



# COMPREHENSIVE ANNUAL FINANCIAL REPORT



for the year ended June 30, 2020



WE  
EXPECT EXCELLENCE



WE  
INNOVATE



WE  
EMBRACE EQUITY



WE  
COLLABORATE

District Goal:  empower all students to achieve post-high school success.

Beaverton School District • 16550 SW Merlo Rd. • Beaverton, Oregon 97003 | [www.beaverton.k12.or.us](http://www.beaverton.k12.or.us)



# **BEAVERTON SCHOOL DISTRICT**

Beaverton, Oregon

## **COMPREHENSIVE ANNUAL FINANCIAL REPORT**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2020**

Prepared by:  
Business Services Department

Don Grotting  
Superintendent of Schools

Michael Schofield  
Associate Superintendent for Business Services

Jason Guchereau  
Finance Manager



**TABLE OF CONTENTS**  
**BEAVERTON SCHOOL DISTRICT**

**INTRODUCTORY SECTION:**

Letter of Transmittal .....	1
Certificate of Achievement for Excellence in Financial Reporting Award .....	7
Certificate of Excellence in Financial Reporting Award .....	8
Organizational Chart .....	9
Appointed and Elected Officials .....	9

**FINANCIAL SECTION:**

<b><i>Independent Auditor's Report .....</i></b>	<b><i>13</i></b>
<b><i>Management's Discussion and Analysis .....</i></b>	<b><i>19</i></b>

***Basic Financial Statements:***

Government-wide Financial Statements:

Statement of Net Position .....	31
Statement of Activities .....	32

Fund Financial Statements:

Balance Sheet - Governmental Funds.....	33
Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position .....	34
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	35
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities.....	36
Statement of Net Position - Proprietary Funds - Internal Service Funds.....	37
Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds – Internal Service Funds.....	38
Statement of Cash Flows - Proprietary Funds - Internal Service Funds.....	39
Statement of Net Position - Fiduciary Fund - Private Purpose Trust Fund .....	40
Statement of Changes in Net Position - Fiduciary Fund - Private Purpose Trust Fund.....	41
Notes to Basic Financial Statements .....	42

***Required Supplementary Information:***

Schedule of the Proportionate Share of the Net Pension Liability for PERS .....	75
Schedule of Contributions for PERS .....	75
Schedule of the Proportionate Share of the Net OPEB Liability for RHIA .....	76
Schedule of Contributions for RHIA .....	76
Schedule of Changes in the Total OPEB Liability - PHIS .....	77
Schedule of Total OPEB Liability and Related Ratios - PHIS.....	77
Reconciliation of Budgetary to Reporting Funds - Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (GAAP Basis) - General Fund .....	78
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (GAAP Basis): General Fund .....	79

***Other Supplementary Information:***

*Major Governmental Funds:*

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

Debt Service Fund .....	83
Capital Projects Fund.....	84
Long-term Planning Fund .....	87
Reconciliation of Budgetary to Reporting Funds - Combining Balance Sheet - General Fund .....	88

**TABLE OF CONTENTS**  
**BEAVERTON SCHOOL DISTRICT (Continued)**

**FINANCIAL SECTION (Continued):**

***Other Supplementary Information:***

*Nonmajor Governmental Funds:*

Combining Balance Sheet - Nonmajor Governmental Funds .....	91
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Nonmajor Governmental Funds .....	92
Schedules of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Student Body Fund .....	93
Special Purpose Fund .....	94
Categorical Fund .....	95
Grant Fund .....	96
Nutrition Services Fund .....	97

*Internal Service Funds:*

Combining Statement of Net Position - Internal Service Funds .....	101
Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds .....	102
Combining Statement of Cash Flows - Internal Service Funds .....	103
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual:	
Insurance Reserve Fund .....	104
Workers' Compensation Fund .....	105

*Fiduciary Fund:*

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget (Non-GAAP Basis) and Actual:	
Private Purpose Trust Fund .....	109

***Other Financial Schedules:***

Revenue Summary - All Funds .....	113
Expenditure Summaries:	
General Fund (100) .....	115
Special Revenue Funds (200) .....	117
Debt Service Funds (300) .....	119
Capital Projects Funds (400) .....	120
Internal Service Funds (600) .....	122
Trust and Agency Funds (700) - (Non-GAAP Basis) .....	124
Supplemental Information as Required by the Oregon Department of Education .....	125
Supplemental Information as Required by Bond Disclosure Agreements: General Fund Adopted Budgets .....	126

**STATISTICAL SECTION:**

Statistical Section Overview .....	127
------------------------------------	-----

*Financial Trends:*

Net Position by Component - Last Ten Fiscal Years Ended June 30 .....	129
Changes in Net Position - Last Ten Fiscal Years Ended June 30 .....	130
Fund Balances, Governmental Funds - Last Ten Fiscal Years Ended June 30 .....	132
Changes in Fund Balance and Debt Service Ratio - Last Ten Fiscal Years Ended June 30 .....	133

**TABLE OF CONTENTS**  
**BEAVERTON SCHOOL DISTRICT (Continued)**

**STATISTICAL SECTION (Continued):**

*Revenue Capacity:*

Assessed Value and Real Market Value of Taxable Property - Last Ten Fiscal Years .....	135
Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years .....	136
Principal Property Taxpayers - Current and Nine Years Prior .....	137
Property Tax Levies and Collections - Last Ten Fiscal Years .....	138

*Debt Capacity:*

Outstanding Debt By Type - Last Ten Fiscal Years .....	139
Direct and Overlapping Governmental Activities Debt .....	140
Legal Debt Margin Information - Last Ten Fiscal Years .....	141

*Demographic and Economic Information:*

Demographic and Economic Statistics - Last Ten Calendar Years .....	142
Principal Employers for the Portland Metro Area - Current and Nine Years Prior .....	143

*Operating Information:*

Full-Time Equivalent District Employees By Type - Last Ten Fiscal Years .....	144
Operating Statistics - Last Ten Fiscal Years .....	145
Capital Asset Information - Last Ten Fiscal Years .....	146

**SINGLE AUDIT SECTION:**

Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards .....	147
Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance With the Uniform Guidance .....	149
Schedule of Expenditures of Federal, State, and Local Awards .....	151
Notes to Schedule of Expenditures of Federal, State, and Local Awards .....	154
Schedule of Findings and Questioned Costs .....	156

**COMPLIANCE SECTION:**

***Independent Auditor's Report Required by Oregon State Regulations***

Independent Auditor's Report Required by Oregon State Regulations .....	159
---	-----





# INTRODUCTORY SECTION

Introductory Section







**Beaverton School District**  
16550 S.W. Merlo Road  
Beaverton, Oregon 97003  
503-356-4500



**WE EXPECT EXCELLENCE**



**WE INNOVATE**



**WE EMBRACE EQUITY**



**WE COLLABORATE**

November 18, 2020

To Members of the Board of Education and Citizens of Beaverton School District:

The Comprehensive Annual Financial Report of Beaverton School District ("District") for the fiscal year ended June 30, 2020 is hereby submitted. State law requires that an independent audit be made of all District funds within six months following the close of the fiscal year. This report is published to fulfill the requirement for the fiscal year ended June 30, 2020 and consists of management's representations concerning the finances of the District together with the opinions of our auditor.

This report was prepared by the District's Business Services Department. Management assumes full responsibility for the completeness and reliability of the information contained in this report. The District's management has established and maintains a comprehensive internal control framework put in place to protect assets from loss, theft or misuse. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance the financial statements are free of any material misstatements. The internal control structure is subject to periodic evaluation by management. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

These financial statements are presented to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP).

Grove, Mueller & Swank, P.C., Certified Public Accountants, have issued an unmodified ("clean") opinion on the Beaverton School District's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

## **FINANCIAL STATEMENT PRESENTATION**

Designed to meet the needs of a broad spectrum of financial statement readers, this Comprehensive Annual Financial Report (CAFR) is divided into five major sections:

The *Introductory Section* includes this transmittal letter, the District's organizational chart and copies of certificates awarded for Beaverton School District's 2019 CAFR.

The *Financial Section* includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), the basic financial statements including notes to the basic financial statements, required supplementary information, and supplementary information including the combining and individual fund financial statements.

The *Statistical Section* includes selected financial and demographic information, generally presented on a multi-year basis.

The *Single Audit Section* includes reports from the independent auditor regarding compliance requirements of the U.S. Office of Management and Budget (OMB) Uniform Guidance Compliance Supplement for major federal programs.

The *Compliance Section* contains the independent auditor's report required by the Minimum Standards for Audits of Oregon Municipal Corporations.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the report of the independent auditor.

## PROFILE OF THE DISTRICT

Beaverton School District, a kindergarten through twelfth grade district, was formed July 1, 1960, following a successful vote for unification of twelve elementary school districts and one high school district.

The District is a financially independent, special-purpose municipal corporation exercising financial accountability for all public education within its boundaries. As required by accounting principles generally accepted in the United States of America, all significant activities and organizations have been included in the financial statements.

The District is located predominantly in Washington County, approximately 10 miles west of Portland, Oregon, and encompasses over 57 square miles of land. It serves the residents of the City of Beaverton and various outlying towns and municipalities and is the third largest school district in Oregon.

Student enrollment in the fall of 2019 was 41,374. October 1 enrollment counts are reported to the state in November of each year, allowing time for data entry and confirmation of student records. An enrolled student is defined as a student who attends one or more schools or programs within the District. Regardless of the number of schools or programs attended, each student is counted only once.

## ENROLLMENT AND FACILITIES

<u>Grade Level</u>	<u>Number of Programs</u>	<u>Enrollment</u>
Elementary School Programs	34	17,627
Middle School Programs	20	9,347
High School Programs	11	12,113
Special Education Programs	-	1,542
Charter School Programs	2	745
Total Programs and Enrollment	67	41,374

Growing from an enrollment of 38,814 in fall of 2011 to 41,374, the District has experienced a 6.6 percent growth in enrollment over the past ten years. The District expects relatively flat to declining enrollment over the next few years with projected enrollment of 40,707 in 2023-24 based on cohort survival history, current and projected housing development, and overall regional economics.

The demographics of our school district reflect our rich cultural diversity. Our students speak more than 94 languages and dialects. The District's enrollment includes 53.9 percent of students of color, and 34.8 percent of students qualify for free and reduced lunch status.

The Beaverton School District Board, elected by a majority of the voting electorate, is the governing body responsible for the District's policy decisions. The seven-member Board has oversight responsibility and control over all activities related to the District. The Board is accountable for all fiscal matters that significantly influence operations.

District management includes a superintendent, two deputy superintendents, an associate superintendent, three chief officers, and 133 principals, vice-principals and district administrators. The District employs 3,871 full-time

equivalent personnel, including principals, vice-principals, administrators, teachers, supervisors, secretarial staff, bus drivers, maintenance personnel, cafeteria staff and other support staff.

Under Oregon State law, school districts are independent municipal corporations empowered to provide elementary and secondary educational services for the children residing within their boundaries. The District discharges this responsibility by building, operating and maintaining school facilities, developing and maintaining approved educational programs and courses of study, including career/technical educational programs and programs for English language learners and special needs students, and providing for transportation and feeding of students in accordance with District, State and Federal programs. This report includes all funds of the District.

## **ECONOMIC CONDITION**

Located in northwestern Oregon, Washington County is one of the six counties that comprise the Portland-Vancouver-Hillsboro Primary Metropolitan Statistical Area (PVH-PMSA). The six counties are Washington, Multnomah, Clackamas, Yamhill and Columbia in Oregon, and Clark in Washington. According to the Population Research Center of Portland State University, Multnomah and Washington counties together have one-third of the State of Oregon's population. Washington County's three largest cities are Beaverton, Hillsboro and Tigard. Because the District lies within the PVH-PMSA, economic and demographic data is not available specifically for the District. Data is generally available for Washington County and for the PVH-PMSA.

Washington County covers 727 square miles and includes sixteen incorporated cities such as Beaverton, Hillsboro, Tigard and Tualatin, as well as a portion of the City of Portland.

Currently, manufacturing accounts for 17 percent of the total non-farm employment in the PVH-PMSA, while trade, transportation and utilities also account for 17 percent, government jobs 8 percent, professional and business services 19 percent, education and health services 12 percent, and leisure and hospitality 9 percent. A major manufacturing employer in the Beaverton area is Nike, an athletic footwear and apparel manufacturer with its 286-acre world headquarters campus located in Washington County.

The PVH-PMSA relies heavily on the manufacturing, high technology industries, wholesale trade and financial activities. According to the Oregon Employment Department, at the end of June 2020, the PVH-PMSA unemployment rate was 11.6 percent, as compared to the Oregon unemployment rate of 11.6 percent and the nation's rate of 11.1 percent. These rates were almost three times higher than a year prior due to the COVID-19 pandemic.

The spread of COVID-19 has altered the behavior of businesses and people in a manner that has a negative effect on local, state, national, and global economic activity, and therefore could adversely affect the financial condition of the State and the District, either directly or indirectly, depending on the length of the pandemic and path to recovery.

## **LONG-TERM FINANCIAL PLANNING**

The District's unrestricted general fund balance (the total of the committed, assigned and unassigned components of fund balance) at year-end was 12.8 percent of total General Fund revenues. This amount is above the policy guidelines set by Board policy for budgetary and planning purposes of a minimum 5.0 percent of total actual revenues but below the Board policy of an additional 5.0 percent committed in a sustainability fund. The reserves are maintained to absorb economic downturns, state revenue-sharing reductions and other revenue shortfalls, and will prudently be used when needed to provide stability of core programs and legally required activities.

With continued enrollment growth forecasted, the District issued general obligation bonds in 2016-17 as part of the \$680 million bond measure passed by voters in May 2014. These funds were still being used to complete construction on school remodels and building improvements in 2019-20. As the average age of the District's buildings is in excess of 40 years, the District has initiated an update to the facilities condition assessment to guide the future needs for the District.



## MISSION STATEMENT AND PRIORITIES

The District Goal is: WE empower all students to achieve post-high school success.

The Beaverton School District Board adopted the Strategic Plan:

### WE Expect Excellence

- WE teach students knowledge and skills for our evolving world
- WE seek, support and recognize our world-class employees

### WE Innovate

- WE engage students with a variety of relevant and challenging learning experiences
- WE create learning environments that promote student achievement

### WE Embrace Equity

- WE build honest, safe and inclusive relationships with our diverse students and their families
- WE provide needed support so that every student succeeds

### WE Collaborate

- WE work and learn in teams to understand student needs and improve learning outcomes
- WE partner with the community to educate and serve our students

## FINANCIAL INFORMATION

**Accounting Policies.** Governmental funds are used to account for the District's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they are "measurable and available".) "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period.

Expenditures are recorded when the liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, interfund transactions and certain compensated absences and claims and judgments which are recognized as expenditures because they will be liquidated with expendable financial resources.

The assets and liabilities of the agency fund are recorded on the modified accrual basis of accounting. The agency fund consists of the Private-Purpose Trust Fund.

The financial transactions for the proprietary fund type are recorded on the accrual basis of accounting. Under the accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time liabilities are incurred.

The accrual and modified accrual basis of accounting as utilized by Beaverton School District are in accordance with generally accepted accounting principles.

**Budgetary Controls.** The District is required by the State of Oregon to adopt an annual budget for all funds subject to the requirements of Local Budget Law as outlined in the Oregon Revised Statutes 294.305 through 294.565, inclusive. The Oregon Local Budget Law requires the appointment of a budget committee to review and approve the budget. The budget committee consists of the seven members of the Board of Directors and seven electors of the District who are appointed by the Board of Directors. The administration proposes a budget to the budget committee, and the budget committee may modify or approve the proposed budget.

A summary of the approved budget, together with a notice of public hearing, is published on the District website and in a newspaper having general circulation in the District. A public hearing is held to receive comments from the public concerning the approved budget. The Board of Directors adopts the budget, makes appropriations, and levies

taxes after the public hearing and before the beginning of the year for which the budget has been prepared. After adoption, the budget may be revised through procedures specified in State statute and Board policy.

**Charter Schools.** Oregon statute provides state funding for charter schools that flows through the district for schools that local boards of education have granted a charter. The District has two charter schools, Arco Iris Spanish Immersion Charter School and Hope Chinese Charter School, in operation during the 2019-20 fiscal year. Arco Iris has completed its tenth year of operations. The school educates 428 full-time students in grades K-8 and has renewed its charter through 2021-22. Hope Chinese has completed its eighth year of operations. The school educates 315 full time students in grades K-8, and has renewed its charter through 2022-23.

## **INDEPENDENT AUDIT**

The Beaverton School District's financial statements have been audited by Grove, Mueller & Swank, P.C., a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon their audit, that there was a reasonable basis for rendering an unmodified ("clean") opinion that the District's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in all material respects in conformity with U.S. GAAP. The independent auditor's report is presented as the first component of the Financial Section of this report.

The independent audit of the District's basic financial statements includes a federally mandated "Single Audit" designed to meet the special requirements of federal grantor agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the basic financial statements, but also on the District's internal control over financial reporting and on compliance and other matters, and on compliance related to the administration of federal awards. These reports are available in the Single Audit Section of this report.

## **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Beaverton School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. This was the thirty-ninth consecutive year that the District has achieved this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the Association of School Business Officials International (ASBO) awarded its Certificate of Excellence in Financial Reporting to Beaverton School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2019. The District has achieved this prestigious award for thirty-eight consecutive years.

The Certificate of Excellence is recognition that the District has met the highest standards for financial reporting and accountability as adopted by ASBO. The District believes that the current Comprehensive Annual Financial Report continues to conform to these standards and will be submitting it to ASBO for review.

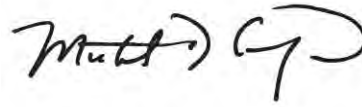
The preparation of the Comprehensive Annual Financial Report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report.

We also thank the members of the School Board for their continued support and dedication to the financial operations of the School District.

Respectfully submitted,

A handwritten signature in black ink that reads "Don Grotting". The signature is fluid and cursive, with a large loop at the end of the last name.

Don Grotting  
Superintendent of Schools

A handwritten signature in black ink that reads "Michael Schofield". The signature is cursive and somewhat stylized, with a large loop at the end of the last name.

Michael Schofield  
Associate Superintendent of Business Services





Government Finance Officers Association

Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting

Presented to

**Beaverton School District  
Oregon**

For its Comprehensive Annual  
Financial Report  
For the Fiscal Year Ended

June 30, 2019

*Christopher P. Morill*

Executive Director/CEO



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting  
is presented to**

Beaverton School District

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2019.**

The CAFR meets the criteria established for  
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Claire Hertz'.

