	\$ -	\$ -	\$ -	\$ -	\$ 2,875
Total Liabilities	-	-	2,033	-	-	-	842	-	-	-	-	2,875
FUND BALANCES:												
Unspendable	-	-	-	-	-	-	4,881	-	-	-	-	4,881
Committed for:												
Community Projects	-	-	-	-	35,313	-	-	-	-	-	-	35,313
Educational Programs	-	-	-	1,841	-	-	-	-	-	-	59,863	61,704
Employee Benefits Programs	-	-	-	-	-	-	-	-	-	113,496	-	113,496
Equipment Acquisition	-	-	-	-	-	-	-	80,447	325,331	-	-	405,778
Food Service Program	-	-	-	-	-	-	7,128	-	-	-	-	7,128
Student Body Activities	-	-	-	-	-	250,462	-	-	-	-	-	250,462
Total Fund Balances	-	-	-	1,841	35,313	250,462	12,009	80,447	325,331	113,496	59,863	878,762
Total Liabilities and Fund Balances	\$ -	\$ -	\$ 2,033	\$ 1,841	\$ 35,313	\$250,462	\$ 12,851	\$ 80,447	\$ 325,331	\$ 113,496	\$ 59,863	\$ 881,637

AMITY SCHOOL DISTRICT NO. 4J

**Combining Statement of Revenues,
Expenditures, and Changes in Fund Balances
NON-MAJOR SPECIAL REVENUE FUNDS
For the Fiscal Year Ended June 30, 2020**

	IDEA Grant Fund #200	Title 1 Fund #201	Federal Misc. Grants Fund #204	State Misc. Grants Fund #205	Community Projects Fund #250	Student Body Fund #270	Food Service Fund #280	Vehicle Replacement Fund #292	Technology Replacement Fund #293	Unemployment Fund #298	Scholarship Fund #299	Totals
<u>REVENUES:</u>												
Earnings on Investments	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 84	\$ -	\$ -	\$ 2,846	\$ 1,129	\$ 4,059
Fees and Charges	-	-	-	-	-	201,131	47,229	-	-	-	-	248,360
Miscellaneous Revenue	-	-	-	-	10,763	-	-	54,740	-	-	-	65,503
State Aid	-	-	-	189,622	-	-	4,814	23,782	-	-	-	218,218
Federal Aid	218,854	111,966	54,163	-	-	-	143,587	-	-	-	-	528,570
Total Revenues	218,854	111,966	54,163	189,622	10,763	201,131	195,714	23,782	54,740	2,846	1,129	1,064,710
<u>EXPENDITURES:</u>												
Current:												
Instruction	217,316	111,428	14,096	131,184	-	163,214	-	-	-	-	-	637,238
Support Services	1,538	-	40,067	60,513	-	-	-	-	46,780	2,862	-	151,760
Enterprise and Community Services	-	538	-	-	10,764	-	284,942	-	-	-	3,250	299,494
Debt Service	-	-	-	-	-	-	-	36,408	-	-	-	36,408
Total Expenditures	218,854	111,966	54,163	191,697	10,764	163,214	284,942	36,408	46,780	2,862	3,250	1,124,900
Excess (Deficiency) of Revenues Over Expenditures	-	-	-	(2,075)	(1)	37,917	(89,228)	(12,626)	7,960	(16)	(2,121)	(60,190)
<u>OTHER FINANCING SOURCES (USES):</u>												
Interfund Transfers In	-	-	-	-	-	-	85,000	25,000	10,000	-	-	120,000
Total Other Financing Sources (Uses)	-	-	-	-	-	-	85,000	25,000	10,000	-	-	120,000
Net Change in Fund Balance	-	-	-	(2,075)	(1)	37,917	(4,228)	12,374	17,960	(16)	(2,121)	59,810
Beginning Fund Balance	-	-	-	3,916	35,314	212,545	16,237	68,073	307,371	113,512	61,984	818,952
Ending Fund Balance	\$ -	\$ -	\$ -	\$ 1,841	\$ 35,313	\$ 250,462	\$ 12,009	\$ 80,447	\$ 325,331	\$ 113,496	\$ 59,863	\$ 878,762

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

IDEA Grant Fund #200

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over</u> <u>(Under)</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	
<u>REVENUES:</u>				
Federal Aid	\$ 284,610	\$ 284,610	\$ 218,854	\$ (65,756)
Total Revenues	284,610	284,610	218,854	(65,756)
<u>EXPENDITURES:</u>				
Instruction	265,850	265,850	217,316	(48,534)
Support Services	18,760	18,760	1,538	(17,222)
Total Expenditures	284,610	284,610	218,854	(65,756)
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Title 1 Fund #201

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over</u> <u>(Under)</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	
<u>REVENUES:</u>				
Federal Aid	\$ 225,000	\$ 225,000	\$ 111,966	\$ (113,034)
Total Revenues	225,000	225,000	111,966	(113,034)
<u>EXPENDITURES:</u>				
Instruction	187,300	187,300	111,428	(75,872)
Support Services	36,400	36,400	-	(36,400)
Enterprise and Community Services	1,300	1,300	538	(762)
Total Expenditures	225,000	225,000	111,966	(113,034)
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Federal Misc. Grants Fund #204

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over</u> <u>(Under)</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	
<u>REVENUES:</u>				
Federal Aid	\$ 282,840	\$ 282,840	\$ 54,163	\$ (228,677)
Total Revenues	282,840	282,840	54,163	(228,677)
<u>EXPENDITURES:</u>				
Instruction	123,720	123,720	14,096	(109,624)
Support Services	159,120	159,120	40,067	(119,053)
Total Expenditures	282,840	282,840	54,163	(228,677)
Net Change in Fund Balance	-	-	-	-
Beginning Fund Balance	-	-	-	-
Ending Fund Balance	\$ -	\$ -	\$ -	\$ -

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

State Misc. Grants Fund #205

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		<u></u>
<u>REVENUES:</u>				
Miscellaneous Revenue	\$ 87,500	\$ 87,500	\$ -	\$ (87,500)
State Aid	746,000	746,000	189,622	(556,378)
Total Revenues	<u>833,500</u>	<u>833,500</u>	<u>189,622</u>	<u>(643,878)</u>
<u>EXPENDITURES:</u>				
Instruction	687,383	687,383	131,184	(556,199)
Support Services	156,117	156,117	60,513	(95,604)
Total Expenditures	<u>843,500</u>	<u>843,500</u>	<u>191,697</u>	<u>(651,803)</u>
Net Change in Fund Balance	(10,000)	(10,000)	(2,075)	7,925
Beginning Fund Balance	10,000	10,000	3,916	(6,084)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,841</u>	<u>\$ 1,841</u>

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Community Projects Fund #250

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	<u>Over</u> <u>(Under)</u>
<u>REVENUES:</u>				
Miscellaneous Revenue	\$ 21,000	\$ 21,000	\$ 10,763	\$ (10,237)
Total Revenues	21,000	21,000	10,763	(10,237)
<u>EXPENDITURES:</u>				
Enterprise and Community Services	56,000	56,000	10,764	(45,236)
Total Expenditures	56,000	56,000	10,764	(45,236)
Net Change in Fund Balance	(35,000)	(35,000)	(1)	34,999
Beginning Fund Balance	35,000	35,000	35,314	314
Ending Fund Balance	\$ -	\$ -	\$ 35,313	\$ 35,313

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Student Body Fund #270**

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Fees and Charges	\$ 300,000	\$ 300,000	\$ 201,131	\$ (98,869)
Total Revenues	<u>300,000</u>	<u>300,000</u>	<u>201,131</u>	<u>(98,869)</u>
<u>EXPENDITURES:</u>				
Instruction	510,000	510,000	163,214	(346,786)
Total Expenditures	<u>510,000</u>	<u>510,000</u>	<u>163,214</u>	<u>(346,786)</u>
Net Change in Fund Balance	(210,000)	(210,000)	37,917	247,917
Beginning Fund Balance	210,000	210,000	212,545	2,545
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 250,462</u>	<u>\$ 250,462</u>

AMITY SCHOOL DISTRICT NO. 4J
Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Food Service Fund #280
For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Earnings on Investments	\$ 75	\$ 75	\$ 84	\$ 9
Fees and Charges	110,500	110,500	47,229	(63,271)
State Aid	43,500	43,500	4,814	(38,686)
Federal Aid	243,400	243,400	143,587	(99,813)
Total Revenues	<u>397,475</u>	<u>397,475</u>	<u>195,714</u>	<u>(201,761)</u>
<u>EXPENDITURES:</u>				
Enterprise and Community Services	472,475	497,475	284,942	(212,533)
Total Expenditures	<u>472,475</u>	<u>497,475</u>	<u>284,942</u>	<u>(212,533)</u>
Excess (Deficiency) of Revenues Over Expenditures	(75,000)	(100,000)	(89,228)	10,772
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	60,000	85,000	85,000	-
Total Other Financing Sources (Uses)	<u>60,000</u>	<u>85,000</u>	<u>85,000</u>	<u>-</u>
Net Change in Fund Balance	(15,000)	(15,000)	(4,228)	10,772
Beginning Fund Balance	15,000	15,000	11,356	(3,644)
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,128</u>	<u>\$ 7,128</u>

Reconciliation to generally accepted accounting principles basis

Fund Balance - from above	7,128
Reserve for Inventories	4,881
Ending Fund Balance as Reported in Statement of Revenues, Expenditures and Changes in Fund Balances	<u>\$ 12,009</u>

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Vehicle Replacement Fund #292