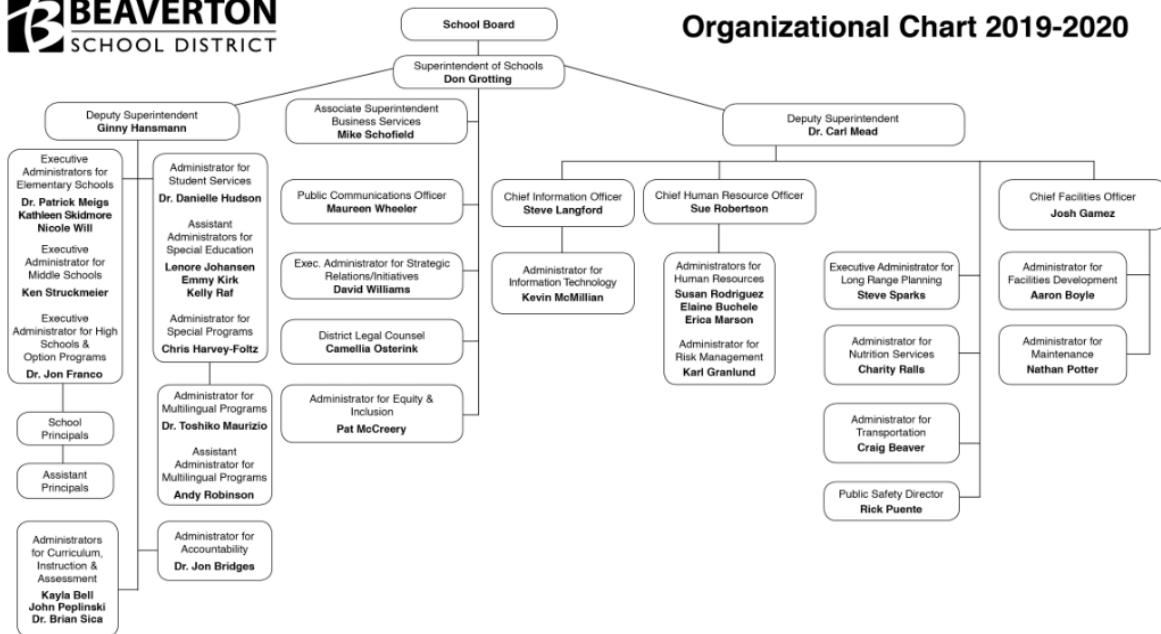
Claire Hertz, SFO  
President

A handwritten signature in black ink, reading 'David J. Lewis'.

David J. Lewis  
Executive Director



## Organizational Chart 2019-2020



(effective January 7, 2020)

## Beaverton School District Appointed and Elected Officials

Administrative Office:  
16550 SW Merlo Road  
Beaverton, OR 97003

<u>Name</u>	<u>Position</u>
Don Grotting	Superintendent
Carl Mead	Deputy Superintendent
Ginny Hansmann	Deputy Superintendent
Michael Schofield	Associate Superintendent

### School Board as of June 30, 2020

<u>Name and Title</u>	<u>Term Expires</u>
Becky Tymchuk, Chair	June 30, 2023
Eric Simpson, Vice Chair	June 30, 2023
Susan Greenberg	June 30, 2021
Anne Bryan	June 30, 2021
Donna Tyner	June 30, 2021
LeeAnn Larsen	June 30, 2021
Tom Colett	June 30, 2023

The above Board Members receive mail at the address below:

Beaverton School District  
16550 SW Merlo Road  
Beaverton, OR 97003





# FINANCIAL SECTION

Financial Section





## **INDEPENDENT AUDITOR'S REPORT**







## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

[www.gmscpa.com](http://www.gmscpa.com)

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

### ***INDEPENDENT AUDITOR'S REPORT***

School Board  
Beaverton School District  
Beaverton, Oregon

#### ***Report on the Financial Statements***

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Beaverton School District, Washington County, Oregon (the District) as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

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

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

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

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

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

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

#### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Beaverton School District, Washington County, Oregon as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

## ***Other Matters***

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

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

The combining schedule and budgetary comparison information presented as required supplementary information, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, as listed in the table of contents, and statistical section, are presented for purposes of additional analysis and are not required parts of the basic financial statements. The schedule of expenditures of federal, state and local awards is presented for purposes of additional analysis, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The other supplementary information and the schedule of expenditures of federal, state and local awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

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

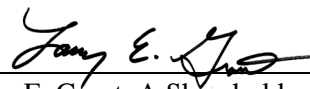
### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated November 18, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

*Other Reporting Required by Oregon Minimum Standards*

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated November 18, 2020, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By:   
Larry E. Grant, A Shareholder  
November 18, 2020



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



**BEAVERTON SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020**

As management of Beaverton School District (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2020. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our Transmittal Letter, which can be found on pages 1 - 6 of this report.

**NEW ACCOUNTING STANDARDS IMPLEMENTED**

The District implemented Governmental Accounting Standards Board (GASB) Statement No. 95, *Postponement of the Effective Dates of Certain Authoritative Guidance* (GASB No. 95), and implemented the immediate portions of Statement 92, *Omnibus 2020* (GASB No. 92) and Statement 97, *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32* (GASB No. 97) in fiscal year 2019-20. The District anticipates no financial impact as a result of implementing these statements. Additional information can be found in Footnote 17 of the financial statements.

**FINANCIAL HIGHLIGHTS**

- In the government-wide statements, the liabilities and deferred inflows of resources exceeded the assets and deferred outflows of resources by \$83.4 million (net position). This is a change of \$10.4 million compared to the prior year, when they exceeded by \$73.1 million.
- The District's governmental funds report combined ending fund balance of \$213.9 million, a decrease of \$54.7 million from the prior year. Approximately 26.4 percent of this total amount, \$56.4 million, was unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable, restricted or committed: \$141.6 million for use on capital projects, \$2.3 million for debt service and the balance of \$13.6 million for other purposes.
- At the end of the current fiscal year, the unrestricted fund balance (the total of the committed and unassigned components of fund balance) for the General Fund was \$62.6 million, or about 12.8 percent of total General Fund revenue.
- Total cost of all the District's programs was \$615.3 million for the fiscal year, a decrease of \$17.5 million (2.8 percent) from the prior year.
- The District's total outstanding long-term debt and capital leases decreased by \$25.3 million (2.4 percent) during the 2019-20 fiscal year due to debt service payments and amortization of premiums.

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This Management's Discussion and Analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements. This report also contains supplementary information intended to furnish additional detail to support the basic financial statements themselves.

**BEAVERTON SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**(CONTINUED)**

**Government-wide financial statements.** The *government-wide financial statements* are designed to provide readers with a broad overview of the District's finances in a manner similar to a private-sector business.

*The Statement of Net Position.* The *Statement of Net Position* focuses on resources available for future operations. In simple terms, this statement presents a snapshot view of what the District owns (assets), what it owes (liabilities), and the net difference (net position). Net position may be further separated into amounts restricted for specific purposes and unrestricted amounts. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

*The Statement of Activities.* The *Statement of Activities* presents information showing how the net position of the District changed over the year by tracking revenues, expenses and other transactions that increase or reduce net position. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

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

The government-wide financial statements can be found on pages 31 - 32 of this report.

**Fund financial statements.** The *fund financial statements* provide more detailed information about the District's funds, focusing on its most significant or "major" funds – not the District as a whole. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Beaverton School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds. To be considered a major fund, the fund must meet criteria established by generally accepted accounting principles.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statements of Net Position and Activities.

The District maintains eight individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Debt Service, and Capital Projects Funds, all of which are considered to be major funds. Data from the two additional General Fund type funds is included as a separate presentation, which can be found in the appropriate sections following the notes to the basic financial statements. Data from five of these governmental funds are combined



**BEAVERTON SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020  
(CONTINUED)**

into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided as Other Supplementary Information.

Additionally, the District adopts an annual appropriated budget for all funds as required by Oregon budget law. Budgetary comparison statements / schedules have been provided to demonstrate compliance elsewhere in this report.

The basic governmental fund financial statements can be found on pages 33 - 36.

**Proprietary funds.** The District maintains one proprietary fund type (internal service fund). The internal service fund is an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses its internal service funds to account for insurance claims and premiums. Because these services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The District maintains two individual internal service funds. These funds are combined into a single, aggregated presentation in the basic financial statements. Individual fund data for the internal service funds is provided as Other Supplementary Information in this report.

The basic proprietary fund financial statements are provided on pages 37 - 39 of this report.

**Fiduciary funds.** Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reported in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is the same as that used for proprietary funds.

The District maintains one fiduciary fund. The fund is used to report resources held in trust for students to use for scholarships.

The basic fiduciary fund financial statements are located on pages 40 - 41 of this report.

**Notes to the basic financial statements.** The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 42 - 72 of this report.

**Other information.** In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information (RSI)* including budget to actual presentations for required major funds. This information can be found on pages 75 - 79 of this report. *Other Supplementary Information*, presented on pages 83 - 126, includes combining statements for the nonmajor governmental funds, budgetary comparison for nonmajor and other funds, and other financial schedules.

#### **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

**Statement of Net Position.** As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, its liabilities and deferred inflows of resources exceeded its assets and deferred outflows of resources by \$83.4 million at June 30, 2020.

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles and equipment, represent 77.9 percent of total assets.

**BEAVERTON SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**(CONTINUED)**

The remaining assets consist mainly of cash and investments, grants and property taxes receivable.

The District's largest liability (90.3 percent) is for the repayment of long-term debt and obligations including post-employment benefit obligations, the PERS net pension obligation, and all general obligation and limited tax pension obligation bonds due in more than one year. Other liabilities, representing about 9.7 percent of the District's total liabilities, consist principally of the debt and obligations due within one year, capital leases due within one year, payables on accounts, and accrued salaries and benefits.

Most of the District's net position (\$356.6 million) reflects its investment in capital assets (e.g. land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding and unspent bond proceeds. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

The District's restricted net position (\$3.6 million) reflects resources that are subject to external restrictions on how they may be used. The remaining balance in net position (negative \$443.6 million) is unrestricted.

The breakdown of the Beaverton School District Net Position for Governmental Activities is as follows:

<b>Governmental Activities</b>	<b>June 30, 2020</b>	<b>June 30, 2019</b>	<b>Increase / (Decrease)</b>
Capital assets	\$ 1,033,165,015	\$ 984,219,520	\$ 48,945,495
Current and other assets	293,790,831	351,615,424	(57,824,593)
Total assets	1,326,955,846	1,335,834,944	(8,879,098)
Deferred outflows of resources	229,353,671	199,519,796	29,833,875
Total assets and deferred outflows of resources	1,556,309,517	1,535,354,740	20,954,777
Long-term liabilities	1,453,174,272	1,446,577,426	6,596,846
Other liabilities	156,454,944	133,205,899	23,249,045
Total liabilities	1,609,629,216	1,579,783,325	29,845,891
Deferred inflows of resources	30,128,240	28,642,060	1,486,180
Total liabilities and deferred inflows of resources	1,639,757,456	1,608,425,385	31,332,071
Net position:			
Net investment in capital assets	356,573,540	307,682,555	48,890,985
Restricted	3,622,843	4,800,662	(1,177,819)
Unrestricted	(443,644,322)	(385,553,862)	(58,090,460)
Total net position	\$ (83,447,939)	\$ (73,070,645)	\$ (10,377,294)

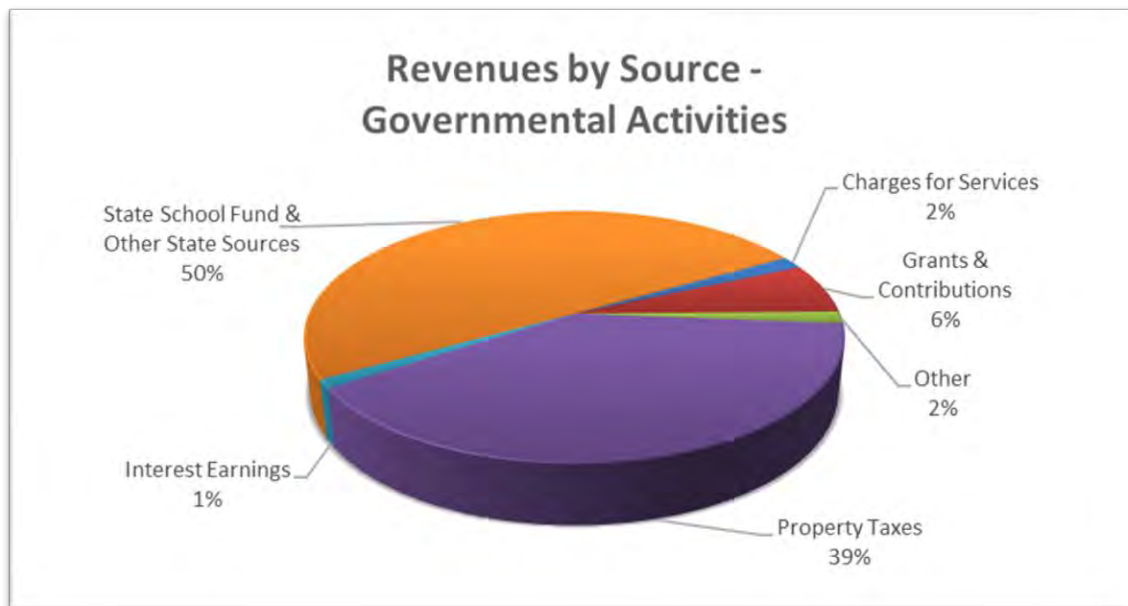
The District's overall financial position changed as indicated by a decrease of \$10.4 million in net position. Unrestricted net position decreased by \$58.1 million due mainly to the change in the PERS net pension liability. At the same time, the District's investment in capital assets, net of related debt, increased by \$48.9 million due principally to payment of related debt during the year.

**BEAVERTON SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**(CONTINUED)**

**Governmental activities.** During the 2019-20 fiscal year, the District's net position decreased by \$10.4 million.

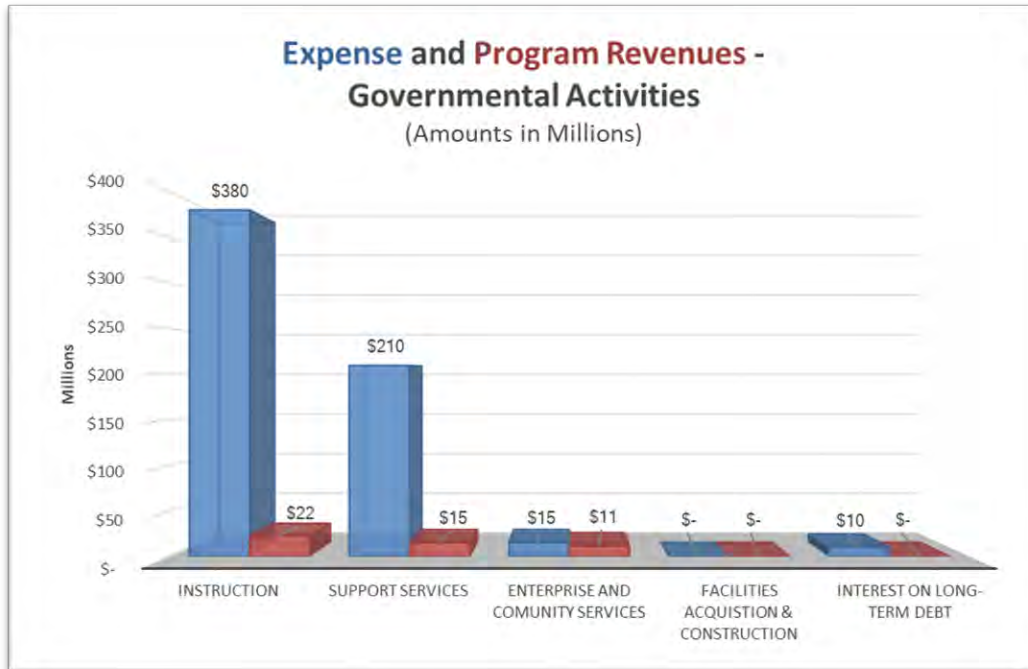
The key elements in this change are the following:

<b>Governmental Activities</b>	<b>June 30, 2020</b>	<b>June 30, 2019</b>	<b>Increase / (Decrease)</b>
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 9,453,783	\$ 12,158,387	\$ (2,704,604)
Operating grants and contributions	38,950,024	41,978,368	(3,028,344)
Capital grants and contributions	314,535	622,611	(308,076)
General revenues:			
Property taxes	204,465,142	199,492,128	4,973,014
Local option taxes	34,194,060	33,330,338	863,722
Construction excise tax	2,465,595	3,391,946	(926,351)
State school fund	281,611,303	257,695,444	23,915,859
Other state and local sources	19,990,880	19,717,597	273,283
Earnings on investments	6,728,554	12,172,451	(5,443,897)
Miscellaneous	6,771,351	8,889,895	(2,118,544)
Total revenues	<u>604,945,227</u>	<u>589,449,165</u>	<u>15,496,062</u>
<b>Expenses:</b>			
Instruction	380,493,251	376,093,532	4,399,719
Support services	210,020,005	204,487,372	5,532,633
Enterprise and community services	15,066,871	15,973,794	(906,923)
Interest on long-term debt	9,742,394	36,313,634	(26,571,240)
Total expenses	<u>615,322,521</u>	<u>632,868,332</u>	<u>(17,545,811)</u>
Increase (decrease) in net position	(10,377,294)	(43,419,167)	33,041,873
Net position – July 1 (as restated)	(73,070,645)	(29,651,478)	(43,419,167)
Net position – June 30	<u>\$ (83,447,939)</u>	<u>\$ (73,070,645)</u>	<u>\$ (10,377,294)</u>



**BEAVERTON SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020  
(CONTINUED)**

- Program revenues decreased by \$6.0 million in 2019-20 as a combination of a decrease of \$2.7 million in charges for services and a decrease of \$3.0 million in grants and contributions.
- General revenues increased by \$21.5 million in 2019-20 largely due to increases from the State School Fund and local property taxes.



**FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

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

At June 30, 2020, the District's governmental funds reported combined ending fund balances of \$213.9 million, a decrease of \$54.7 million in comparison with the prior year. Approximately \$157.5 million (73.6 percent) of the ending fund balances constitutes nonspendable, restricted or committed balances. Restricted or committed ending fund balances are constrained to specific purposes by bondholders or the governing body. Another \$56.4 million (26.4 percent) of the ending fund balances are unassigned and available for spending at the District's discretion. Of the fund balance, \$141.6 million (66.2 percent) is designated for capital projects, as authorized by voters and the Board, and an additional \$2.3 million (1.1 percent) is dedicated for debt service obligations.

**BEAVERTON SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020  
(CONTINUED)**

*General Fund.* The General Fund is the chief operating fund of the District. As of June 30, 2020, committed fund balance was \$6.1 million to fund long-term planning needs and a stability fund. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. At the end of the fiscal year, the General Fund balance was 12.8 percent of General Fund revenues. The fund balance increased by \$21.3 million due to decreased expenditures resulting from COVID-19 response.