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
State Aid	\$ 23,782	\$ 23,782	\$ 23,782	\$ -
Total Revenues	23,782	23,782	23,782	-
<u>EXPENDITURES:</u>				
Support Services	35,010	35,010	-	(35,010)
Debt Service	116,845	116,845	36,408	(80,437)
Total Expenditures	151,855	151,855	36,408	(115,447)
Excess (Deficiency) of Revenues Over Expenditures	(128,073)	(128,073)	(12,626)	115,447
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	25,000	25,000	25,000	-
Long Term Debt Financing Sources	35,000	35,000	-	(35,000)
Total Other Financing Sources (Uses)	60,000	60,000	25,000	(35,000)
Net Change in Fund Balance	(68,073)	(68,073)	12,374	80,447
Beginning Fund Balance	68,073	68,073	68,073	-
Ending Fund Balance	\$ -	\$ -	\$ 80,447	\$ 80,447

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Technology Replacement Fund #293

For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts (Budgetary Basis) (See Note 1)	Final Budget Over (Under)
<u>REVENUES:</u>				
Miscellaneous Revenue	\$ 60,000	\$ 60,000	\$ 54,740	\$ (5,260)
Total Revenues	60,000	60,000	54,740	(5,260)
<u>EXPENDITURES:</u>				
Instruction	210,000	210,000	-	(210,000)
Support Services	171,620	171,620	46,780	(124,840)
Total Expenditures	381,620	381,620	46,780	(334,840)
Excess (Deficiency) of Revenues Over Expenditures	(321,620)	(321,620)	7,960	329,580
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	10,000	10,000	10,000	-
Total Other Financing Sources (Uses)	10,000	10,000	10,000	-
Net Change in Fund Balance	(311,620)	(311,620)	17,960	329,580
Beginning Fund Balance	311,620	311,620	307,371	(4,249)
Ending Fund Balance	\$ -	\$ -	\$ 325,331	\$ 325,331

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Unemployment Fund #298**

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Amounts</u> <u>(Budgetary Basis)</u> <u>(See Note 1)</u>	<u>Final Budget</u> <u>Over</u> <u>(Under)</u>
<u>REVENUES:</u>				
Earnings on Investments	\$ 3,000	\$ 3,000	\$ 2,846	\$ (154)
Total Revenues	3,000	3,000	2,846	(154)
<u>EXPENDITURES:</u>				
Support Services	117,000	117,000	2,862	(114,138)
Total Expenditures	117,000	117,000	2,862	(114,138)
Net Change in Fund Balance	(114,000)	(114,000)	(16)	113,984
Beginning Fund Balance	114,000	114,000	113,512	(488)
Ending Fund Balance	\$ -	\$ -	\$ 113,496	\$ 113,496

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Scholarship Fund #299**

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		<u>Actual</u> <u>Amounts</u> <u>(Budgetary Basis)</u>	<u>Variance with</u> <u>Final Budget</u> <u>Over</u> <u>(Under)</u>
	<u>Original</u>	<u>Final</u>	<u>(See Note 1)</u>	
<u>REVENUES:</u>				
Earnings on Investments	\$ 1,000	\$ 1,000	\$ 1,129	\$ 129
Total Revenues	1,000	1,000	1,129	129
<u>EXPENDITURES:</u>				
Enterprise and Community Services	24,720	24,720	3,250	(21,470)
Contingency	38,280	38,280	-	(38,280)
Total Expenditures	63,000	63,000	3,250	(59,750)
Net Change in Fund Balance	(62,000)	(62,000)	(2,121)	59,879
Beginning Fund Balance	62,000	62,000	61,984	(16)
Ending Fund Balance	\$ -	\$ -	\$ 59,863	\$ 59,863

OTHER
SUPPLEMENTARY
DATA

Debt Service Funds

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual**

Debt Service Fund #300 (A Major Fund)

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		Actual Amounts	Variance with Final Budget
	<u>Original</u>	<u>Final</u>	(Budgetary Basis) (See Note 1)	Over (Under)
<u>REVENUES:</u>				
Taxes	\$ 570,642	\$ 570,642	\$ 603,939	\$ 33,297
Earnings on Investments	5,000	5,000	7,141	2,141
Total Revenues	<u>575,642</u>	<u>575,642</u>	<u>611,080</u>	<u>35,438</u>
<u>EXPENDITURES:</u>				
Debt Service	633,642	633,642	633,642	-
Total Expenditures	<u>633,642</u>	<u>633,642</u>	<u>633,642</u>	<u>-</u>
Net Change in Fund Balance	(58,000)	(58,000)	(22,562)	35,438
Beginning Fund Balance	58,000	58,000	66,497	8,497
Ending Fund Balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 43,935</u>	<u>\$ 43,935</u>

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
PERS Bond Debt Fund #302 (A Non-Major Fund)
For the Fiscal Year Ended June 30, 2020**

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>	(See Note 1)	
<u>REVENUES:</u>				
Earnings on Investments	\$ 15,000	\$ 15,000	\$ 14,916	\$ (84)
Miscellaneous Revenue	675,000	675,000	617,717	(57,283)
Total Revenues	690,000	690,000	632,633	(57,367)
<u>EXPENDITURES:</u>				
Debt Service	697,216	697,216	697,216	-
Total Expenditures	697,216	697,216	697,216	-
Excess (Deficiency) of Revenues Over Expenditures	(7,216)	(7,216)	-	(57,367)
<u>OTHER FINANCING SOURCES (USES):</u>				
PERS UAL Bond Lump Sum Payments to PERS	(315,000)	(315,000)	(315,000)	-
Total Other Financing Sources (Uses)	(315,000)	(315,000)	(315,000)	-
Net Change in Fund Balance	(322,216)	(322,216)	(379,583)	(57,367)
Beginning Fund Balance	597,349	597,349	646,040	48,691
Ending Fund Balance	\$ 275,133	\$ 275,133	\$ 266,457	\$ (8,676)

OTHER
SUPPLEMENTARY
DATA

Capital Projects Fund

AMITY SCHOOL DISTRICT NO. 4J

**Schedule of Revenues, Expenditures,
and Changes in Fund Balance - Budget and Actual
Capital Improvement Fund #430 (A Major Fund)**

For the Fiscal Year Ended June 30, 2020

	<u>Budgeted Amounts</u>		Actual Amounts (Budgetary Basis) (See Note 1)	Variance with Final Budget Over (Under)
	<u>Original</u>	<u>Final</u>		
<u>REVENUES:</u>				
Earnings on Investments	\$ 8,700	\$ 8,700	\$ 7,369	\$ (1,331)
Miscellaneous Revenue	20,000	20,000	21,392	1,392
Total Revenues	28,700	28,700	28,761	61
<u>EXPENDITURES:</u>				
Support Services	274,275	274,275	14,055	(260,220)
Facilities Acquisition and Construction	230,077	230,077	28,653	(201,424)
Total Expenditures	504,352	504,352	42,708	(461,644)
Excess (Deficiency) of Revenues Over Expenditures	(475,652)	(475,652)	(13,947)	461,705
<u>OTHER FINANCING SOURCES (USES):</u>				
Interfund Transfers In	75,000	75,000	75,000	-
Total Other Financing Sources (Uses)	75,000	75,000	75,000	-
Net Change in Fund Balance	(400,652)	(400,652)	61,053	461,705
Beginning Fund Balance	400,652	400,652	351,325	(49,327)
Ending Fund Balance	\$ -	\$ -	\$ 412,378	\$ 412,378

OTHER
SUPPLEMENTARY
DATA

Additional
Supporting Schedules

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS
For the Fiscal Year Ended June 30, 2020

GO Refunding Bond, Series 2015

On March 19, 2015, the District issued General Obligation Refunding Bond, Series 2015 for refunding of GO Refunding Bonds, Series 2005. The bonds are held by Heritage Bank. The original balance of the 2015 refunding bonds was \$4,076,000, with a fixed interest rate of 1.78%.

Current Year Activity:

	Outstanding Balance <u>July 1, 2019</u>	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance <u>June 30, 2020</u>	Due Within One Year
Principal	\$ 1,890,000	\$ -	\$ 600,000	\$ 1,290,000	\$ 630,000
Interest	-	33,642	33,642	-	22,962
Total	<u>\$ 1,890,000</u>	<u>\$ 33,642</u>	<u>\$ 633,642</u>	<u>\$ 1,290,000</u>	<u>\$ 652,962</u>

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2021	\$ 630,000	\$ 22,962	\$ 652,962	1.78%
	2022	660,000	11,748	671,748	1.78%
Total		<u>\$ 1,290,000</u>	<u>\$ 34,710</u>	<u>\$ 1,324,710</u>	

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS

For the Fiscal Year Ended June 30, 2020

OSBA Limited Tax Pension Bond, Series 2013

April 21, 2003, the District issued Oregon School Boards Association Limited Tax Pension Obligation Bonds, Series 2003. The bonds are held by Wells Fargo Corporate Trust Services. The original balance was \$6,618,174 and has a variable interest rate on the bonds varying from 1.5% to 6.27%. Interest payments are due the 30th of June and December of each year with a principal payment due with the June payment.

Current Year Activity:

	Outstanding Balance July 1, 2019	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2020	Due Within One Year
Principal	\$ 4,177,424	\$ -	\$ 176,485	\$ 4,000,939	\$ 173,920
Interest	-	520,731	520,731	-	553,296
Total	<u>\$ 4,177,424</u>	<u>\$ 520,731</u>	<u>\$ 697,216</u>	<u>\$ 4,000,939</u>	<u>\$ 727,216</u>

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2021	\$ 173,920	\$ 553,296	\$ 727,216	5.62%
	2022	173,094	589,122	762,216	5.62%
	2023	173,925	628,290	802,215	5.62%
	2024	645,000	197,216	842,216	5.62%
	2025	720,000	161,028	881,028	5.62%
	2026	800,000	120,132	920,132	5.62%
	2027	890,000	74,692	964,692	5.62%
	2028	425,000	24,140	449,140	5.62%
Total		<u>\$ 4,000,939</u>	<u>\$ 2,347,916</u>	<u>\$ 6,348,855</u>	

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS
For the Fiscal Year Ended June 30, 2020

QZAB held by Columbia Bank

Qualified Zone Academy Bond (QZAB), original balance of \$650,000, dated April 6, 2016, for the purchase of equipment and improvements to real property. The bonds are held by Columbia Bank. Deposit amounts of \$43,334 per year are required, with the first deposit due April 6, 2017. Bond interest is computed at 0.00%.