*Debt Service Fund.* The Debt Service Fund has a total fund balance of \$2.3 million, all of which is set aside for the payment of debt service. The fund balance decreased from \$1.1 million due to the decrease in local property taxes.

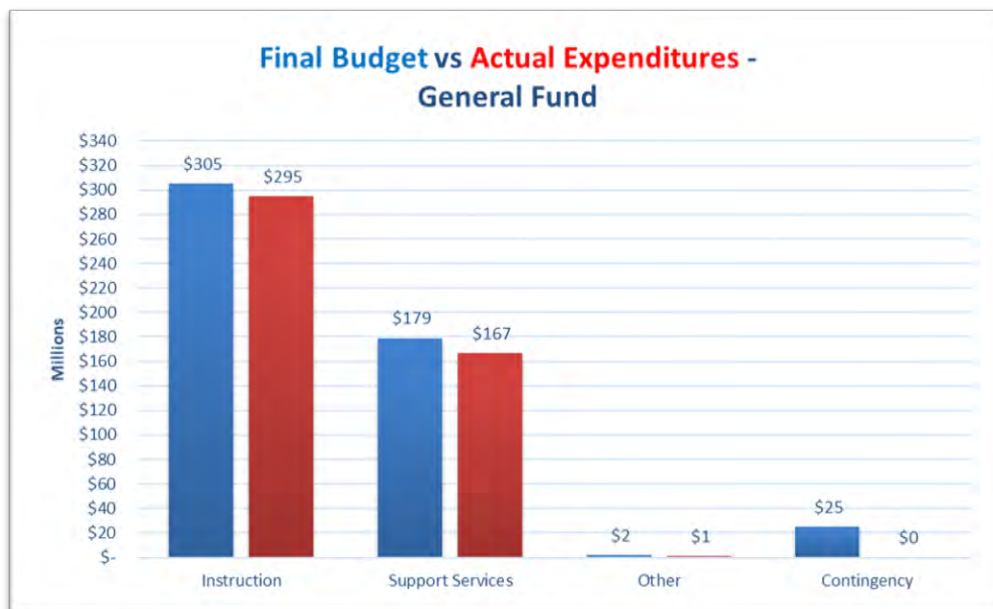
*Capital Projects Fund.* The Capital Projects Fund has a total fund balance of \$141.6 million, all of which is dedicated for ongoing capital projects. Capital expenditures reflect costs incurred as part of the Long-Range Facilities Plan. All of the Capital Projects Fund balance is restricted or committed for capital improvements and repairs.

**GENERAL FUND BUDGETARY HIGHLIGHTS**

*Original budget compared to final budget.* During the year, there was one supplemental budget with additional appropriations that were adopted for 2019-20.

*Final budget compared to actual results.* The most significant differences between estimated revenue and actual revenue were State and Intermediate Sources, which were estimated to be \$294.9 million and actual revenue was \$301.4 million with a difference of \$6.5 million.

The most significant difference between estimated expenditures and actual expenditures were Instruction and Support Services. Estimated Instruction expenditures were \$305.1 million compared to the actual expenditures of \$295.0 million. Estimated Support Services expenditures were \$179.4 million compared to the actual expenditures of \$166.7 million. These variations are attributed to an active reduction of expenditures and cost containment measures implemented at the end of the fiscal year in response to the COVID-19 pandemic and the subsequent shift to distance learning.



**BEAVERTON SCHOOL DISTRICT**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**FOR THE YEAR ENDED JUNE 30, 2020**  
**(CONTINUED)**

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital assets.** The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, and construction in progress. As of June 30, 2020, the District had approximately \$1,033.2 million invested in capital assets, net of depreciation, as shown in the following table:

<b>Capital Asset</b>	<b>June 30, 2020</b>	<b>June 30, 2019</b>	<b>Increase / (Decrease)</b>
Land	\$ 71,475,001	\$ 71,475,001	\$ -
Buildings and improvements	842,619,392	807,441,009	35,178,383
Vehicles and equipment	27,233,434	27,551,984	(318,550)
Construction in progress	91,837,188	77,751,526	14,085,662
Total capital assets, net of related accumulated depreciation	<u>\$ 1,033,165,015</u>	<u>\$ 984,219,520</u>	<u>\$ 48,945,495</u>

Additional information regarding the District's capital assets can be found in Note 5 on page 52 of this report.

**Long-term debt.** At the end of the current fiscal year, the District had total long-term debt outstanding of \$1,046.9 million, of the total \$1,048.2 million outstanding debt. The debt consisted of general obligation bonds, full faith and credit obligation bonds, pension obligation bonds, capital leases and unamortized premium.

State statutes limit the amount of general obligation debt a school district may issue to 7.95 percent of its total real market value. The current debt limit is \$4.13 billion, which is significantly in excess of the District's outstanding general obligation debt.

The District maintains an "A+" rating from Standard & Poor's and an "Aa2" rating from Moody's for general obligation debt.

Additional information on the District's long-term debt can be found in Notes 8 and 9 on pages 53 - 57 of this report.

<b>Debt Type</b>	<b>June 30, 2020</b>	<b>June 30, 2019</b>	<b>Increase / (Decrease)</b>
General obligation bonds	\$ 809,975,265	\$ 775,435,507	\$ 34,539,758
Pension obligation bonds	177,630,000	191,240,000	(13,610,000)
Full faith and credit obligation bonds	16,050,000	16,765,000	(715,000)
Unamortized premium	43,275,663	87,985,332	(44,709,669)
Capital leases	1,291,677	2,079,181	(787,504)
Total debt	<u>\$ 1,048,222,605</u>	<u>\$ 1,073,505,020</u>	<u>\$ (25,282,415)</u>

**ECONOMIC FACTORS AND NEXT YEAR'S BUDGET**

Resources supporting District General Fund operations primarily reflect local and state revenues, with additional income representing federal, county, and other sources. The largest segment is determined by the State School Fund formula. Most of the funding provided by the State to the District is based on the District's average daily membership (ADM) of students, either that of the current year or the prior year, whichever is higher. Total student enrollment in 2019-20 increased from 2018-19 by 273. Due to the effects of the COVID-19 pandemic, the District will have a lower ADM next year but will continue to receive funding based on the 2019-20 ADM.

**BEAVERTON SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE YEAR ENDED JUNE 30, 2020  
(CONTINUED)**

The 2020-21 budget was based on a K-12 state funding level of \$9.0 billion for the 2019-21 biennium. It includes a local option levy that was renewed in May 2018 that will continue through June 2023. This local option provides 277 teaching positions in an effort to reduce class sizes. The spread of COVID-19 has also altered the behavior of business and people in a manner that has negative effects on local, state, national, and global economic activity for the future. However, the State revenue forecasts released on September 23, 2020 indicates that the 2019-21 biennium revenue outlook will be similar to the outlook projected before the COVID-19 related recession hit, although there still are reductions in revenue outlooks for the 2021-23 biennium and subsequent biennium.

In June 2020, the board adopted the District budget for the fiscal year 2020-21. The adopted budget for the General Fund for the year ending June 30, 2021 is \$536.4 million. This is an increase of \$20.8 million from the 2019-20 adopted budget. This budget was adopted without budgeting for any financial impacts as a result of the COVID-19 pandemic due to the uncertainty and legally required deadline for adoption. The District anticipates making appropriate reductions and adjustments as the impacts of the COVID-19 pandemic become evident.

The School Board has set policy that the District will target 5.0 percent of annual operating revenues as ending fund balance and an additional 5.0 percent to a financial reserve fund. The District will also budget an annual operating contingency equal to 5.0 percent of budgeted revenues. The District policy allows for a plan to replenish the reserves as soon as practicable. The District used a majority of the financial reserve fund in 2019-20 in anticipation of the additional funding from Student Success Act, which are now uncertain due to the COVID-19 pandemic. The District is creating a replenishment plan with consideration of the future revenue uncertainties.

**REQUESTS FOR INFORMATION**

This financial report is designed to present the user (citizens, taxpayers, investors and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Finance Manager at 16550 SW Merlo Road, Beaverton, Oregon 97003.





## **BASIC FINANCIAL STATEMENTS**



**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**JUNE 30, 2020**

**ASSETS:**

Cash and investments	\$ 267,691,599
Receivables	20,266,488
Inventories	836,651
OPEB net asset - RHIA	4,996,093
Capital assets not being depreciated:	
Land	71,475,001
Construction in progress	91,837,188
Capital assets, net of accumulated depreciation:	
Buildings and improvements	842,619,392
Vehicles and equipment	27,233,434
<b>TOTAL ASSETS</b>	<b>1,326,955,846</b>

**DEFERRED OUTFLOWS OF RESOURCES:**

Deferred amount on refunding	61,214,224
PERS deferred outflows	166,266,625
OPEB deferred outflows	1,872,822
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>229,353,671</b>

<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<b>1,556,309,517</b>
--	----------------------

**LIABILITIES:**

Accounts payable	21,226,562
Accrued salaries and benefits	36,431,494
Compensated absences	5,061,051
Accrued interest payable	12,906,145
Unearned revenue	3,720,641
Accrued claims losses	3,162,000
Other accrued liabilities	3,475,413
Capital leases payable - due within one year	313,132
General obligation and full faith and credit obligation bonds - due within one year	54,374,961
Limited tax pension obligation bonds - due within one year	14,805,000
Capital leases payable - due in more than one year	978,545
General obligation and full faith and credit obligation bonds - due in more than one year	814,925,967
Limited tax pension obligation bonds - due in more than one year	162,825,000
PERS net pension liability	450,146,458
OPEB total liability - PHIS	25,276,847
<b>TOTAL LIABILITIES</b>	<b>1,609,629,216</b>

**DEFERRED INFLOWS OF RESOURCES:**

PERS deferred inflows	21,181,090
OPEB deferred inflows	8,947,150
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>30,128,240</b>

<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>1,639,757,456</b>
--	----------------------

**NET POSITION:**

Net investment in capital assets	356,573,540
Restricted for student body	3,622,843
Unrestricted	(443,644,322)
<b>TOTAL NET POSITION</b>	<b>\$ (83,447,939)</b>

**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Change in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Governmental activities:					
Instruction:					
Regular programs	\$ 288,892,592	\$ 4,499,211	\$ 6,079,505	\$ -	\$ (278,313,876)
Special programs	90,491,175	-	11,388,838	-	(79,102,337)
Summer school programs	1,109,484	-	503,798	-	(605,686)
Total instruction	380,493,251	4,499,211	17,972,141	-	(358,021,899)
Support Services:					
Student support services	51,821,053	-	3,443,563	-	(48,377,490)
Instructional staff support	17,777,675	-	2,185,400	-	(15,592,275)
General administration support	2,693,105	-	15,000	-	(2,678,105)
School administration	40,686,686	-	9,947	-	(40,676,739)
Business support services	67,425,522	1,030,649	7,575,316	314,535	(58,505,022)
Central activities support	29,615,964	290,696	60,812	-	(29,264,456)
Total support services	210,020,005	1,321,345	13,290,038	314,535	(195,094,087)
Enterprise and Community Services:					
Food services	14,989,398	3,633,227	7,646,237	-	(3,709,934)
Community services	77,473	-	41,608	-	(35,865)
Total enterprise and community services:	15,066,871	3,633,227	7,687,845	-	(3,745,799)
Interest on long-term debt	9,742,394	-	-	-	(9,742,394)
Total governmental activities	<u>\$ 615,322,521</u>	<u>\$ 9,453,783</u>	<u>\$ 38,950,024</u>	<u>\$ 314,535</u>	<u>(566,604,179)</u>
General revenues:					
Property taxes levied for general purposes					143,814,106
Local option taxes levied for general purposes					34,194,060
Property taxes levied for debt service					60,651,036
Construction excise tax					2,465,595
State school fund - general support					281,611,303
Common school fund					4,036,355
Unrestricted state and local sources					15,954,525
Earnings on investments					6,728,554
Gains on sale of capital assets					382,800
Miscellaneous					6,388,551
Total general revenues					<u>556,226,885</u>
<b>CHANGE IN NET POSITION</b>					<u>(10,377,294)</u>
NET POSITION, July 1, 2019					<u>(73,070,645)</u>
NET POSITION, June 30, 2020					<u><u>\$ (83,447,939)</u></u>

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

**BEAVERTON SCHOOL DISTRICT**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
<b>ASSETS</b>					
Equity in pooled cash and investments	\$ 89,472,713	\$ 463,618	\$ 159,800,944	\$ 9,764,203	\$ 259,501,478
Cash with fiscal agent	-	194,701	300,000	-	494,701
Receivables	3,880,695	164,309	1,032,797	11,127,143	16,204,944
Property taxes receivable	3,000,537	1,046,312	-	-	4,046,849
Due from other funds	6,227,795	1,567,594	-	-	7,795,389
Inventories	-	-	-	836,651	836,651
<b>TOTAL ASSETS</b>	<b>\$ 102,581,740</b>	<b>\$ 3,436,534</b>	<b>\$ 161,133,741</b>	<b>\$ 21,727,997</b>	<b>\$ 288,880,012</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND</b>					
<b>BALANCES</b>					
Liabilities:					
Accounts payable	\$ 1,580,502	\$ 271,540	\$ 17,593,190	\$ 1,592,886	\$ 21,038,118
Accrued salaries and benefits	34,335,717	-	47,768	2,036,673	36,420,158
Due to other funds	1,675,255	-	3,707	6,357,721	8,036,683
Unearned revenue	-	-	-	3,720,641	3,720,641
Other liabilities	4,426	-	1,918,951	604,206	2,527,583
<b>TOTAL LIABILITIES</b>	<b>37,595,900</b>	<b>271,540</b>	<b>19,563,616</b>	<b>14,312,127</b>	<b>71,743,183</b>
Deferred Inflows of Resources:					
Unavailable revenue - property taxes	2,411,948	843,374	-	-	3,255,322
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>40,007,848</b>	<b>1,114,914</b>	<b>19,563,616</b>	<b>14,312,127</b>	<b>74,998,505</b>
Fund Balances:					
Nonspendable					
Inventories	-	-	-	836,651	836,651
Restricted					
Debt Service Fund	-	2,276,890	-	-	2,276,890
Capital Projects Fund	-	-	132,786,906	-	132,786,906
Student Body Fund	-	-	-	3,622,843	3,622,843
Committed					
Debt Service Fund	-	44,730	-	-	44,730
Capital Projects Fund	-	-	8,783,219	-	8,783,219
Special Purpose Fund	-	-	-	926,859	926,859
Categorical Fund	-	-	-	1,566,476	1,566,476
Nutrition Services Fund	-	-	-	463,041	463,041
Long-term Planning Fund	6,149,838	-	-	-	6,149,838
Unassigned	56,424,054	-	-	-	56,424,054
<b>TOTAL FUND BALANCES</b>	<b>62,573,892</b>	<b>2,321,620</b>	<b>141,570,125</b>	<b>7,415,870</b>	<b>213,881,507</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 102,581,740</b>	<b>\$ 3,436,534</b>	<b>\$ 161,133,741</b>	<b>\$ 21,727,997</b>	<b>\$ 288,880,012</b>

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

**BEAVERTON SCHOOL DISTRICT****RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION**

JUNE 30, 2020

<b>TOTAL FUND BALANCES</b>	\$	213,881,507
----------------------------	----	-------------

Capital assets are not financial resources and therefore are not reported in the governmental funds:

Cost	\$	1,369,200,453	
Accumulated depreciation		<u>(336,035,438)</u>	1,033,165,015

A portion of the District's revenues are collected after year-end, but are not available soon enough to pay for the current year's operations, and therefore are not reported in the governmental funds.	3,255,322
--	-----------

Internal service funds are used by the District to charge the costs of insurance premiums and claims to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.	3,641,799
--	-----------

Compensated absences are reported when earned as a liability in the Statement of Net Position while in the governmental funds only the portion that requires the use of current financial resources is reported as a liability.	(5,061,051)
---	-------------

Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt and capital lease is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of:			
Accrued interest payable	(12,906,145)		
Bonds payable and unamortized premium	(1,046,930,928)		
Capital leases payable	<u>(1,291,677)</u>		(1,061,128,750)

Long-term pension assets / liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:			
PERS net pension liability	(450,146,458)		
PERS deferred outflow of resources	166,266,625		
PERS deferred inflows of resources	<u>(21,181,090)</u>		(305,060,923)

In 2019-20 bond refunding, a larger amount paid to the escrow agent than the premiums of the bonds being refunded that was recorded as interest expense. This deferred outflow of resources is recognized based on the schedule of maturities of the refunded bonds.	61,214,224
--	------------

Long-term other postemployment benefits obligation assets / liabilities not payable in the current year are not reported as governmental fund liabilities. Actuarial changes create deferred outflows and inflows of resources. These consist of:			
Net OPEB asset	4,996,093		
Total OPEB liability	(25,276,847)		
OPEB deferred outflow of resources	1,872,822		
OPEB deferred inflows of resources	<u>(8,947,150)</u>		(27,355,082)

<b>TOTAL NET POSITION</b>	<b>\$</b>	<b><u>(83,447,939)</u></b>
---------------------------	-----------	----------------------------

**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
<b>REVENUES:</b>					
Property taxes	\$ 143,660,937	\$ 60,651,036	\$ -	\$ -	\$ 204,311,973
Local option levy	34,194,060	-	-	-	34,194,060
Construction excise tax	-	-	2,465,595	-	2,465,595
Intermediate sources	12,150,332	-	-	222,138	12,372,470
State sources	290,502,082	-	-	10,136,056	300,638,138
Federal sources	-	-	-	22,747,867	22,747,867
Charges for services	3,010,173	-	-	5,780,328	8,790,501
Rentals	831,407	-	29,160	1,760	862,327
Investment earnings	1,999,966	587,881	4,063,949	39,634	6,691,430
Contributions and donations	12,137	-	969,464	2,553,412	3,535,013
Services to other funds	-	21,762,753	-	-	21,762,753
Recovery of prior years' expenditures	163,201	2,708	3,595,037	6,315	3,767,261
Other	1,826,574	-	314,535	1,456,637	3,597,746
Total revenues	488,350,869	83,004,378	11,437,740	42,944,147	625,737,134
<b>EXPENDITURES:</b>					
Current					
Instruction	295,005,432	-	-	19,694,902	314,700,334
Support services	168,093,479	-	3,917,796	7,364,296	179,375,571
Enterprise and community services	16,438	-	-	13,540,990	13,557,428
Debt Service					
Principal	1,145,894	43,160,243	-	-	44,306,137
Interest	104,405	42,301,516	-	-	42,405,921
Other - Bond issuance costs	-	2,156,275	-	-	2,156,275
Capital Outlay					
Facilities acquisition and construction	-	-	77,662,971	6,288,324	83,951,295
Total expenditures	464,365,648	87,618,034	81,580,767	46,888,512	680,452,961
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>23,985,221</b>	<b>(4,613,656)</b>	<b>(70,143,027)</b>	<b>(3,944,365)</b>	<b>(54,715,827)</b>
<b>OTHER FINANCING SOURCES (USES):</b>					
Sale of or compensation for loss of capital assets	-	-	380,835	-	380,835
Transfers in	18,419,036	1,336,850	-	4,380	19,760,266
Transfers out	(21,473,378)	-	(1,167,156)	(4,380)	(22,644,914)
Issuance of capital leases	358,390	-	-	-	358,390
Refunding bonds issued	-	432,745,000	-	-	432,745,000
Payment to refunded bond escrow agent	-	(430,584,224)	-	-	(430,584,224)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(2,695,952)</b>	<b>3,497,626</b>	<b>(786,321)</b>	<b>-</b>	<b>15,353</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>21,289,269</b>	<b>(1,116,030)</b>	<b>(70,929,348)</b>	<b>(3,944,365)</b>	<b>(54,700,474)</b>
<b>FUND BALANCE, July 1, 2019</b>	<b>41,284,623</b>	<b>3,437,650</b>	<b>212,499,473</b>	<b>11,360,235</b>	<b>268,581,981</b>
<b>FUND BALANCE, June 30, 2020</b>	<b>\$ 62,573,892</b>	<b>\$ 2,321,620</b>	<b>\$ 141,570,125</b>	<b>\$ 7,415,870</b>	<b>\$ 213,881,507</b>