Current Year Activity:

	Outstanding Balance July 1, 2019	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2020	Due Within One Year
Principal	\$ 519,998	\$ -	\$ 43,334	\$ 476,664	\$ 43,334
Interest	-	-	-	-	-
Total	<u>\$ 519,998</u>	<u>\$ -</u>	<u>\$ 43,334</u>	<u>\$ 476,664</u>	<u>\$ 43,334</u>

Future Requirements:

	Fiscal Year Ended June 30,	Principal	Interest	Total	Interest Rate
	2021	\$ 43,334	\$ -	\$ 43,334	0.00%
	2022	43,334	-	43,334	0.00%
	2023	43,334	-	43,334	0.00%
	2024	43,334	-	43,334	0.00%
	2025	43,334	-	43,334	0.00%
	2026	43,334	-	43,334	0.00%
	2027	43,334	-	43,334	0.00%
	2028	43,334	-	43,334	0.00%
	2029	43,334	-	43,334	0.00%
	2030	43,334	-	43,334	0.00%
	2031	43,324	-	43,324	0.00%
Total		<u>\$ 476,664</u>	<u>\$ -</u>	<u>\$ 476,664</u>	

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF LONG-TERM DEBT TRANSACTIONS
For the Fiscal Year Ended June 30, 2020

Bus Leases with Santander Bank, NA.

On October 15, 2013, the District entered into a Bus Lease/ purchase agreement with Santander Bank, NA, for the purchase of 3 busses. The total amount of the lease was \$237,820. The lease carries an interest rate of 2.30% per annum.

Current Year Activity:

Outstanding Balance July 1, 2019	New Issues and Interest Matured	Principal and Interest Retired	Outstanding Balance June 30, 2020	Due Within One Year
\$ 34,946	\$ -	\$ 34,946	\$ -	\$ -
-	1,462	1,462	-	-
<u>\$ 34,946</u>	<u>\$ 1,462</u>	<u>\$ 36,408</u>	<u>\$ -</u>	<u>\$ -</u>

AMITY SCHOOL DISTRICT NO. 4J
Oregon Department of Education Form 581-3211-C
For the Fiscal Year Ended June 30, 2020

SUPPLEMENTAL INFORMATION 2019-2020

Part A is needed for computing Oregon's full allocation for ESEA, Title 1 & other Federal Funds for Education

B. Energy Bills for Heating - All Funds:

Please enter your expenditures for electricity & heating fuel, and water & sewage for these Functions & Objects.

	Objects 325 & 326 & *327
Function 2540	\$ 155,405
Function 2550	\$ -

C. Replacement of Equipment - General Fund:

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

Exclude these functions:

1113,1122 & 1132 Extra-curricular Activities
 1140 Pre-Kindergarten
 1300 Continuing Education
 1400 Summer School

Exclude these functions:

4150 Construction
 2550 Pupil Transportation
 3100 Food Service
 3300 Community Services

\$ 61,700

*Object code 327 (water and sewage) has been added to Part A to be included in the Function 2540 and 2550 totals.

AMITY SCHOOL DISTRICT NO. 4J

Audit Revenue Summary - All Funds

For the Fiscal Year Ended June 30, 2020

Revenue from Local Sources

	Fund 100	Fund 200	Fund 300	Fund 400
1110 Ad Valorem Taxes Levied by District	\$ 1,865,660	\$ -	\$ 601,290	\$ -
1190 Penalties and Interest on Taxes	7,563	-	2,649	-
1312 Regular Day School Tuition - Other Dist Within State	9,516	-	-	-
1500 Earnings on Investments	45,722	4,059	22,057	7,369
1600 Food Service	-	47,229	-	-
1700 Extracurricular Activities	33,683	201,131	-	-
1800 Community Service Activities	-	10,763	-	-
1910 Rentals	8,450	-	-	-
1920 Contributions and Donations From Private Sources	5,820	-	-	-
1940 Services Provided Other Local Education Agencies	1,000	-	-	-
1960 Recovery of Prior Years' Expenditue	47,939	-	-	-
1970 Services Provided Other Funds	-	-	617,717	-
1990 Miscellaneous	75,986	54,740	-	21,392
Total Revenue from Local Sources	\$ 2,101,338	\$ 317,922	\$ 1,243,713	\$ 28,761

Revenue from Intermediate Sources

	Fund 100	Fund 200	Fund 300	Fund 400
2101 County School Funds	\$ 2,355	\$ -	\$ -	\$ -
2102 General ESD Revenue	144,492	-	-	-
2199 Other Intermediate Sources	696	-	-	-
2200 Restricted Revenue	2,263	-	-	-
Total Revenue from Intermediate Sources	\$ 149,807	\$ -	\$ -	\$ -

Revenue from State Sources

	Fund 100	Fund 200	Fund 300	Fund 400
3101 State School Fund - General Support	\$ 7,113,768	\$ -	\$ -	\$ -
3102 State School Fund - School Lunch Match	-	2,565	-	-
3103 Common School Fund	84,512	-	-	-
3199 Other Unrestricted Grtants-In-Aid	12,753	-	-	-
3222 State School Fund (SSF) Transportation Equipment	-	23,782	-	-
3299 Other Restricted Grants-In-Aid	979	191,871	-	-
Total Revenue from State Sources	\$ 7,212,013	\$ 218,218	\$ -	\$ -

Revenue from Federal Sources

	Fund 100	Fund 200	Fund 300	Fund 400
4500 Restricted Revenue From the Federal Government Through the State	\$ -	\$ 505,156	\$ -	\$ -
4700 Granits-In-Aid From the Federal Government Through Other Intermediate Agencies	-	1,686	-	-
4801 Federal Forest Fees	4	-	-	-
4900 Revenue for/on Behalf of the District	-	21,728	-	-
Total Revenue from Federal Sources	\$ 4	\$ 528,570	\$ -	\$ -

Revenue from Other Sources

	Fund 100	Fund 200	Fund 300	Fund 400
5200 Interfund Transfers	\$ -	\$ 120,000	\$ -	\$ 75,000
5300 Sale of or Compensation for Loss of Fixed Assets	235,000	-	-	-
5400 Resources - Beginning Fund Balance	1,259,462	814,070	712,537	351,325
Total Revenue from Other Sources	\$ 1,494,462	\$ 934,070	\$ 712,537	\$ 426,325

Grand Total

\$ 10,957,624	\$ 1,998,780	\$ 1,956,250	\$ 455,086
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AMITY SCHOOL DISTRICT NO. 4J
Audit Expenditure Summary-General Fund #100
For the Fiscal Year Ended June 30, 2020

FUND: General Fund #100

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ 1,587,926	\$ 995,898	\$ 524,649	\$ 9,791	\$ 57,587	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	11,092	6,849	3,193	1,050	-	-	-	-
1121 Middle/Junior High Programs	912,250	586,962	309,066	6,574	9,648	-	-	-
1122 Middle/Junior High School Extracurricular	31,381	15,038	3,746	4,945	7,652	-	-	-
1131 High School Programs	1,420,283	907,057	449,085	9,801	54,015	-	325	-
1132 High School Extracurricular	210,914	97,200	38,633	32,130	40,444	-	2,507	-
1210 Programs for the Talented and Gifted	165	-	-	165	-	-	-	-
1220 Restrictive Programs for Students with Disabilities	260,607	-	-	260,607	-	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	529,791	309,667	204,457	3,737	11,714	-	216	-
1271 Remediation	1,993	1,304	425	-	264	-	-	-
1280 Alternative Education	382,568	-	-	382,568	-	-	-	-
1291 English Second Language Programs	70,818	48,624	21,951	21	222	-	-	-
Total Instruction Expenditures	\$ 5,419,788	\$ 2,968,601	\$ 1,555,206	\$ 711,388	\$ 181,545	\$ -	\$ 3,048	\$ -

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ 127,549	\$ 75,266	\$ 32,867	\$ 19,416	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	314,973	201,706	112,354	258	656	-	-	-
2130 Health Services	3,448	-	-	3,448	-	-	-	-
2190 Service Direction, Student Support Services	127,858	84,662	43,196	-	-	-	-	-
2220 Educational Media Services	81,679	52,792	20,992	974	6,445	-	476	-
2230 Assessment & Testing	11,912	8,458	1,810	-	1,644	-	-	-
2240 Instructional Staff Development	9,111	-	9,040	71	-	-	-	-
2310 Board of Education Services	29,785	-	-	16,992	1,399	-	11,395	-
2320 Executive Administration Services	203,511	134,865	63,151	3,121	1,433	-	942	-
2410 Office of the Principal Services	674,050	435,837	231,402	1,521	2,305	-	2,985	-
2490 Other Support Services - School Administration	38,879	23,621	15,258	-	-	-	-	-
2520 Fiscal Services	254,483	115,347	59,143	50,482	28,326	-	1,184	-
2540 Operation and Maintenance of Plant Services	968,904	290,997	143,878	330,838	77,884	75,132	50,175	-
2550 Student Transportation Services	354,659	32,619	8,670	303,070	6,306	-	3,994	-
2630 Information Services	21,329	12,368	8,759	202	-	-	-	-
2640 Staff Services	3,902	-	-	3,902	-	-	-	-
2660 Technology Services	270,383	85,642	44,255	55,486	84,999	-	-	-
Total Support Services Expenditures	\$ 3,496,415	\$ 1,554,180	\$ 794,775	\$ 789,781	\$ 211,397	\$ 75,132	\$ 71,150	\$ -

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ 43,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,334	\$ -
5200 Transfers of Funds	195,000	-	-	-	-	-	-	195,000
Total Other Uses Expenditures	\$ 238,334	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 43,334	\$ 195,000
Grand Total	\$ 9,154,537	\$ 4,522,781	\$ 2,349,981	\$ 1,501,169	\$ 392,942	\$ 75,132	\$ 117,532	\$ 195,000