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

**BEAVERTON SCHOOL DISTRICT**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**  
**YEAR ENDED JUNE 30, 2020**

**NET CHANGE IN FUND BALANCES** \$ (54,700,474)

*Amounts reported for governmental activities in the Statement of Activities are different because:*

Governmental funds report capital outlay as expenditures. In the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation in the current period:

Net additions to capital assets	\$ 81,186,249	
Less current year depreciation expense	(32,240,754)	48,945,495

In the Statement of Activities, pension expense is adjusted based on the actuarially determined contribution changes:

Net change in PERS net pension liability / asset	(56,237,342)	
Net change in deferred outflow of resources	(30,480,394)	
Net change in deferred inflow of resources	4,444,977	(82,272,759)

Long-term debt proceeds and capital leases are reported as other financing sources in governmental funds. In the Statement of Net Position, this debt increases liabilities. Similarly, repayment of principal and amortization of bond premium are an expenditure in the governmental funds but reduce the liability in the Statement of Net Position. This is the amount by which repayments exceeded proceeds:

Debt issued	(432,745,000)	
Payment to refunded bond escrow agent	430,584,224	
Debt principal repaid	43,160,243	
Amortization expense	(16,504,556)	
Capital lease issued	(358,390)	
Capital lease debt principal repaid	1,145,894	25,282,415

In refunding bonds, the amount of new bonds in excess of the refunded bonds is a deferred outflow of resources for the Statement of Activities, whereas it is recorded as an other financing use in the year of refunding.

61,214,224

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

(9,889,866)

Certain revenues that do not meet the measurable and available criteria are not recognized in the current year in the governmental funds. In the Statement of Activities, they are recognized as revenue when earned.

153,170

Internal service funds are used by the District to charge the costs of insurance premiums and claims to the individual funds. The net income is reported with governmental activities.

(255,536)

Compensated absences are recognized as an expenditure in the governmental funds when they are paid. In the Statement of Activities compensated absences are recognized as an expense when earned.

814,601

In the Statement of Activities, other postemployment benefits expense is adjusted based on the actuarially determined contribution changes:

Net change in OPEB liability / asset	7,162,548	
Net change in deferred outflow of resources	(899,955)	
Net change in deferred inflow of resources	(5,931,157)	331,436

**CHANGE IN NET POSITION** \$ (10,377,294)



**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS**  
**JUNE 30, 2020**

**ASSETS**

Current assets:

Cash and cash equivalents	\$	7,695,420
Receivables		14,695
Due from other funds		<u>242,511</u>

<b>TOTAL ASSETS</b>		<u><u>7,952,626</u></u>
---------------------	--	-------------------------

**LIABILITIES**

Current liabilities:

Accounts payable		188,444
Accrued claims losses		3,162,000
Accrued salaries and benefits		11,336
Due to other funds		1,217
Other liabilities		<u>947,830</u>

<b>TOTAL LIABILITIES</b>		<u><u>4,310,827</u></u>
--------------------------	--	-------------------------

**NET POSITION**

Unrestricted		<u>3,641,799</u>
--------------	--	------------------

<b>TOTAL NET POSITION</b>	\$	<u><u>3,641,799</u></u>
---------------------------	----	-------------------------

**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

**OPERATING REVENUES:**

Services to other funds	\$ 3,762,845
Recovery of prior years' expenditures	226,615
Other	<u>173,102</u>

<b>TOTAL OPERATING REVENUES</b>	<u><b>4,162,562</b></u>
---------------------------------	-------------------------

**OPERATING EXPENSES:**

Losses and claims	2,644,796
Insurance premiums and assessments	2,131,889
Salaries and benefits	1,515,670
Services, supplies and materials	<u>1,047,515</u>

<b>TOTAL OPERATING EXPENSES</b>	<u><b>7,339,870</b></u>
---------------------------------	-------------------------

<b>OPERATING INCOME (LOSS)</b>	<b>(3,177,308)</b>
--------------------------------	--------------------

**NONOPERATING REVENUE:**

Investment earnings	<u>37,124</u>
---------------------	---------------

<b>TOTAL NONOPERATING REVENUES</b>	<u><b>37,124</b></u>
------------------------------------	----------------------

<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(3,140,184)</b>
---------------------------------------	--------------------

**TRANSFERS:**

Transfers in	<u>2,884,648</u>
--------------	------------------

<b>TOTAL TRANSFERS</b>	<u><b>2,884,648</b></u>
------------------------	-------------------------

<b>CHANGE IN NET POSITION</b>	<b>(255,536)</b>
-------------------------------	------------------

<b>NET POSITION, July 1, 2019</b>	<u><b>3,897,335</b></u>
-----------------------------------	-------------------------

<b>NET POSITION, June 30, 2020</b>	<u><u><b>\$ 3,641,799</b></u></u>
------------------------------------	-----------------------------------

**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS**  
**YEAR ENDED JUNE 30, 2020**

**CASH FLOWS FROM OPERATING ACTIVITIES:**

Received from interfund services provided	\$ 4,906,264
Received from recovery of prior years' expenditures	226,615
Paid for goods and services	(3,517,582)
Paid to claimants	(2,671,644)
Paid to employees	(1,505,670)

**NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** (2,562,017)

**CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:**

Transfer from other funds	2,884,648
---------------------------	-----------

**NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES** 2,884,648

**CASH FLOWS FROM INVESTING ACTIVITIES:**

Interest received	37,124
-------------------	--------

**NET CASH FLOWS FROM INVESTING ACTIVITIES** 37,124

**NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS** 359,755

**CASH AND CASH EQUIVALENTS, July 1, 2019** 7,335,665

**CASH AND CASH EQUIVALENTS, June 30, 2020** \$ 7,695,420

**RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:**

Operating income (loss)	\$ (3,177,308)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in assets and liabilities	
Receivables	(14,160)
Due from other funds	37,165
Accounts payable	(338,178)
Accrued claims losses	10,000
Accrued salaries and benefits	(26,848)
Due to other funds	(518)
Other liabilities	947,830

**NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES** \$ (2,562,017)

**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF NET POSITION**  
 FIDUCIARY FUND - PRIVATE PURPOSE TRUST FUND  
 JUNE 30, 2020

**ASSETS**

Equity in pooled cash and investments	\$ 384,629
---------------------------------------	------------

<b>TOTAL ASSETS</b>	<u>384,629</u>
---------------------	----------------

**LIABILITIES**

Accounts payable	7,500
------------------	-------

Scholarships payable	<u>40,250</u>
----------------------	---------------

<b>TOTAL LIABILITIES</b>	<u>47,750</u>
--------------------------	---------------

**NET POSITION**

Held in trust for:	
Scholarships	<u>336,879</u>

<b>TOTAL NET POSITION</b>	<u><u>\$ 336,879</u></u>
---------------------------	--------------------------

**BEAVERTON SCHOOL DISTRICT**  
**STATEMENT OF CHANGES IN NET POSITION**  
 FIDUCIARY FUND - PRIVATE PURPOSE TRUST FUND  
 YEAR ENDED JUNE 30, 2020

**ADDITIONS:**

Contributions and donations	\$	85,170
Investment earnings		<u>2,379</u>
Total additions		<u>87,549</u>

**DEDUCTIONS:**

Scholarships		<u>92,986</u>
Total deductions		<u>92,986</u>

<b>CHANGE IN NET POSITION</b>		(5,437)
-------------------------------	--	---------

<b>NET POSITION, July 1, 2019</b>		<u>342,316</u>
-----------------------------------	--	----------------

<b>NET POSITION, June 30, 2020</b>	\$	<u><u>336,879</u></u>
------------------------------------	----	-----------------------

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS**  
JUNE 30, 2020

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Reporting Entity**

Beaverton School District (the District), a consolidation of several districts, was organized under provisions of Oregon Statutes pursuant to Oregon Revised Statutes (ORS) Chapter 332 for the purpose of operating elementary and secondary schools. The District is governed by a separately elected seven-member Board which approves 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 District qualifies as a primary government since it has a separately elected governing body, is a legally separate entity, and is fiscally independent. There are various governmental agencies and special service districts, which provide service within the District's boundaries. However, the District is not financially accountable for any of these entities, and therefore, none of them are considered component units or included in these basic financial statements.

The District has granted charter to two public charter schools, Arco Iris Spanish Immersion Charter School and Hope Chinese Charter School. These public charter schools are legally separate, tax-exempt organizations governed by their own board of directors, and their financial statements may be obtained by contacting their administrative offices.

**Basis of Presentation**

**Government-wide Financial Statements**

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the governmental financial activities of the overall District except fiduciary activities. Eliminations have been made to minimize the double counting of internal activities, except that interfund services provided and used are not eliminated in the process of consolidation. Governmental activities are financed primarily through property taxes, intergovernmental revenues, and charges for services.

The Statement of Activities presents a comparison between direct expenses and program revenues for each of its functions or programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. Eliminations have been made to minimize the double counting of internal activities in the Statement of Activities. Program revenues include: (1) charges to students or others for tuition, fees, rentals, material, supplies, or services provided, (2) operating grants and contributions and (3) capital grants and contributions. Revenues that are not classified as program revenues, including property taxes and state support, are presented as general revenues. Certain functional expenditures contain an element of indirect cost.

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

Net position is reported as restricted when constraints placed on net position use are either externally restricted, imposed by creditors (such as through grantors, contributors, or laws) or through constitutional provisions or enabling resolutions.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**Fund Financial Statements**

The fund financial statements provide information about the District's funds including those of a fiduciary nature. Separate statements for each fund category (governmental, proprietary, and fiduciary) are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The District reports the following major governmental funds:

General Fund is the District's primary operating fund and accounts for all revenues and expenditures except those required to be accounted for in another fund. This includes the long-term planning sub-fund to account for funds set aside for a specific purpose carrying over one year.

Debt Service Fund provides for the payment of principal and interest on long-term general obligation debt, full faith and credit obligation debt, and pension obligation debt of governmental funds. Principal revenue sources are property taxes, construction excise tax, General Fund transfer and charges to other funds.

Capital Projects Fund accounts for activities related to the acquisition, construction and equipping of facilities. Principal revenue sources are proceeds from the sale of bonds and interest earnings.

Additionally, the District reports the following fund types:

Special Revenue Funds account for revenue sources that are legally restricted to expenditures for specific purposes such as federal and state grants, classroom supplies and equipment, capital improvements, the receipts, disbursements and cash balances of the various schools' student body activity funds, individual school activity programs and revenues and expenditures for the food dispensing programs.

Internal Service Funds account for insurance services provided to other departments of the District on a cost-reimbursement basis.

Private-Purpose Trust Fund is used to account for scholarship resources held by the District in a fiduciary capacity for use by students. Disbursements from this fund are made in accordance with the trust and donor agreements.

**Measurement Focus and Basis of Accounting**

Government-wide, internal service and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include state school fund support, property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied. Under terms of grant agreements, the District funds certain programs by a combination of specific cost-reimbursement grants and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net positions available to finance the program. It is the District's policy to first apply cost-reimbursement grant resources to such programs and then general revenues.

Governmental fund financial statements are reported using the current financial resources measurement focus and modified accrual basis of accounting. Under this method, revenues are recognized when measurable and

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

available. The District considers all revenues reported in the governmental funds to be available if they are collected within sixty days after year-end. Property taxes and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt, claims and judgments, and accrued vacation which are recognized as expenditures only when payment is due. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for insurance services. Operating expenses for internal service funds include the cost of materials and supplies, insurance premiums, losses and claims, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

**Cash, Cash Equivalents, and Investments**

The District's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less. These short-term investments are stated at cost, which approximates fair value.

The District's investments consist of corporate securities, U.S. Government Treasury securities, U.S. Government Agency securities, state and local government obligations, bank deposits and savings accounts and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported at fair value based upon quoted market rates. 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 no-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 funds. The LGIP is commingled with the State's short-term funds. 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.

**Property Taxes Receivable**

Property taxes are levied and become a lien on July 1. Collection dates are November 15, February 15 and May 15 following the lien date. Discounts are allowed if the amount due is received by November 15 or February 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

Uncollected property taxes are recorded on the Statement of Net Position. Uncollected taxes are deemed to be substantially collectible or recoverable through liens; therefore, no allowance for uncollectible taxes has been established. All property tax receivables are due from property owners within the District.

**Accounts and Other Receivables**

Accounts and other receivables are comprised primarily of State school support, claims for reimbursement of costs under various federal and state grants and investment interest. Amounts are periodically reviewed for collectability. At June 30, 2020, no allowance for doubtful accounts is considered necessary.



**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**Grants**

Unreimbursed expenditures due from grantor agencies are reflected in the basic financial statements as receivables and revenues. Grant revenues are recorded at the time eligible expenditures are incurred. Grant monies received prior to the occurrence of qualifying expenditures are recorded as unearned revenue.

**Inventories**

Inventories consist of supplies held for sale. Inventories are charged as expenditures when consumed and are stated at cost using the first-in, first-out (FIFO) method. A portion of the inventory consists of donated United States Department of Agriculture (USDA) commodities. Commodities are recorded as expenditures when consumed and are stated at their fair market value based on guidelines provided by the USDA.

**Capital Assets**

Capital assets are recorded at original or estimated original cost. Donated capital assets are recorded at their acquisition value on the date donated. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated life in excess of one year. Maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

Buildings and improvements: 10 to 50 years

Vehicles and equipment: 5 to 30 years

**Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position and balance sheet 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 or fund balance that applies to a future period(s) so will *not* be recognized as an outflow of resources (expense/expenditure) until that time. The government has three items that arise only under a full accrual basis of accounting that qualify for reporting in this category. The statement of net position reports one type related to the deferred amount on refunding bonds, one type related to the net OPEB liability, and one type related to the net PERS pension liability. These amounts are deferred and recognized as an outflow of resources in the period that the amounts become available.

In addition to liabilities, the statement of net position and balance sheet 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 or fund balance that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The government has three items that arise for reporting in this category. The balance sheet reports unavailable revenues from one source: property taxes. The statement of net position reports one type related to the net OPEB liability and one type related to the net PERS pension liability. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

**Retirement Plans and Other Post-Employment Benefits**

Substantially all of the District's employees are participants in the Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

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.

The 2003 Oregon Legislature passed PERS reform legislation and essentially created a new retirement plan for employees hired on or after August 29, 2003. These employees become members of the Oregon Public Service Retirement Plan (OPSRP). OPSRP is a hybrid retirement plan with two components: the Pension Program (defined benefit plan) and the Individual Account Program (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan). OPSRP is administered by PERS.

In addition, the District has other post-employment benefit plans for employees. As a member of PERS, the District contributes to the Retirement Health Insurance Accounts (RHIA) for eligible District employees. This plan was established by the Oregon Legislature. The District also has a Postemployment Health Insurance Subsidy (PHIS) plan that provides postemployment insurance for eligible employees and their spouses. This plan was established by the District in accordance with ORS 243.303.

The District offers its employees tax deferred annuity plans established pursuant to Section 403(b) and 457(b) of the Internal Revenue Code. Contributions are made through salary reductions from participating employees up to the amounts specified in the Code. The District makes contributions for active administrators as part of their benefit package but is not responsible for any amount postemployment. Employees are immediately vested in their own contributions, any District contributions, and earnings on those contributions. There are no forfeitures on any of these plans. The plans are administrated by Carruth Compliance Consulting.

Benefit terms for the active administrators, including contribution requirements, are established in the agreement with the Association of Beaverton School Administrators and may be amended in future agreements. For each administrator, the District is required to contribute \$100 per month that may be used to purchase a retirement financial product and to contribute 5 percent of salary to the 403(b) plans. For the year ended June 30, 2020, the total of these District contributions was \$921,968.

**Compensated Absences**

It is the District's policy to permit employees to accumulate earned, but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service with the District. All vacation pay is considered to be current as the District policy states that vacation will lapse if not taken within six months following the year end. It is accrued when earned in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only as they come due, for example, as a result of employee resignation and retirements.

**Long-Term Debt**

In the government-wide financial statements, long-term debt is reported as a liability in the Statement of Net Position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Savings realized from advance refunding of debt are recorded as deferred outflows of resources and amortized over the remaining life of the related defeased debt.

In the fund financial statements, bond premiums and discounts, as well as bond issuance costs, are recognized when incurred and are not deferred. The face amount of the debt issued, premiums received on debt issuances, and discounts are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. All principal and interest debt payments are paid by the Debt Service Fund.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**Net Position**

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

Net investment in capital assets – consists of all capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. The District has unspent bond proceeds in the form of cash and investments to fund bond expenditures in subsequent years.

Restricted – consists of external constraints placed on asset use by creditors, grantors, contributors, or laws or regulations of other governments or constraints imposed by law through constitutional provisions or enabling legislation. There are net positions restricted for debt service and student body.

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

**Use of Estimates**

The preparation of basic 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 amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the basic financial statements and reported amounts of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

**Governmental Fund Balances**

In the governmental financial statements, fund balances are reported in classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental Fund type fund balances are classified as follows:

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

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

Committed – Amounts that can be used only for specific purposes determined by a formal action of the School Board. The use of committed funds would be approved by resolution. The School Board can modify or rescind the commitment at any time through an amending resolution.