AMITY SCHOOL DISTRICT NO. 4J

Audit Expenditure Summary-Special Revenue Fund #200

For the Fiscal Year Ended June 30, 2020

FUND: Special Revenue Fund #200

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 600
1111 Elementary, K-5 or K-6	\$ 14,003	\$ -	\$ -	\$ 2,610	\$ 11,393	\$ -
1113 Elementary Extracurricular	25,031	-	-	-	25,031	-
1121 Middle/Junior High Programs	782	-	-	167	615	-
1122 Middle/Junior High School Extracurricular	37,490	-	-	-	37,490	-
1131 High School Programs	130,899	55,925	18,078	-	56,896	-
1132 High School Extracurricular	100,694	-	-	-	100,694	-
1250 Less Restrictive Programs for Students with Disabilities	216,911	145,807	71,103	-	-	-
1272 Title I	111,428	72,695	38,256	20	-	457
Total Instruction Expenditures	\$ 637,237	\$ 274,427	\$ 127,438	\$ 2,797	\$ 232,118	\$ 457

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 600
2110 Attendance and Social Work Services	\$ 2,075	\$ -	\$ -	\$ -	\$ 2,075	\$ -
2210 Improvement of Instruction Services	3,477	2,127	627	-	723	-
2240 Instructional Staff Development	7,570	1,057	152	6,361	-	-
2490 Other Support Services - School Administration	1,183	-	-	1,183	-	-
2520 Fiscal Services	5,816	-	2,862	2,954	-	-
2540 Operation and Maintenance of Plant Services	62,903	-	-	58,438	4,465	-
2550 Student Transportation Services	9,796	-	-	9,796	-	-
2640 Staff Services	12,079	8,699	3,380	-	-	-
2660 Technology Services	46,861	-	-	27,250	19,611	-
Total Support Services Expenditures	\$ 151,761	\$ 11,883	\$ 7,021	\$ 105,982	\$ 26,874	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 600
3100 Food Services	\$ 284,942	\$ 98,159	\$ 40,022	\$ 10,433	\$ 133,133	\$ 3,196
3300 Community Services	3,788	-	-	3,788	-	-
3500 Custody and Care of Children Services	10,764	8,112	2,653	-	-	-
Total Enterprise and Community Services Expenditures	\$ 299,495	\$ 106,270	\$ 42,674	\$ 14,221	\$ 133,133	\$ 3,196

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 600
5100 Debt Service	\$ 36,408	\$ -	\$ -	\$ -	\$ -	\$ 36,408
Total Other Uses Expenditures	\$ 36,408	\$ -	\$ -	\$ -	\$ -	\$ 36,408
Grand Total	\$ 1,124,901	\$ 392,580	\$ 177,133	\$ 123,001	\$ 392,125	\$ 40,061

AMITY SCHOOL DISTRICT NO. 4J

Audit Expenditure Summary-Debt Service Fund #300

For the Fiscal Year Ended June 30, 2020

FUND: Debt Service Fund #300

Other Uses Expenditures

5100 Debt Service

5400 PERS UAL Bond Lump Sum

Total Other Uses Expenditures

Grand Total

Totals	Object 600
\$ 1,330,858	\$ 1,330,858
315,000	315,000
\$ 1,645,858	\$ 1,645,858
\$ 1,645,858	\$ 1,645,858

AMITY SCHOOL DISTRICT NO. 4J

Audit Expenditure Summary-Capital Projects Fund #400

For the Fiscal Year Ended June 30, 2020

FUND: Capital Projects Fund #400

Support Services Expenditures

2540 Operation and Maintenance of Plant Services

Total Support Services Expenditures

Totals	Object 300	Object 500
\$ 14,055	\$ 14,055	\$ -
\$ 14,055	\$ 14,055	\$ -

Facilities Acquisition and Construction Expenditures

4150 Building Acquisition, Construction, and Improvement
Services

**Total Facilities Acquisition and Construction
Expenditures**

Grand Total

Totals	Object 300	Object 500
\$ 28,653	\$ -	\$ 28,653
\$ 28,653	\$ -	\$ 28,653
\$ 42,709	\$ 14,055	\$ 28,653

AMITY SCHOOL DISTRICT NO. 4J
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED June 30, 2020