Assigned – Amounts that are constrained by the District's intent to use them for a specific purpose, but are neither restricted nor committed, are reported as assigned fund balance. Intent is expressed when the School Board approves which resources should be "reserved" during the adoption of the annual budget. Intent can be stipulated by the governing body or by an official to whom that authority has been given by the governing body.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

The Superintendent and Chief Financial Officer have been granted the authority to assign fund balances, pursuant to School Board resolution.

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

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

**Definitions of Governmental Fund Types**

The General Fund is used to account for all financial resources not accounted for in another fund. In addition, certain funds budgeted as Special Revenue Funds are reported as part of the General Fund because their source of funds primarily has been transfers from the General Fund.

Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. The term “proceeds of specific revenues sources” means that the revenue sources for the fund must be from restricted or committed sources, specifically that a substantial portion of the revenue must be from these sources and be expended in accordance with those requirements.

Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

Debt Service Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest. Debt service funds should be used to report resources if legally mandated. Financial resources that are being accumulated for principal and interest maturing in future years should also be reported in debt service funds.

**Fund Balance Policy**

School Board policy mandates that the District budget a minimum of 5.0 percent of its General Fund revenue as contingency, and that a 5.0 percent fund balance be maintained. An additional 5.0 percent fund balance is maintained in a sustainability fund to support long-term financial stability and can only be accessed through Board action to moderate future revenue declines.

**2. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY**

**Budget**

A budget is prepared and legally adopted for each governmental fund type, proprietary fund type and private-purpose trust fund on the modified accrual basis of accounting. The budgetary basis of accounting is the same as accounting principles generally accepted in the United States of America for the governmental fund types and private-purpose trust fund, except capital outlay expenditures, including items below the District's capitalization

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

level which are budgeted by major function in the governmental fund types. The resolution authorizing appropriations for each fund sets the level by which expenditures cannot legally exceed appropriations.

Appropriations are established at the major function level (instruction, support services, enterprise and community services, facilities acquisition and construction, debt service, operating contingency, and transfers) for each fund. The detail budget document, however, is required to contain more specific, detailed information for the aforementioned expenditure categories. Unexpected additional resources may be added to the budget through the use of a supplemental budget and appropriation resolution.

Supplemental budgets less than 10 percent of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10 percent of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, there was one supplemental budget with additional appropriations adopted for 2019-20. Appropriations lapse at the end of each fiscal year.

**3. CASH AND INVESTMENTS**

The District maintains a cash and investment pool that is available for use by all funds. Each fund type's portion of this pool is displayed on the balance sheet as "Equity in pooled cash and investments." In addition, cash and investments are separately held by several of the District's funds.

Cash and investments are comprised of the following at June 30, 2020:

Cash with fiscal agent	\$ 494,701
Petty cash	789
Deposits with banks	18,633,295
Investments	248,947,443
	<u>\$ 268,076,228</u>

Cash and investments are shown on the basic financial statements as:

Statement of Net Position	
Cash and investments	\$ 267,691,599
Statement of Net Position - Fiduciary Funds	
Equity in pooled cash and investments	384,629
	<u>\$ 268,076,228</u>

At year-end, the District's deposits with various financial institutions had a bank value of \$19,936,112 and a book value of \$18,633,295. All deposits not covered by FDIC insurance are covered by the Public Funds Collateralization Program (PFCP) of the State of Oregon. The PFCP is a shared liability structure for participating bank depositories, better protecting public funds though still not guaranteeing that all funds are 100 percent protected. Barring any exceptions, a bank depository is required to pledge collateral valued at 10 percent of their quarter-end public fund deposits if they are well capitalized, 25 percent of their quarter-end public fund deposits if they are adequately capitalized, or 110 percent of their quarter-end public fund deposits if they are undercapitalized or assigned to pledge 110 percent by the Office of the State Treasurer. In the event of a participating bank failure, the entire pool of collateral pledged by all qualified Oregon public funds bank depositories is available to repay deposits of public funds of government entities.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

Custodial credit risk for deposits is the risk that in the event of a bank failure, the District's deposits may not be returned. The Federal Depositary Insurance Corporation (FDIC) provides insurance for the District's deposits with financial institutions up to \$250,000 each for the aggregate of all demand deposits and the aggregate of all time-deposits at each institution. Deposits in excess of FDIC coverage with institutions participating in the Oregon Public Funds Collateralization Program (PFCP) are collateralized with securities held by the Federal Home Loan Bank of Seattle in the name of the institution. As of June 30, 2020, \$19,436,112 of the District's bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution's agent, but not in the District's name.

As of June 30, 2020 the District held the following investments and maturities:

Investment Type	Fair Value	Weighted Average Maturity in Years	Percent of Investment Portfolio
U.S. Treasury securities	\$ 59,822,157	0.516	24.0%
U.S. Agency securities	98,469,441	0.208	39.6%
Corporate indebtedness	40,854,750	1.004	16.4%
Local Government Investment Pool (LGIP)	49,801,095	0.003	20.0%
	<u>\$ 248,947,443</u>	<u>0.372</u>	<u>100.0%</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of an asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. Investments in U.S. Treasury securities, U.S. Agency securities, state and local government obligations, and corporate securities are valued using quoted market prices and are fair value Level 1.

The "weighted average maturity in years" calculation assumes that all investments are held until maturity.

As a means of limiting its exposure to fair value losses arising from rising interest rates, the District's investment policy limits investment as follows:

Investment Type	Maximum Percent of Portfolio	Maximum Length to Maturity
U.S. Treasury securities	100%	18 months for operating funds, 3 years for capital project funds
U.S. Agency securities	100%	18 months for operating funds, 3 years for capital project funds
State and local government obligations	30%	18 months for operating funds, 3 years for capital project funds
Certificate of deposits	50%	18 months
Repurchase agreements	25%	30 days
Bankers' acceptances	25%	6 months
Corporate indebtedness	35%	18 months
Bank deposits and savings accounts	10%	N/A
Local Government Investment Pool (LGIP)	100%	N/A

The maximum amount of pooled investments to be placed in the LGIP is limited by Oregon State Statutes and will increase proportionately with the Portland Consumer Price Index. The limit can be temporarily exceeded for ten business days and does not apply either to pass-through funds or to funds invested on behalf of another governmental unit.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law; and pre-qualifying the financial institutions, brokers/dealers, intermediaries, and advisors with which the District

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

will do business. All of the investments above, except for the investment in the LGIP which is not evidenced by securities, are held in safekeeping by U.S. Bank in the District's account name.

The District's credit risk policy, which adheres to State of Oregon law, is to limit its investments to the following: Issuers within Oregon must be rated "A" (bonds) or A-2 / P-2 (commercial paper) or better by Standard and Poor's, Moody's Investors Service or any other nationally recognized statistical rating organization, issuers not in Oregon must be rated AA / Aa (bonds) or A-1 / P-1 (commercial paper) or better.

At June 30, 2020, the District's investments were rated by either Moody's or Standard and Poor's as follows:

Investment Type	Total	Aaa/AAA	Aa/AA	A/A	Not Rated
U.S. Treasury securities	\$ 59,822,157	\$ 59,822,157	\$ -	\$ -	\$ -
U.S. Agency securities	98,469,441	98,469,441	-	-	-
Corporate indebtedness	40,854,750	-	35,808,450	5,046,300	-
Local Government Investment Pool (LGIP)	49,801,095	-	-	-	49,801,095
	<u>\$ 248,947,443</u>	<u>\$ 158,291,598</u>	<u>\$ 35,808,450</u>	<u>\$ 5,046,300</u>	<u>\$ 49,801,095</u>

The Oregon State Treasurer maintains the Oregon Short-Term Fund, of which the LGIP is a part, and is not registered with the U.S. Securities and Exchange Commission. Participation by local governments is voluntary. The State of Oregon investment policies are governed by statute and the Oregon Investment Council. In accordance with Oregon Statute, funds are invested as a prudent investor would do, exercising reasonable care, skill, and caution. The LGIP was created to offer a short-term investment alternative to Oregon local governments. The investments are regulated by the Oregon Short-Term Fund Board and approved by the Oregon Investment Council (ORS 294.805 to 294.895). Separate financial statements for the Oregon Short-Term Fund are available from the Oregon State Treasurer. The State of Oregon LGIP is unrated for credit quality.

The District's policy for investing in individual issuers varies depending on the type of investments. No more than 35 percent of the total portfolio of investments may be invested in any single U.S. government agency. No more than 10 percent of the total portfolio may be invested in a single issuer of bankers' acceptances. At the time of purchase, investments in corporate securities of any one issuer may not exceed 5 percent of the investment portfolio. At June 30, 2020, more than 5 percent of the District's portfolio was invested in Federal Home Loan Bank Discount Notes and Resolution Funding Corp Notes. These investments were 29.42% and 6.02%, respectively, of the District's total investments.

#### **4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS**

The composition of interfund balances as of June 30, 2020 is as follows:

	Due to Other Funds	Due from Other Funds
General fund	\$ 1,675,255	\$ 6,227,795
Debt service fund	-	1,567,594
Capital projects fund	3,707	-
Other governmental funds	6,357,721	-
Internal service funds	1,217	242,511
Total	<u>\$ 8,037,900</u>	<u>\$ 8,037,900</u>

There is a \$6,227,795 interfund balance in the General Fund to fund reimbursable expenditures in the Grant Fund. The remaining \$1,810,105 interfund balances between funds are the result of payroll accruals at year-end.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

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

	Transfer in	Transfer out
General fund	\$ 18,419,036	\$ 21,473,378
Debt service fund	1,336,850	-
Capital projects fund	-	1,167,156
Other governmental funds	4,380	4,380
Internal service fund	2,884,648	-
Total	<u>\$ 22,644,914</u>	<u>\$ 22,644,914</u>

Transfers were made from the Capital Projects Funds to the Debt Service Fund totaling \$1,167,156 and from the General Fund to the Debt Service Fund totaling \$169,694 to pay principal and interest payments on the full faith and credit obligations. Within the General Fund, transfers totaling \$18,419,036 were made between the sub-funds, with \$18,413,036 going from Long-term Planning Fund to the General Fund from the reserves to support operations and \$6,000 going from General Fund to the Long-term Planning Fund for a future vehicle replacement. The General Fund also transferred \$2,884,648 into the Insurance Reserve Fund to support the internal service fund. A transfer was made from the Food Service Fund to the Special Purpose Fund totaling \$4,380 for volunteer donations.

**5. CAPITAL ASSETS**

Capital assets activity for the year was as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
Capital assets not being depreciated:				
Land	\$ 71,475,001	\$ -	\$ -	\$ 71,475,001
Construction in progress	77,751,526	58,134,808	(44,049,146)	91,837,188
Total capital assets not being depreciated	<u>149,226,527</u>	<u>58,134,808</u>	<u>(44,049,146)</u>	<u>163,312,189</u>
Capital assets being depreciated:				
Buildings and improvements	1,091,139,173	62,131,397	(154,719)	1,153,115,851
Vehicles and equipment	52,145,629	5,889,614	(5,262,830)	52,772,413
Total capital assets being depreciated	<u>1,143,284,802</u>	<u>68,021,011</u>	<u>(5,417,549)</u>	<u>1,205,888,264</u>
Less accumulated depreciation for:				
Buildings and improvements	(283,698,164)	(26,927,829)	129,534	(310,496,459)
Vehicles and equipment	(24,593,645)	(5,312,925)	4,367,591	(25,538,979)
Total accumulated depreciation	<u>(308,291,809)</u>	<u>(32,240,754)</u>	<u>4,497,125</u>	<u>(336,035,438)</u>
Total capital assets being depreciated, net	<u>834,992,993</u>	<u>35,780,257</u>	<u>(920,424)</u>	<u>869,852,826</u>
Total capital assets, net	<u>\$ 984,219,520</u>	<u>\$ 93,915,065</u>	<u>\$ (44,969,570)</u>	<u>\$ 1,033,165,015</u>

Depreciation expense for the year was charged to the following programs:

Regular programs	\$ 16,218,659
Special programs	4,663,784
Summer school programs	68,838
Student support services	2,886,505
Instructional staff support	900,753
General administration support	147,827
School administration	2,341,781
Business support services	2,996,591
Central activities support	1,462,001
Food services	553,239
Community services	776
	<u>\$ 32,240,754</u>



**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**6. RECEIVABLES**

Receivables are comprised of the following as of June 30, 2020:

Account	General Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Internal Service Funds	Total
Receivables:						
Intergovernmental receivable	\$ 3,117,071	\$ 161,640	\$ 572,835	\$ -	\$ -	\$ 3,851,546
Grants receivable	-	-	-	10,873,411	-	10,873,411
Interest receivable	-	448	455,146	-	-	455,594
Other receivable	763,624	2,221	4,816	253,732	14,695	1,039,088
Total receivables	3,880,695	164,309	1,032,797	11,127,143	14,695	16,219,639
Property taxes receivable	3,000,537	1,046,312	-	-	-	4,046,849
	<u>\$ 6,881,232</u>	<u>\$ 1,210,621</u>	<u>\$ 1,032,797</u>	<u>\$ 11,127,143</u>	<u>\$ 14,695</u>	<u>\$ 20,266,488</u>

**7. LONG-TERM LIABILITIES**

Long-term liabilities activity for the year ended June 30, 2020 is as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 775,435,507	\$ 432,745,000	\$ 398,205,242	\$ 809,975,265	\$ 46,780,000
Pension obligation bonds	191,240,000	-	13,610,000	177,630,000	14,805,000
Full faith & credit obligations	16,765,000	-	715,000	16,050,000	745,000
Unamortized premium	87,985,332	-	44,709,669	43,275,663	6,849,961
Total bonds payable, net	1,071,425,839	432,745,000	457,239,911	1,046,930,928	69,179,961
Capital leases	2,079,181	358,390	1,145,894	1,291,677	313,132
Net pension liability	393,909,116	56,237,342	-	450,146,458	-
OPEB total liability	30,278,871	3,395,240	8,397,264	25,276,847	-
	<u>\$ 1,497,693,007</u>	<u>\$ 492,735,972</u>	<u>\$ 466,783,069</u>	<u>\$ 1,523,645,910</u>	<u>\$ 69,493,093</u>

**8. LONG-TERM DEBT**

**Bonds Payable**

**General Obligation Bonds**

The District issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the government. These bonds generally are issued as 20-year serial bonds with equal amounts of principal maturing each year. The Oregon State Statute establishes a legal debt limit for the District of 7.95% of real market value. The debt limit for the year ended June 30, 2020 was \$4.13 billion.

On August 25, 2011, the District issued \$42,175,000 in General Obligation Bonds, Series 2011 to refund Series 2001 Bonds, Series 2002 Bonds, and Series 2003 Bonds and obtain a savings in total debt service requirement. Interest rates on the bonds range from 2.00% to 5.00%, payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2023. The Series 2011 Bonds maturing on or after June 15, 2022 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2021.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

On December 11, 2012, the District issued \$33,075,000 in General Obligation Bonds, Series 2012A and \$126,325,000 in General Obligation Bonds, Series 2012B to refund Series 2004A Bonds and Series 2007 Bonds and obtain a savings in total debt service requirement. The Series 2012A had a final maturity in June 2019. The Series 2012B have an interest rate range from 1.75% to 4.00%. Interest is payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2026. The Series 2012B Bonds maturing on or after June 15, 2023 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2022. In June 2020, the Series 2012B Bonds maturing on or after June 15, 2023 were refunded and are considered defeased.

On August 7, 2014, the District issued \$20,393,784 in General Obligation Bonds, Series 2014A and \$361,755,000 in General Obligation Bonds, Series 2014B to finance the first phase of capital construction and improvements related to the \$680 million bond measure passed by voters on May 20, 2014. Interest rates on the Series 2014A Bonds range from 0.93% to 2.15%. Interest on the Series 2014B Bonds range from 2.00% to 5.00%. Interest is payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2020 and June 2034 for the Series 2014A Bonds and Series 2014B Bonds, respectively. The Series 2014B Bonds maturing on or after June 15, 2025 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2024. In June 2020, the Series 2014B Bonds maturing on or after June 15, 2025 were refunded and are considered defeased.

On May 11, 2017, the District issued \$38,990,000 in General Obligation Bonds, Series 2017A, \$76,483,176 in General Obligation Bonds, Series 2017B, \$32,980,000 in General Obligation Bonds, Series 2017C, and \$149,397,089 in General Obligation Bonds, Series 2017D to finance the second phase of capital construction and improvements related to the \$680 million bond measure passed by voters on May 20, 2014. Principal is paid in June, with a final maturity in June 2028 for the Series 2017A Bonds, June 2034 for the Series 2017B Bonds, June 2035 for the Series 2017C Bonds, and June 2036 for the Series 2017D Bonds.

The Series 2017A are taxable bonds with interest rates from 1.49% to 3.23%. Interest is payable semiannually in June and December for the Series 2017A Bonds. The Series 2017A Bonds maturing on June 15, 2028 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2027. The Series 2017B are deferred interest bonds with interest rates from 3.57% to 4.13%. Interest on the Series 2017B Bonds is payable only at maturity. The Series 2017B Bonds are subject to redemption prior to maturity at a price of 100 percent of the accreted par value on the redemption date on or after June 15, 2027. The Series 2017C are current interest bonds with an interest rate of 5.00%. Interest is payable semiannually in June and December for the Series 2017C Series Bonds. The Series 2017C Bonds maturing in 2028 and 2035 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2027. The Series 2017D are convertible deferred interest bonds with an interest rate of 5.00%. The Series 2017D Bonds converted into current interest bonds in June 2018, interest is now payable semiannually in June and December. The 2017D Series Bonds maturing in 2035 and 2036 are subject to redemption prior to maturity at a price of 100 percent of accreted par value plus accrued interest on or after June 15, 2027.

On June 30, 2020, the District issued \$432,745,000 in General Obligation Bonds, Series 2020, placing the proceeds of the new bonds in irrevocable trusts to provide for all future debt service payments on a portion of the Series 2012B Bonds and Series 2014B Bonds, in order to obtain a savings in total debt service requirement. The Series 2020 have an interest rate range from 0.35% to 2.09% and is payable semiannually in June and December. Principal is paid annually in June, with a final maturity in June 2034. The Series 2020 Bonds maturing on or after June 15, 2031 are subject to redemption prior to maturity at a price of par plus accrued interest on or after June 15, 2030.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**Limited Tax Pension Obligation Bonds**

On June 21, 2005, the District participated with thirteen Oregon school districts and two educational service districts in a pooled issuance of taxable pension obligation bonds to finance the District's estimated PERS unfunded actuarial liability. The District issued \$189,935,000 in debt as part of a pooled issuance of \$475,205,000. Except for the payment of its pension bond payments and additional charges when due, each school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS.

Bond proceeds were paid to the Oregon Public Employees Retirement System. An intercept agreement with the State of Oregon was required as a condition of issuance; therefore, a portion of State School Fund support is withheld on a monthly basis to repay debt. Funds are accumulated and invested by a trust officer and annual principal and interest payments are made each June 30, beginning June 2005 and ending June 2028. The bond interest rates range from 4.11% to 4.76%.

On February 26, 2015, the District issued \$79,220,000 taxable pension obligation bonds to finance District's estimated PERS unfunded actuarial liability. The bond proceeds were paid to the Oregon Public Employees Retirement System. No intercept agreement exists for the bonds issued in 2015. Annual principal and interest payments are made each June 30, beginning in June 2015 and ending June 2034. The bond interest rates range from 0.35% to 4.06%.

**Full Faith and Credit Obligation Bonds**

On March 19, 2009, the District issued \$22,650,000 full faith and credit obligation bonds to provide funds for the construction of the Transportation Service Center, an option school auditorium, bus particulate traps and an option school remodel. Interest rates on the bonds ranged from 2.50% to 5.13% with a final maturity date in June 2020.

On April 27, 2016, the District issued \$16,260,000 full faith and credit obligation bonds, placing the proceeds of new bonds in irrevocable trusts to provide for all future debt service payments on the old obligations. Interest rates on the 2016 bonds range from 2.00% to 4.00% with a final maturity date of June 1, 2036.

**Debt Defeased**

On June 30, 2020, the District issued \$432,745,000 in General Obligation Bonds with interest rates ranging between 0.35% and 2.09%. The District issued the bonds to advance refund \$71,060,000 of the outstanding Series 2012B Bonds and \$298,310,000 of the Series 2014B Bonds with interest rates ranging between 2.75% and 5.00%. The District used the net proceeds to purchase U.S. government securities. These securities were deposited in an irrevocable trust to provide for all future debt service on the refunded portion of the Series 2012B Bonds and the Series 2014B Bonds. As a result, these bonds are considered defeased, and the District has removed the liability from its accounts. The trust account assets and the liabilities for the defeased obligations are not included in the District's basic financial statements. At June 30, 2020, the outstanding principal of the defeased bonds is \$369,370,000.

The advance refunding reduced total debt service payments over the life of the issue by nearly \$43.2 million. This resulted in an economic gain (the difference between the present value of the debt service payments on the old and new debt) of \$37.0 million.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**Debt Activity**

The following is a summary of long-term debt transactions of governmental activities for the year ended June 30, 2020:

		Principal				
Issue Date	Original Issue	Outstanding at June 30, 2019	Additions	Reductions	Outstanding at June 30, 2020	Interest Rates
General Obligation Bonds:						
August 25, 2011	\$ 42,175,000	\$ 14,730,000	\$ -	\$ 3,435,000	\$ 11,295,000	2.0 - 5.0%
December 11, 2012	126,325,000	103,910,000	-	80,320,000	23,590,000	1.8 - 4.0%
August 7, 2014	20,393,784	860,242	-	860,242	-	0.9 - 2.2%
August 7, 2014	361,755,000	359,770,000	-	311,375,000	48,395,000	2.0 - 5.0%
May 11, 2017	38,990,000	37,305,000	-	2,215,000	35,090,000	1.5 - 3.2%
May 11, 2017	76,483,176	76,483,176	-	-	76,483,176	3.6 - 4.1%
May 11, 2017	32,980,000	32,980,000	-	-	32,980,000	5.0%
May 11, 2017	149,397,089	149,397,089	-	-	149,397,089	5.0%
June 30, 2020	432,745,000	-	432,745,000	-	432,745,000	0.4 - 2.1%
		775,435,507	432,745,000	398,205,242	809,975,265	
Limited Tax Pension Obligation Bonds:						
June 21, 2005	189,935,000	127,260,000	-	10,080,000	117,180,000	4.1 - 4.8%
February 26, 2015	79,220,000	63,980,000	-	3,530,000	60,450,000	0.4 - 4.1%
		191,240,000	-	13,610,000	177,630,000	
Full Faith and Credit Obligation Bonds:						
March 19, 2009	22,650,000	660,000	-	660,000	-	2.5 - 5.1%
April 27, 2016	16,260,000	16,105,000	-	55,000	16,050,000	2.0 - 4.0%
		16,765,000	-	715,000	16,050,000	
Total General Obligation and Pension Bonds:		983,440,507	432,745,000	412,530,242	1,003,655,265	
Unamortized Premium		87,985,332	-	44,709,669	43,275,663	
Total		\$ 1,071,425,839	\$ 432,745,000	\$ 457,239,911	\$ 1,046,930,928	

Payments on the general obligation bonds are made by the Debt Service Fund from property taxes and earnings on investments. Payments on pension bonds are made by the Debt Service Fund from revenue from charges to other funds. The payments on the full faith and credit obligation bonds are made by the General Fund and Capital Projects Fund. Federal arbitrage restrictions apply to substantially all debt.

**Future Debt Maturities**

Future bond maturities are as follows:

Fiscal Year Ending June 30,	Principal	Interest	Total
2021	\$ 62,330,000	\$ 28,870,391	\$ 91,200,391
2022	66,720,000	27,037,239	93,757,239
2023	58,460,000	24,692,157	83,152,157
2024	62,207,969	23,395,356	85,603,325
2025	66,599,821	21,549,471	88,149,292
2026-2030	320,643,229	96,156,371	416,799,600
2031-2035	292,788,095	88,692,040	381,480,135
2036-2040	73,906,151	7,912,298	81,818,449
	<b>\$ 1,003,655,265</b>	<b>\$ 318,305,323</b>	<b>\$ 1,321,960,588</b>

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**9. CAPITAL LEASES**

The District entered into a master lease purchase agreement in June 2016 as lessee for financing the acquisition of teacher computers that qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the net present value of their future minimum lease payments as of the inception date. The computers had a cost of \$3.4 million with an annual payment of \$873,366, with the final payment in July 2019. Since the computers did not reach the thresholds for capitalization, no capital assets or depreciation was recorded. The capital lease obligations were paid from the General Fund.

The District also entered into a master equity lease agreement as lessee for financing the acquisition of vehicles. The first set of vehicles were delivered in 2017-18 with a total cost of approximately \$976,000 and were capitalized over the life of the lease. The second set of vehicles were delivered in 2018-19 with a total cost of approximately \$531,000 and were capitalized over the life of the lease. The third set of vehicles were delivered in 2019-20 with a total cost of approximately \$358,000 and were capitalized over the life of the lease. The capital lease obligations were paid from the General Fund.

Future minimum lease obligations of the minimum lease payments are as follows:

Fiscal Year Ending June 30,	Total
2021	\$ 392,755
2022	392,754
2023	441,699
2024	203,965
2025	59,789
	<u>\$ 1,490,962</u>

**10. PENSION PLAN**

**Plan Overview Description**

The Oregon Public Employees Retirement System (PERS) consists of a single cost-sharing multiple-employer defined benefit plan. All benefits of the system are established by the legislature pursuant to ORS Chapters 238 and 238A. Oregon PERS produces an independently audited Comprehensive Annual Financial Report which can be found at:

<http://www.oregon.gov/PERS/pages/financials/Actuarial-Financial-Information.aspx>

If the link is expired, please contact the Oregon PERS for this information.

**Tier One / Tier Two Retirement Benefit Plan - ORS Chapter 238**

Tier One / Tier Two Retirement Benefit Plan is closed to new members hired on or after August 29, 2003.

**Pension Benefits** – The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if it results in greater benefits.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

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 PERS employer at the time of death,
- the member died within 120 days after termination of PERS covered employment,
- the member died as a result of injury sustained while employed in a PERS-covered job, or
- the member was on an official leave of absence from a PERS-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 PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.

**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 fair value equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

**Oregon Public Service Retirement Plan Pension Defined Pension Program (OPSRP DB) - ORS Chapter 238A**

The ORS Chapter 238A Defined Benefit Pension Program 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.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**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. The cap on the COLA will vary based on the amount of the annual benefit.

**Contributions**

PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation, which became effective July 1, 2019. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments, and their rates have been reduced.

Employer contributions for the year ended June 30, 2020 were approximately \$53,400,000 excluding amounts to fund employer specific liabilities. Approximately \$21,765,000 was charged for the year ended June 30, 2020 as PERS benefits expenditures to be used for bond payments as they become due. Approximately \$82,273,000 was recognized as employer pension expense during the reporting period.

At June 30, 2020, the District reported a net pension liability of \$450,146,458 for its proportionate share of the net pension liability. The net pension liability 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 December 31, 2017, rolled forward to a measurement date of June 30, 2019. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. On June 30, 2019, the District's proportion was 2.60 percent, which was an increase of less than 0.01 from its proportion measured as of June 30, 2018.

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ 24,824,250	\$ -	
Changes of assumptions	61,067,503	-	
Net difference between projected and actual earnings on investments	-	(12,761,195)	
Changes in proportionate share	20,638,385	(1,039,519)	
Differences between employer contributions and employer's proportionate share of system contributions	6,336,475	(7,380,376)	
Subtotal - Amortized Deferrals	112,866,613	(21,181,090)	\$ 91,685,523
District contributions subsequent to measurement date	53,400,012	-	53,400,012
Total deferred outflow (inflow) of resources	\$ 166,266,625	\$ (21,181,090)	\$ 145,085,535

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

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

Fiscal year ending June 30,	Amount
2021	\$ 108,253,953
2022	9,465,555
2023	16,242,146
2024	10,517,805
2025	606,076
Total	<u>\$ 145,085,535</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system wide GASB 68 reporting summary dated March 17, 2020, which can be found at:

<http://www.oregon.gov/pers/emp/pages/GASB.aspx>

Oregon PERS produces an independently audited CAFR which can be found at:

<http://www.oregon.gov/PERS/pages/financials/Actuarial-Financial-Information.aspx>

**Actuarial Valuations**

The employer contribution rates effective July 1, 2019 through June 30, 2021, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), and (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

**Actuarial Methods and Assumptions:**

Valuation date	December 31, 2017
Measurement date	June 30, 2019
Experience Study	2016, published July 2017
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 <i>Moro</i> decision; blend based on service.



**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

Mortality	<p>Healthy retirees and beneficiaries:  RP-2014 Healthy annuitant, 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>
-----------	---

*(Source: June 30, 2019 Oregon PERS CAFR; Table 25; page 71)*

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 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 (fair value of assets) 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 asset values. 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 Oregon PERS:

- Oregon PERS 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, 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.

*(Source: June 30, 2019 PERS CAFR; page 70)*

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**Assumed Asset Allocation**

Asset Class / Strategy	OIC Policy Range	Current Year Target
Debt Securities	15.0 – 25.0%	20.0%
Public Equity	32.5 – 42.5%	37.5%
Real Estate	9.5 – 15.5%	12.5%
Private Equity	14.0 – 21.0%	17.5%
Alternative Equity	0.0 – 12.5%	12.5%
Opportunity Portfolio	0.0 – 3.0%	0.0%
Total		100.0 %

*(Source: June 30, 2019 Oregon PERS CAFR; page 100)*

**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 PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. 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. 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.

*(Source: June 30, 2019 Oregon PERS CAFR; page 70)*

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Core Fixed Income	8.00 %	3.59 %	3.49 %	4.55 %
Short-Term Bonds	8.00	3.42	3.38	2.70
Bank / Leveraged Loans	3.00	5.34	5.09	7.50
High Yield Bonds	1.00	6.90	6.45	10.00
Large / Mid Cap US Equities	15.75	7.45	6.30	16.25
Small Cap US Equities	1.31	8.49	6.69	20.55
Microcap US Equities	1.31	9.01	6.80	22.90
Developed Foreign Equities	13.13	8.21	6.71	18.70
Emerging Market Equities	4.13	10.53	7.45	27.35
Non-US Small Cap Equities	1.88	8.67	7.01	19.75
Private Equity	17.50	11.45	7.82	30.00
Real Estate (Property)	10.00	6.15	5.51	12.00
Real Estate (REITS)	2.50	8.26	6.37	21.00
Hedge Fund of Funds - Diversified	2.50	4.36	4.09	7.80
Hedge Fund - Event-Driven	0.63	6.21	5.86	8.90
Timber	1.88	6.37	5.62	13.00
Farmland	1.88	6.90	6.15	13.00
Infrastructure	3.75	7.54	6.60	14.65
Commodities	1.88	5.43	3.84	18.95

Assumed Inflation - Mean

2.50 %

1.85 %

*(Source: June 30, 2019 Oregon PERS CAFR; Table 31; page 74)*

**Sensitivity** – Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

	Decrease 1% 6.20%	Current Rate 7.20%	Increase 1% 8.20%
District's proportionate share of the net pension liability / (asset)	\$ 720,869,611	\$ 450,146,458	\$ 233,588,474

Additional disclosures related to Oregon PERS not applicable to specific employers are available online at the below website, or by contacting Oregon PERS at the following address: P.O. Box 23700, Tigard, OR, 97281-3700, <http://www.oregon.gov/pers/Pages/index.aspx>

**OPSRP Individual Account Program (OPSRP IAP)**

**Plan Description** – ORS Chapter 238A created the OPSRP, which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of Oregon PERS and is administered by the Oregon PERS Board.

**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 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.

**Contributions** – Employees of the District pay 6 percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2020.

**11. OTHER POSTEMPLOYMENT BENEFITS (OPEB)**

The District offers a postemployment health insurance subsidy and tax shelter annuity and contributes to a retirement health insurance account through Oregon PERS. The breakdown of the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB are:

	Postemployment Health Insurance Subsidy	Retirement Health Insurance Account	Net
Total OPEB Liability	\$ 25,276,847	\$ -	\$ 25,276,847
Net OPEB Asset	-	4,996,093	4,996,093
OPEB Deferred Outflows of Resources	1,802,970	69,852	1,872,822
OPEB Deferred Inflows of Resources	7,940,981	1,006,169	8,947,150

**Postemployment Health Insurance Subsidy (PHIS)**

**Plan description** – The District operates a single-employer defined benefit plan that provides postemployment health, dental, vision and life insurance benefits to eligible employees and their spouses. Benefits and eligibility

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

for members are established through the collective bargaining agreements and Oregon State law. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB 75. The District's post-retirement healthcare plan was established in accordance with ORS 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees.

**Benefits Provided** – Eligible retirees and their dependents under age 65 are allowed to continue to enroll in the same health care coverage as offered to active employees. The retiree's coverage selection is available only upon retirement although coverage can continue until the retiree's age 65. The spouse's coverage is available until the spouse's age 65 but also must be selected at the time of retirement. Following the retiree's death or attainment of age 65, the retiree's spouse can continue full coverage until the spouse's age 65. The retiree or surviving spouse is responsible for paying the full premium at the applicable tier. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer subsidy. Eligibility is determined by:

- For administrators and classified members, the employee must retire with an immediate service or disability retirement benefit under the Oregon PERS.
- For certified members, the employee must retire with an immediate service benefit under OPERS or be eligible for a benefit under the District's Long Term Disability program.

**Employees covered by benefit terms** – As of June 30, 2020, there are 4,694 active and 180 retired members in the plan.

**Total OPEB Liability**

The District's total OPEB liability of \$25,276,847 was determined by an actuarial valuation as of July 1, 2019, adjusted to a measurement date of June 30, 2019.

**Actuarial assumptions and other inputs**

The total OPEB liability measured as of June 30, 2019 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	July 1, 2019
Measurement date	June 30, 2019
Inflation	2.50%
Projected salary growth	2.75%
Discount rate	3.50%
Withdrawal, retirement, and mortality rates	December 31, 2018 Oregon PERS valuation
Election and lapse rates	45% of eligible employees 40.5% spouse coverage 3% annual lapse rate
Actuarial cost method	Entry Age Normal Level Percent of Pay
Demographic Assumptions:	
Mortality	<p>Healthy Annuitant – Pub-2010 Healthy Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex Social Security Data Scale</p> <ul style="list-style-type: none"> <li>• Male Beneficiary – General, set back 12 months</li> <li>• Male Member – Teachers, no set back</li> <li>• Female Beneficiary – General, no set back</li> <li>• Female Member – Teachers, no set back</li> </ul> <p><b>Disabled Retiree</b> – Pub-2010 Disabled Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex Social Security Data Scale</p> <ul style="list-style-type: none"> <li>• Male Member – Non-Safety, set forward 24 months</li> </ul>

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

	<ul style="list-style-type: none"> <li>Female Member – Non-Safety, set forward 12 months</li> </ul> <b>Non-Annuitant</b> – Pub-2010 Employee, Sex Distinct, headcount-weighted, Generational Projection with Unisex Social Security Data Scale <ul style="list-style-type: none"> <li>Male Member – 120% of same table and set back as Healthy Annuitant assumption</li> <li>Female member – 100% of same table and set back as Healthy Annuitant assumption</li> </ul>
Disability	Percentage of the 1985 Class 1 Rates: 30% with a 0.18% cap; Ordinary Disability only; no duty disability assumed
Retirement	Based on Oregon PERS assumptions. Annual rates are based on age, Tier / ORSRP, and duration of service

**Discount Rate** – Under GASB 75, unfunded plans must use a discount rate that reflects a 20-year tax-exempt municipal bond yield or index rate. The discount rate in effect for the June 30, 2020 reporting date is 3.50%, reflecting the Bond Buyer 20-Year General Obligation Bond Index at the time of the valuation.

**Health Care Cost Trend** – The actuarial calculations used an assumption that medical costs will increase 3.60% in the first year, 5.20% in the second year, 5.30% in the third year, and varying from 4.90% to 4.00% over the remainder of the projection period. These trends are based on a model circulated by the Society of Actuaries that considers current trends in health care costs, the potential impacts of certain well-defined aspects of the Affordable Care Act, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will increase by 5.10% in the first year and 4.00% in each future year.

**Changes in the Total OPEB Liability**

	Increase (Decrease) Total OPEB Liability
Balance as of June 30, 2019	\$ 30,278,871
Changes for the year:	
Service cost	1,846,876
Interest on total OPEB liability	1,214,804
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	333,560
Effect of assumptions changes or inputs	(6,912,228)
Benefit payments	(1,485,036)
Balance as of June 30, 2020	<u>\$ 25,276,847</u>

The effects of assumptions changes or inputs reflect a change in the discount rate from 3.87% to 3.50%, a change in health care assumptions compared to the prior valuation, and a change in demographic assumptions reflecting changes in the withdrawal, retirement and mortality assumptions adopted by Oregon PERS, and changes to the future retiree coverage and lapse rate assumptions.