Federal Grantor/Pass Through Grantor/ Program Title	Grant Fund	Federal CFDA Number	Grant Period	Original Program or Grant Amount	(Receivable)/ Deferred Revenue June 30, 2019	Cash Received	Expenditures	(Receivable)/ Deferred Revenue June 30, 2020
US. DEPARTMENT OF EDUCATION								
Passed Through Oregon Department of Education:								
Title IA - Grants to Local Education Agencies Total Title I	Fund #201	84.010	2019-20	\$ 113,125	\$ -	\$ 111,181	\$ 111,966	\$ (785)
				113,125	-	111,181	111,966	(785)
Title II-A Teacher Quality Total Title II-A	Fund #204	84.367	2019-20	21,244	-	16,421	20,745	(4,324)
				21,244	-	16,421	20,745	(4,324)
Title IV - Student Support and Academic Enrichment	Fund #204	84.424	2019-20	9,371	-	2,642	9,371	(6,729)
Title IV - Student Support and Academic Enrichment	Fund #204	84.424	2018-19	10,629	-	3,272	3,272	-
Education Stabilization Fund Total Education Stabilization Fund	Fund #204	84.425	2019-20	92,965	-	-	9,294	(9,294)
				92,965	-	-	9,294	(9,294)
IDEA - Special Education Grants to States(Part B Sec.611)	Fund #200	84.027	2018-19	141,825	(43,069)	141,825	98,756	-
IDEA - Special Education Grants to States(Part B Sec.611)	Fund #200	84.027	2019-20	150,731	-	118,632	118,755	(123)
IDEA - Special Education Grants to States(Part B Sec.611)	Fund #200	84.027	2019-20	2,049	-	938	938	-
IDEA - Enhancement & Extended Assessment Training	Fund #200	84.027	2018-19	2,122	(272)	272	-	-
IDEA - Post School Outcomes Total IDEA	Fund #200	84.027	2019-20	405	-	405	405	-
				297,132	(43,341)	262,072	218,854	(123)
Total Passed through Oregon Department of Education				\$ 544,466	\$ (43,341)	\$ 395,588	\$ 373,502	\$ (21,255)
Passed through Education Service District:								
Education for Homeless Children and Youth	Fund #204	84.196	2019-20	\$ 1,209	\$ -	\$ 1,209	\$ 1,209	\$ -
Total Passed through Education Service District				\$ 1,209	\$ -	\$ 1,209	\$ 1,209	\$ -
Total U.S. Department of Education				\$ 545,675	\$ (43,341)	\$ 396,797	\$ 374,711	\$ (21,255)
DEPARTMENT OF HEALTH AND HUMAN SERVICES								
Foster Care Title IV-E	Fund #204	93.658	2018-19	\$ 7,816	\$ (3,842)	\$ 3,842	\$ -	\$ -
Foster Care Title IV-E	Fund #204	93.658	2019-20	8,121	-	2,501	9,796	(7,295)
Total Department of Health and Human Services				\$ 15,937	\$ (3,842)	\$ 6,343	\$ 9,796	\$ (7,295)
U.S. ENVIRONMENTAL PROTECTION AGENCY								
Passed through Western Oregon University								
Environmental Education Grants	Fund #204	66.951	2018-19	\$ 1,800	\$ (423)	\$ 423	\$ -	\$ -
Environmental Education Grants	Fund #204	66.951	2019-20	1,800	-	477	477	-
Total U.S. Environmental Protection Agency				\$ 3,600	\$ (423)	\$ 900	\$ 477	\$ -
U.S. DEPARTMENT OF AGRICULTURE								
Passed Through Oregon Department of Education:								
Commodities	Fund #280	10.555	2019-20	\$ 21,728	\$ -	\$ 21,728	\$ 21,728	\$ -
National School Lunch - Breakfast	Fund #280	10.553	2018-19	25,519	-	25,519	25,519	-
National School Lunch - Section 4	Fund #280	10.555	2019-20	96,341	-	96,341	96,341	-
State Administrative Expenses for Child Nutrition Total National School Lunch Program	Fund #280	10.560	2019-20	447	(477)	477	-	-
				144,034	(477)	144,064	143,587	-
Total U.S. Department of Agriculture				\$ 144,034	\$ (477)	\$ 144,064	\$ 143,587	\$ -
TOTALS				\$ 709,247	\$ (48,083)	\$ 548,104	\$ 528,571	\$ (28,550)

This schedule is prepared using the modified accrual basis of accounting.

RECONCILIATION TO REVENUE:

Cash Receipts per Schedule Above	\$ 548,104
Grants Receivable/Deferred Revenue Beginning of Year	(48,083)
Grants Receivable/Deferred Revenue End of Year	28,550
Federal Revenue Recognized per Financial Statements	\$ 528,571

ACCOMPANYING
INFORMATION

AMITY SCHOOL DISTRICT NO. 4J
INDEPENDENT AUDITOR'S REPORT
REQUIRED BY OREGON STATE REGULATIONS

As of June 30, 2020

To the Governing Body of the Amity School District No. 4J
Amity, Oregon

I have audited the basic financial statements of the Amity School District No. 4J as of and for the year ended June 30, 2020, and have issued my report thereon dated December 1, 2020. I conducted my audit in accordance with auditing standards generally accepted in the United States of America.

Compliance

As part of obtaining reasonable assurance about whether the Amity School District No. 4J's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules 162-10-000 through 162-10-320 of the Minimum Standards for Audits of Oregon Municipal Corporations, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit, and accordingly, I do not express such an opinion.

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

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

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

OAR 162-10-0230 Internal Control

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

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



Steve Tuchscherer, CPA
Umpqua Valley Financial
Roseburg, Oregon
December 1, 2020