**Sensitivity**

*Sensitivity of the total OPEB liability to changes in the discount rate.* The following presents the total OPEB liability of the District for the Postemployment Health Insurance Subsidy, as well as what the 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 discount rate:

	Decrease 1% 2.50%	Current Rate 3.50%	Increase 1% 4.50%
District's total OPEB liability (asset)	<u>\$ 27,534,952</u>	<u>\$ 25,276,847</u>	<u>\$ 23,203,856</u>

*Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates.* The following presents the total OPEB liability of the District for the Postemployment Health Insurance Subsidy, as well as what the total OPEB

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

liability would be if it were calculated using a health care cost trend rates that are 1-percentage-point lower (2.60% adjusting to 3.90%) or 1-percentage-point higher (4.60% adjusting to 5.90%) than the current trend rates:

	Decrease 1%	Current Trend Rate	Increase 1%
District's total OPEB liability (asset)	\$ 22,435,030	\$ 25,276,847	\$ 28,660,804

**OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

For the year ended June 30, 2020, the District recognized an OPEB expense of \$401,945 related to the PHIS OPEB. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ 292,380	\$ -	
Changes of assumptions	-	(7,940,981)	
Subtotal - Amortized Deferrals	292,380	(7,940,981)	\$ (7,648,601)
District contributions subsequent to measurement date	1,510,590	-	1,510,590
Total deferred outflow (inflow) of resources	\$ 1,802,970	\$ (7,940,981)	\$ (6,138,011)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the PHIS OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2021	\$ 361,445
2022	(1,149,145)
2023	(1,149,145)
2024	(1,149,145)
2025	(1,149,145)
Thereafter	(1,902,876)
Total	\$ (6,138,011)

**Retirement Health Insurance Account (RHIA)**

**Plan description** - As a member of Oregon PERS, the District contributes to the Retirement Health Insurance Account (RHIA) for each of its eligible employees. RHIA is a cost-sharing multiple-employer defined benefit other postemployment benefit plan administered by OPERS. ORS 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA resides with the Oregon Legislature. The plan is closed to new entrants hired on or after August 29, 2003. OPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to Oregon Public Employees Retirement System, P.O. Box 23700, Tigard, OR 97281-3700.

**Benefits** - RHIA pays a \$60 monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees.

**Contributions** - Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

the member must: (1) have eight years or more of qualifying service in PERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in PERS, (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 PERS 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 PERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating employers are contractually required to contribute to RHIA at a rate assessed each year by OPERS, currently 0.06% of Tier 1 and Tier 2 payroll and 0.00% of OPSRP of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution (ARC) of the employers, an amount actuarially determined. 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. The District's contributions to RHIA for the years ended June 30, 2020, 2019, and 2018, were approximately \$67,000, \$1,282,000, and \$1,225,000 which equaled the required contributions each year.

**OPEB Liabilities, OPEB Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB**

At June 30, 2020, the District reported an asset of \$4,996,093 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2019, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date. The District's proportion of the net OPEB liability was based on the District's actual, legally required contributions made during the fiscal year being compared to the total actual contributions made in the fiscal year by all employers. The District's proportionate share as of the measurement date is 2.59%, changed from 2.54% for the prior measurement date.

For the year ended June 30, 2020, the District recognized OPEB expense reduction of \$733,381 related to the RHIA OPEB. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ -	\$ (658,835)	
Changes of assumptions	-	(5,176)	
Net difference between projected and actual earnings on investments	-	(308,381)	
Changes in proportionate share	2,549	(33,777)	
Subtotal - Amortized Deferrals	2,549	(1,006,169)	\$ (1,003,620)
District contributions subsequent to measurement date	67,303	-	67,303
Total deferred outflow (inflow) of resources	\$ 69,852	\$ (1,006,169)	\$ (936,317)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2021	\$ (448,695)
2022	(461,146)
2023	(58,242)
2024	31,766
Total	<u>\$ (936,317)</u>

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

**Actuarial assumptions and other inputs**

The net OPEB liability measured as of June 30, 2019 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement unless otherwise specified:

Valuation date	December 31, 2017
Measurement date	June 30, 2019
Experience Study	2016, published July 26, 2017
Actuarial assumptions:	
Actuarial cost method	Entry Age Normal
Inflation rate	2.50%
Long-term expected rate of return	7.20%
Discount rate	7.20%
Projected salary increases	3.50%
Retiree healthcare participation	Healthy retirees: 35%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable. Statute stipulates \$60 monthly payment for healthcare insurance.
Mortality	<p><b>Healthy retirees and beneficiaries:</b>  RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustment and set-backs as described in the valuation.</p> <p><b>Active members:</b>  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><b>Disabled retirees:</b>  RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

(Source: June 30, 2019 Oregon PERS CAFR; Table 28; page 73)

**Discount Rate**

The discount rate used to measure the net OPEB liability at June 30, 2019 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.

**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 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. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see the breakdown in Footnote 10.

(Source: June 30, 2019 Oregon PERS CAFR; page 72)

**Sensitivity Analysis**

*Sensitivity to changes in the discount rate.* The following presents the District's proportionate share of net OPEB liability for the Retirement Health Insurance Account, as well as what the proportionate share of net OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20%) or 1-percentage-point higher (8.20%) than the current discount rate:



**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

	Decrease 1% 6.20%	Current Rate 7.20%	Increase 1% 8.20%
District's proportionate share of net OPEB liability (asset)	\$ (3,873,261)	\$ (4,996,093)	\$ (5,952,827)

*Sensitivity to changes in the healthcare cost trend rates.* The District's proportionate share of net OPEB asset for the Retirement Health Insurance Account is \$4,996,093. The ORS stipulates a \$60 monthly payment, so there would be no change to this amount if it were calculated using health care cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current rates.

## **12. COMPENSATED ABSENCES**

The General Fund is the primary fund where the compensated absences liability is liquidated. Activity for compensated absences for the year ended June 30, 2020, all of which are considered due within one year, as follows:

	Balance June 30, 2019	Additions	Reductions	Balance June 30, 2020
Compensated Absences	\$ 5,875,652	\$ 5,251,653	\$ (6,066,254)	\$ 5,061,051

## **13. RISK MANAGEMENT**

### **Self-Insurance**

Internal Service Funds (Insurance Reserve and Workers' Compensation Funds) account for the costs incurred for workers' compensation claims, general liability claims, and property and fire losses.

The District provides currently for estimated losses to be incurred from pending claims and for claims incurred but not reported (IBNR). IBNR claims are claims that are incurred through the end of the fiscal year, but not reported until after that date. These liabilities are based on actuarial valuations or District estimates.

The District is self-insured for costs up to policy deductible limits as follows:

- General Liability and School Board errors and omissions – \$500,000 per occurrence
- Fire loss, property damage, all risk (theft, vandalism, etc.) – \$500,000 per occurrence
- Workers' compensation claims – \$400,000 per claim
- Long-term disability claims – payment of all claims for the first fifty-one months of disability for eligible administrator and classified staff. Eligible certified staff are fully insured for disability claims.

The District is exposed to various risks of loss related to torts, theft or damage to and destruction of assets, errors and omissions, and natural disasters for which the District carries commercial insurance. The District does not engage in risk financing activities where the risk is greater than the self-insurance amounts. Settlements exceeded insurance coverage once in the year ended June 30, 2020 and once in the year ended June 30, 2019 but did not exceeded insurance coverage for the year ended June 30, 2018. There have also been no reductions to the District's insurance coverage during the year. The District anticipates that all accrued claims losses will be paid within twelve months.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

Changes in the balances of claims liabilities at the end of the year are as follows:

	2020	2019	2018
Accrued claims losses, July 1	\$ 3,152,000	\$ 2,690,000	\$ 2,631,000
Incurred claims, including an estimate of claims incurred but not reported (IBNR)	2,654,796	3,321,039	2,308,199
Claims payments	(2,644,796)	(2,859,039)	(2,249,199)
Accrued claim losses, June 30	<u>\$ 3,162,000</u>	<u>\$ 3,152,000</u>	<u>\$ 2,690,000</u>

**14. SCHOOL FUNDING**

The District is dependent on the State of Oregon for a substantial portion of its operating funds. Due to funding fluctuations at the State level, future funding for school districts is impacted by the economic growth statewide, which has been negatively affected by the COVID-19 pandemic and its resulting economic uncertainty. The ultimate effect of this on the District's future operations is not yet determinable.

The largest segment is determined by the State School Fund formula, with the majority of funding provided by the State to the District based on the District's average daily membership of students (ADMr). The State gives additional weightings for certain categories of individuals including students in poverty, students in ESL programs, and students on Individual Education Plans. The State then proportions the State School Fund based on the resulting weighted average daily membership (ADMw) of the District compared to that of the State totals, using either the current year ADMw or the prior year ADMw (if higher) for each District. For 2019-20, the District had estimated extended ADMw of 48,843 within the Statewide estimated ADMw of 704,285. For 2018-19, these were finalized as 48,493 and 704,553, respectively. The COVID-19 pandemic is expected to cause reductions in the District ADMw as well as the state ADMw, the ultimate effect of this on the District's future operations is not yet determinable.

**15. TAX ABATEMENTS**

**Washington County Tax Abatements**

The District's property tax revenues were reduced by approximately \$730,000 under agreements entered into by Washington County for the fiscal year ended June 30, 2020.

**16. COMMITMENTS AND CONTINGENCIES**

The District is committed under various accepted bid agreements and contracts for approximately \$62.2 million for goods, services, and construction of facilities, as follows:

General fund	\$ 5,861,140
Capital projects fund	51,262,792
Other governmental funds	4,514,410
Internal service funds	570,140
Total	<u>\$ 62,208,482</u>

Amounts received or receivable from grantor agencies are subject to audit and adjustment by these agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

liability of the District. The amount, if any, of costs which may be disallowed by the grantor cannot be determined at this time, although District management expects such amounts, if any, to be immaterial.

The District, in the regular course of business, is named as a defendant in various lawsuits. The likely outcome of these lawsuits is not presently determinable.

**17. NEW ACCOUNTING STANDARDS IMPLEMENTED**

For the fiscal year ended June 30, 2020, the District implemented the following new accounting standards:

GASB Statement No. 95 *"Postponement of the Effective Dates of Certain Authoritative Guidance."* This Statement postponed the effective dates of certain provisions in Statements and Implementation Guides that were scheduled to become effective for periods beginning after June 15, 2018.

For the fiscal year ended June 30, 2020, the District partially implemented the following new accounting standards due to the standard having multiple implementation dates:

GASB Statement No. 92 *"Omnibus 2020."* This Statement addresses a variety of topics and includes specific provisions related to the effective date of Statement No. 87, reporting of inter-entity transfers of assets, the applicability of Statement No. 73 and Statement No. 84, reporting assets accumulated for postemployment benefits, asset retirement obligations, and public entity risk pools. The Statement has two implementation dates. The District has implemented the portion of this statement that were effective upon issuance.

GASB Statement No. 97 *"Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32."* This Statement clarifies the criteria of determining financial accountability for component units and establishes the classification requirements for Section 457 plans as either pension plans or other employee benefit plans. The Statement had two implementation dates. The District has implemented the portion of this statement related to component units.

**18. NEW PRONOUNCEMENTS**

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

GASB Statement No. 84 *"Fiduciary Activities."* This Statement establishes criteria and guidance for identifying fiduciary activities of all state and local governments for accounting and financial reporting purposes, as well as the reporting requirements for these fiduciary funds. The Statement is effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 87 *"Leases."* This Statement addresses the accounting and financial reporting for leases by governments, requiring recognition of certain lease assets and liabilities for leases that were previously classified as operating leases. The Statement is effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 89 *"Accounting for Interest Cost Incurred before the End of a Construction Period."* This Statement establishes the accounting requirements for interest costs incurred before the end of a construction period, which previously were included in the historical cost of a capital asset. The Statement is effective for fiscal years beginning after December 15, 2020.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO BASIC FINANCIAL STATEMENTS (Continued)**  
JUNE 30, 2020

GASB Statement No. 90 *“Majority Equity Interest – An Amendment of GASB Statements No. 14 and No. 61.”* This Statement defines the majority equity interest and specifies the treatment of majority equity interest in a legally separate organization, either as an investment or as a component unit based on the factors. The Statement is effective for fiscal years beginning after December 15, 2019.

GASB Statement No. 91 *“Conduit Debt Obligations.”* This Statement clarifies the definition of conduit debt obligations and establishes the required accounting and note disclosures. The Statement is effective for fiscal years beginning after December 15, 2021.

GASB Statement No. 92 *“Omnibus 2020.”* This Statement addresses a variety of topics and includes specific provisions related to the effective date of Statement No. 87, reporting of inter-entity transfers of assets, the applicability of Statement No. 73 and Statement No. 84, reporting assets accumulated for postemployment benefits, asset retirement obligations, and public entity risk pools. The Statement has two implementation dates. The sections related to inter-entity transfers, applicability of Statement No. 84, and assets related to asset retirement obligations are effective for fiscal years beginning after June 15, 2021.

GASB Statement No. 93 *“Replacement of Interbank Offered Rates.”* This Statement addresses accounting and financial reporting implications that result from the replacement of an Interbank Offered Rate (IBOR). The statement is effective for fiscal years beginning after June 15, 2020.

GASB Statement No. 94 *“Public-Private and Public-Public Partnerships and Availability Payment Arrangements.”* This Statement provides guidance for accounting and financial reporting for public-private and public-public partnership arrangements, including service concession arrangements and availability payment arrangements, that do not meet the definition of a lease. The statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 96 *“Subscription-Based Information Technology Arrangements.”* This Statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements, including terminology, capitalization criteria, and note disclosures. The statement is effective for fiscal years beginning after June 15, 2022.

GASB Statement No. 97 *“Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans – an amendment of GASB Statement No. 14 and No. 84, and a supersession of GASB Statement No. 32.”* This Statement clarifies the criteria of determining financial accountability for component units and establishes the classification requirements for Section 457 plans as either pension plans or other employee benefit plans. The Statement had two implementation dates. The section related to Section 457 plans is effective for fiscal years beginning after June 15, 2021.

## **REQUIRED SUPPLEMENTARY INFORMATION**



**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS**  
**JUNE 30, 2020**

Year ended June 30,	Employer's proportion of the net pension liability (NPL)	Employer's proportionate share of the net pension liability (NPL) <sup>1</sup>	Covered payroll <sup>2</sup>	NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2020	2.60%	\$ 450,146,458	\$ 293,949,194	153.1%	80.2%
2019 <sup>6</sup>	2.60%	393,909,116	281,116,984	140.1%	82.1%
2018	2.44%	328,358,025	266,160,397	123.4%	83.1%
2017 <sup>5</sup>	2.24%	336,425,374	243,813,517	138.0%	80.5%
2016 <sup>4</sup>	2.05%	117,982,257	219,944,988	53.6%	91.9%
2015 <sup>3</sup>	2.72%	(61,675,451)	200,544,298	-30.8%	103.6%
2014	2.72%	138,852,440	187,686,710	74.0%	92.0%

**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF CONTRIBUTIONS FOR PERS**  
**JUNE 30, 2020**

Year ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency / (excess)	Covered payroll	Contributions as a percentage of covered payroll
2020	\$ 53,400,012	\$ 53,400,012	\$ -	\$ 279,841,650	19.1%
2019	40,289,531	40,289,531	-	293,949,194	13.7%
2018	37,341,000	37,341,000	-	281,116,984	13.3%
2017	21,355,242	21,355,242	-	266,160,397	8.0%
2016	20,427,165	20,427,165	-	243,813,517	8.4%
2015	29,448,081	29,448,081	-	219,944,988	13.4%
2014	28,332,951	28,332,951	-	200,544,298	14.1%

**Notes:**

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

<sup>1</sup> The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

<sup>2</sup> Amounts for covered payroll use the prior year's data to match the measurement date used by the pension plan for each fiscal year.

<sup>3</sup> The June 30, 2015 NPL reflects benefit changes from the Senate Bills 822 and 861.

<sup>4</sup> The June 30, 2016 NPL reflects benefit changes from the Oregon Supreme Court's ruling in *Moro v. State of Oregon*, which overturned portions of Senate Bills 822 and 861.

<sup>5</sup> The June 30, 2017 NPL reflects assumption changes reducing inflation rate from 2.75% to 2.50%, the long-term expected rate of return from 7.75% to 7.50%, the discount rate from 7.75% to 7.50% and the projected salary increases from 3.75% to 3.50%.

<sup>6</sup> The June 30, 2019 NPL reflects assumption changes reducing the long-term expected rate of return from 7.50% to 7.20% and the discount rate from 7.50% to 7.20%.

**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA**

JUNE 30, 2020

Year ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability (NOL) <sup>1</sup>	Covered payroll <sup>2</sup>	NOL as a percentage of covered-employee payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2020	2.59%	\$ (4,996,093)	\$ 293,949,194	-1.7%	144.4%
2019	2.54%	(2,835,569)	281,116,984	-1.0%	124.0%
2018	2.44%	(1,017,705)	266,160,397	-0.4%	108.9%
2017	2.39%	648,737	243,813,517	0.3%	94.1%

**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF CONTRIBUTIONS FOR RHIA**

JUNE 30, 2020

Year ended June 30,	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency / (excess)	Covered payroll	Contributions as a percent of covered payroll
2020	\$ 67,000	\$ 67,000	\$ -	\$ 279,841,650	0.0%
2019	1,282,000	1,282,000	-	293,949,194	0.4%
2018	1,225,000	1,225,000	-	281,116,984	0.4%
2017	1,216,000	1,216,000	-	266,160,397	0.5%

**Notes:**

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

<sup>1</sup> The amounts presented for each fiscal year were actuarially determined at December 31 and rolled forward to the measurement date.

<sup>2</sup> Amounts for covered payroll use the prior year's data to match the measurement date used by the pension plan for each fiscal year.



**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY - PHIS**  
**JUNE 30, 2020**  
(DOLLAR AMOUNTS IN THOUSANDS)

Year ended June 30,	Service cost	Interest	Change of benefit terms	Difference between expected and actual results	Changes of assumptions or other inputs	Benefit payments	Net change in total OPEB liability
2020	\$ 1,847	\$ 1,215	\$ -	\$ 334	\$ (6,913)	\$ (1,485)	\$ (5,002)
2019	1,894	1,099	-	-	(798)	(1,447)	748
2018	2,102	894	-	-	(1,998)	(1,460)	(462)

**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF TOTAL OPEB LIABILITY AND RELATED RATIOS - PHIS**  
**JUNE 30, 2020**  
(DOLLAR AMOUNTS IN THOUSANDS)

Year ended June 30,	Total OPEB liability beginning	Net change in total liability	Total OPEB liability ending	Covered employee payroll <sup>2</sup>	Total OPEB liability as percentage of covered payroll	Discount rate
2020	\$ 30,279	\$ (5,002)	\$ 25,277	\$ 293,949	8.6%	3.87%
2019	29,531	748	30,279	281,117	10.8%	3.87%
2018	29,993	(462)	29,531	266,160	11.1%	3.58%
2017	-	-	29,993	243,814	12.3%	2.85%

**Notes:**

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

*Changes of assumptions.* Changes of assumptions and other inputs reflect the effects of changes to the discount rate each period.

<sup>1</sup> The amounts presented for each fiscal year were actuarially determined at July 1 of odd years and rolled forward to the measurement date.

<sup>2</sup> Amounts for covered employee payroll use the prior year's data to match the measurement date used by the pension plan for each fiscal year.

**BEAVERTON SCHOOL DISTRICT**
**RECONCILIATION OF BUDGETARY TO REPORTING FUNDS - COMBINING SCHEDULE OF REVENUES,  
EXPENDITURES AND CHANGES IN FUND BALANCE (GAAP BASIS)**
**GENERAL FUND**
**YEAR ENDED JUNE 30, 2020**

	Budgetary Funds		Total (reported as General Fund)
	General Fund	Long-Term Planning	
<b>REVENUES:</b>			
Property taxes	\$ 143,660,937	\$ -	\$ 143,660,937
Local option levy	34,194,060	-	34,194,060
Intermediate sources	12,150,332	-	12,150,332
State sources	289,212,449	1,289,633	290,502,082
Charges for services	2,719,478	290,695	3,010,173
Rentals	831,407	-	831,407
Investment earnings	1,961,287	38,679	1,999,966
Contributions and donations	12,137	-	12,137
Recovery of prior years' expenditures	163,201	-	163,201
Other	1,826,574	-	1,826,574
<b>TOTAL REVENUES</b>	<b>486,731,862</b>	<b>1,619,007</b>	<b>488,350,869</b>
<b>EXPENDITURES:</b>			
Current:			
Instruction	295,005,432	-	295,005,432
Support services	166,661,823	1,431,656	168,093,479
Enterprise and community services	16,438	-	16,438
Debt service:			
Principal	1,145,894	-	1,145,894
Interest	104,405	-	104,405
<b>TOTAL EXPENDITURES</b>	<b>462,933,992</b>	<b>1,431,656</b>	<b>464,365,648</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>23,797,870</b>	<b>187,351</b>	<b>23,985,221</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Transfers in	18,413,036	6,000	18,419,036
Transfers out	(3,060,342)	(18,413,036)	(21,473,378)
Issuance of capital leases	358,390	-	358,390
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>15,711,084</b>	<b>(18,407,036)</b>	<b>(2,695,952)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>39,508,954</b>	<b>(18,219,685)</b>	<b>21,289,269</b>
<b>FUND BALANCE, July 1, 2019</b>	<b>16,915,100</b>	<b>24,369,523</b>	<b>41,284,623</b>
<b>FUND BALANCE, June 30, 2020</b>	<b>\$ 56,424,054</b>	<b>\$ 6,149,838</b>	<b>\$ 62,573,892</b>

**BEAVERTON SCHOOL DISTRICT**
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
(GAAP BASIS)**
**GENERAL FUND**
**YEAR ENDED JUNE 30, 2020**

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
<b>REVENUES:</b>				
Property taxes	\$ 143,000,000	\$ 143,000,000	\$ 143,660,937	\$ 660,937
Local option levy	35,000,000	35,000,000	34,194,060	(805,940)
Intermediate sources	11,982,643	11,982,643	12,150,332	167,689
State sources	282,884,046	282,884,046	289,212,449	6,328,403
Charges for services	2,880,100	2,880,100	2,719,478	(160,622)
Rentals	1,120,000	1,120,000	831,407	(288,593)
Investment earnings	1,800,000	1,800,000	1,961,287	161,287
Contributions and donations	-	-	12,137	12,137
Recovery of prior years' expenditures	50,000	50,000	163,201	113,201
Other	1,190,000	1,190,000	1,826,574	636,574
<b>Total revenues</b>	<b>479,906,789</b>	<b>479,906,789</b>	<b>486,731,862</b>	<b>6,825,073</b>
<b>EXPENDITURES:</b>				
Instruction	305,109,422	305,109,422	295,005,432	10,103,990
Support services	179,412,774	179,412,774	166,661,823	12,750,951
Enterprise and community services	250,000	250,000	16,438	233,562
Facilities acquisition and construction	100,000	100,000	-	100,000
Debt service:				
Principal	1,200,000	1,200,000	1,145,894	54,106
Interest	200,000	200,000	104,405	95,595
Contingencies	25,000,287	25,000,287	-	25,000,287
<b>Total expenditures</b>	<b>511,272,483</b>	<b>511,272,483</b>	<b>462,933,992</b>	<b>48,338,491</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(31,365,694)</b>	<b>(31,365,694)</b>	<b>23,797,870</b>	<b>55,163,564</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	18,413,036	18,413,036	18,413,036	-
Transfers out	(4,347,342)	(4,347,342)	(3,060,342)	1,287,000
Issuance of capital leases	450,000	450,000	358,390	(91,610)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>14,515,694</b>	<b>14,515,694</b>	<b>15,711,084</b>	<b>1,195,390</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(16,850,000)</b>	<b>(16,850,000)</b>	<b>39,508,954</b>	<b>56,358,954</b>
<b>FUND BALANCE, July 1, 2019</b>	<b>16,850,000</b>	<b>16,850,000</b>	<b>16,915,100</b>	<b>65,100</b>
<b>FUND BALANCE, June 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,424,054</b>	<b>\$ 56,424,054</b>

**Note:** GAAP serves as the basis of budgeting.



## **OTHER SUPPLEMENTARY INFORMATION**



**BEAVERTON SCHOOL DISTRICT**
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
**DEBT SERVICE FUND**
**YEAR ENDED JUNE 30, 2020**

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
<b>REVENUES:</b>				
Property taxes	\$ 60,004,531	\$ 60,004,531	\$ 60,651,036	\$ 646,505
Investment earnings	375,000	375,000	587,881	212,881
Services to other funds	21,845,420	21,845,420	21,762,753	(82,667)
Recovery of prior years' expenditures	-	-	2,708	2,708
<b>Total revenues</b>	<b>82,224,951</b>	<b>82,224,951</b>	<b>83,004,378</b>	<b>779,427</b>
<b>EXPENDITURES:</b>				
Debt service:				
Principal	43,160,243	43,160,243	43,160,243	-
Interest	42,301,558	42,301,558	42,301,516	42
Other - Bond issuance costs	-	2,250,000	2,156,275	93,725
<b>Total expenditures</b>	<b>85,461,801</b>	<b>87,711,801</b>	<b>87,618,034</b>	<b>93,767</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,236,850)</b>	<b>(5,486,850)</b>	<b>(4,613,656)</b>	<b>873,194</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,336,850	1,336,850	1,336,850	-
Issuance of refunding bonds	-	440,000,000	432,745,000	7,255,000
Payment to refunded bond escrow agent	-	(437,750,000)	(430,584,224)	7,165,776
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>1,336,850</b>	<b>3,586,850</b>	<b>3,497,626</b>	<b>(89,224)</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,900,000)</b>	<b>(1,900,000)</b>	<b>(1,116,030)</b>	<b>783,970</b>
<b>FUND BALANCE, July 1, 2019</b>	<b>1,900,000</b>	<b>1,900,000</b>	<b>3,437,650</b>	<b>1,537,650</b>
<b>FUND BALANCE, June 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2,321,620</b>	<b>\$ 2,321,620</b>

**BEAVERTON SCHOOL DISTRICT**
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
**CAPITAL PROJECTS FUND**
**YEAR ENDED JUNE 30, 2020**

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
<b>REVENUES:</b>				
Construction excise tax	\$ 3,690,000	\$ 3,690,000	\$ 2,465,595	\$ (1,224,405)
Rentals	35,000	35,000	29,160	(5,840)
Investment earnings	5,511,000	5,511,000	4,063,949	(1,447,051)
Contributions and donations	1,300,000	1,300,000	969,464	(330,536)
Recovery of prior years' expenditures	-	-	3,595,037	3,595,037
Other	1,000,000	1,000,000	314,535	(685,465)
Total revenues	11,536,000	11,536,000	11,437,740	(98,260)
<b>EXPENDITURES:</b>				
Support services	5,059,420	5,059,420	3,917,796	1,141,624
Facilities acquisition and construction	237,907,424	237,907,424	77,662,971	160,244,453
Total expenditures	242,966,844	242,966,844	81,580,767	161,386,077
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(231,430,844)</b>	<b>(231,430,844)</b>	<b>(70,143,027)</b>	<b>161,287,817</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Sale of or compensation for loss of capital assets	200,000	200,000	380,835	180,835
Transfers out	(1,167,156)	(1,167,156)	(1,167,156)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(967,156)</b>	<b>(967,156)</b>	<b>(786,321)</b>	<b>180,835</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(232,398,000)</b>	<b>(232,398,000)</b>	<b>(70,929,348)</b>	<b>161,468,652</b>
<b>FUND BALANCE, July 1, 2019</b>	<b>232,398,000</b>	<b>232,398,000</b>	<b>212,499,473</b>	<b>(19,898,527)</b>
<b>FUND BALANCE, June 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 141,570,125</b>	<b>\$ 141,570,125</b>



## **GENERAL FUND**

These funds account for the accumulation of resources for particular activities or functions from designated sources. Funds included in this category combine into the General Fund in the combined basic financial statements and are:

*General Fund* – accounts for the basic financial operations of the District.

*Long-Term Planning Fund* – accounts for funds for capital equipment replacement and sustainability. Principal resources are transfers from other funds and state grants.



**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****LONG-TERM PLANNING FUND****YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
<b>REVENUES:</b>				
State sources	\$ -	\$ -	\$ 1,289,633	\$ 1,289,633
Charges for services	250,000	250,000	290,695	40,695
Investment earnings	5,000	5,000	38,679	33,679
Total revenues	255,000	255,000	1,619,007	1,364,007
<b>EXPENDITURES:</b>				
Instruction	50,000	50,000	-	50,000
Support services	3,823,000	3,823,000	1,431,656	2,391,344
Facilities acquisition and construction	175,000	175,000	-	175,000
Contingencies	3,823,243	3,823,243	-	3,823,243
Total expenditures	7,871,243	7,871,243	1,431,656	6,439,587
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(7,616,243)	(7,616,243)	187,351	7,803,594
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	1,293,000	1,293,000	6,000	(1,287,000)
Transfers out	(18,413,036)	(18,413,036)	(18,413,036)	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	(17,120,036)	(17,120,036)	(18,407,036)	(1,287,000)
<b>NET CHANGE IN FUND BALANCE</b>	(24,736,279)	(24,736,279)	(18,219,685)	6,516,594
<b>FUND BALANCE, July 1, 2019</b>	24,736,279	24,736,279	24,369,523	(366,756)
<b>FUND BALANCE, June 30, 2020</b>	\$ -	\$ -	\$ 6,149,838	\$ 6,149,838

**BEAVERTON SCHOOL DISTRICT**
**RECONCILIATION OF BUDGETARY TO REPORTING FUNDS - COMBINING BALANCE SHEET**
**GENERAL FUND**
**JUNE 30, 2020**

	Budgetary Funds		Total (reported as General Fund)
	General Fund	Long-Term Planning	
<b>ASSETS</b>			
Equity in pooled cash and investments	\$ 83,327,286	\$ 6,145,427	\$ 89,472,713
Receivables	3,872,445	8,250	3,880,695
Property taxes receivable	3,000,537	-	3,000,537
Due from other funds	6,227,795	-	6,227,795
<b>TOTAL ASSETS</b>	<b>\$ 96,428,063</b>	<b>\$ 6,153,677</b>	<b>\$ 102,581,740</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>			
Liabilities:			
Accounts payable	\$ 1,576,663	\$ 3,839	\$ 1,580,502
Accrued salaries and benefits	34,335,717	-	34,335,717
Due to other funds	1,675,255	-	1,675,255
Other liabilities	4,426	-	4,426
<b>TOTAL LIABILITIES</b>	<b>37,592,061</b>	<b>3,839</b>	<b>37,595,900</b>
Deferred Inflows of Resources:			
Property tax revenue	2,411,948	-	2,411,948
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>40,004,009</b>	<b>3,839</b>	<b>40,007,848</b>
Fund Balances:			
Committed	-	6,149,838	6,149,838
Unassigned	56,424,054	-	56,424,054
<b>TOTAL FUND BALANCES</b>	<b>56,424,054</b>	<b>6,149,838</b>	<b>62,573,892</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>	<b>\$ 96,428,063</b>	<b>\$ 6,153,677</b>	<b>\$ 102,581,740</b>

## **NONMAJOR GOVERNMENTAL FUNDS**

These funds account for revenues and expenditures restricted for specific educational projects, the District's food dispensing program and student participation fees. Included are the following funds:

*Student Body Fund* – accounts for the receipts, disbursements and cash balances of the various schools' student body activity funds.

*Special Purpose Fund* – accounts for the District's individual school activity programs. The major sources of revenue are contributions and miscellaneous revenue.

*Categorical Fund* – accounts for resources reserved for expenditures on classroom supplies and equipment, capital improvements and replacements. Principal revenue source is the State of Oregon facility grant.

*Grant Fund* – accounts for revenues and expenditures of grants restricted for specific educational projects. Principal revenue sources are federal and state grants.

*Nutrition Services Fund* – accounts for revenues and expenditures for the food dispensing programs. Principal revenue sources are sales of food and subsidies under the National School Lunch and Breakfast Programs received through the State of Oregon.



**BEAVERTON SCHOOL DISTRICT**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**JUNE 30, 2020**

	Special Revenue Funds					Total
	Student Body	Special Purpose	Categorical	Grant	Nutrition Services	
<b>ASSETS</b>						
Equity in pooled cash and investments	\$ 3,682,803	\$ 779,551	\$ 4,176,445	\$ -	\$ 1,125,404	\$ 9,764,203
Receivables	-	244,805	6,552	10,052,224	823,562	11,127,143
Inventories	-	-	-	-	836,651	836,651
<b>TOTAL ASSETS</b>	<u>\$ 3,682,803</u>	<u>\$ 1,024,356</u>	<u>\$ 4,182,997</u>	<u>\$ 10,052,224</u>	<u>\$ 2,785,617</u>	<u>\$ 21,727,997</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 25,147	\$ 59,371	\$ 40,098	\$ 1,363,175	\$ 105,095	\$ 1,592,886
Accrued salaries and benefits	2,854	35,909	-	1,138,572	859,338	2,036,673
Due to other funds	178	2,217	-	6,306,501	48,825	6,357,721
Unearned revenue	-	-	2,576,423	1,144,218	-	3,720,641
Other liabilities	31,781	-	-	99,758	472,667	604,206
<b>TOTAL LIABILITIES</b>	<u>59,960</u>	<u>97,497</u>	<u>2,616,521</u>	<u>10,052,224</u>	<u>1,485,925</u>	<u>14,312,127</u>
Fund Balances:						
Nonspendable	-	-	-	-	836,651	836,651
Restricted	3,622,843	-	-	-	-	3,622,843
Committed	-	926,859	1,566,476	-	463,041	2,956,376
<b>TOTAL FUND BALANCES</b>	<u>3,622,843</u>	<u>926,859</u>	<u>1,566,476</u>	<u>-</u>	<u>1,299,692</u>	<u>7,415,870</u>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<u>\$ 3,682,803</u>	<u>\$ 1,024,356</u>	<u>\$ 4,182,997</u>	<u>\$ 10,052,224</u>	<u>\$ 2,785,617</u>	<u>\$ 21,727,997</u>

**BEAVERTON SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Special Revenue Funds					Total
	Student Body	Special Purpose	Categorical	Grant	Nutrition Services	
<b>REVENUES:</b>						
Intermediate sources	\$ -	\$ -	\$ -	\$ 222,138	\$ -	\$ 222,138
State sources	-	-	114,658	9,779,813	241,585	10,136,056
Federal sources	-	-	-	15,314,190	7,433,677	22,747,867
Charges for services	2,145,066	3,795	-	-	3,631,467	5,780,328
Rentals	-	-	-	-	1,760	1,760
Investment earnings	-	-	28,003	-	11,631	39,634
Contributions and donations	825,321	1,217,997	111,910	385,923	12,261	2,553,412
Recovery of prior years' expenditures	391	5,866	58	-	-	6,315
Other	33,403	1,407,014	15,779	-	441	1,456,637
Total revenues	3,004,181	2,634,672	270,408	25,702,064	11,332,822	42,944,147
<b>EXPENDITURES:</b>						
Instruction	2,874,262	2,054,084	220,501	14,546,055	-	19,694,902
Support services	135,144	469,748	319,795	6,424,095	15,514	7,364,296
Enterprise and community services	-	33,751	-	241,907	13,265,332	13,540,990
Facilities, acquisition and construction	-	908,635	889,682	4,490,007	-	6,288,324
Total expenditures	3,009,406	3,466,218	1,429,978	25,702,064	13,280,846	46,888,512
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(5,225)	(831,546)	(1,159,570)	-	(1,948,024)	(3,944,365)
<b>OTHER FINANCING SOURCES (USES):</b>						
Transfers in	-	4,380	-	-	-	4,380
Transfers out	-	-	-	-	(4,380)	(4,380)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	-	4,380	-	-	(4,380)	-
<b>NET CHANGE IN FUND BALANCES</b>	(5,225)	(827,166)	(1,159,570)	-	(1,952,404)	(3,944,365)
<b>FUND BALANCE, July 1, 2019</b>	3,628,068	1,754,025	2,726,046	-	3,252,096	11,360,235
<b>FUND BALANCE, June 30, 2020</b>	\$ 3,622,843	\$ 926,859	\$ 1,566,476	\$ -	\$ 1,299,692	\$ 7,415,870



**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****STUDENT BODY FUND****YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
<b>REVENUES:</b>				
Charges for services	\$ 5,700,000	\$ 5,700,000	\$ 2,145,066	\$ (3,554,934)
Contributions and donations	1,000,000	1,000,000	825,321	(174,679)
Recovery of prior years' expenditures	-	-	391	391
Other	-	-	33,403	33,403
Total revenues	6,700,000	6,700,000	3,004,181	(3,695,819)
<b>EXPENDITURES:</b>				
Instruction	10,200,000	10,200,000	2,874,262	7,325,738
Support services	500,000	500,000	135,144	364,856
Total expenditures	10,700,000	10,700,000	3,009,406	7,690,594
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,000,000)	(4,000,000)	(5,225)	3,994,775
<b>NET CHANGE IN FUND BALANCE</b>	(4,000,000)	(4,000,000)	(5,225)	3,994,775
<b>FUND BALANCE, July 1, 2019</b>	4,000,000	4,000,000	3,628,068	(371,932)
<b>FUND BALANCE, June 30, 2020</b>	\$ -	\$ -	\$ 3,622,843	\$ 3,622,843

**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****SPECIAL PURPOSE FUND****YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
<b>REVENUES:</b>				
Charges for services	\$ -	\$ -	\$ 3,795	\$ 3,795
Contributions and donations	5,600,000	5,600,000	1,217,997	(4,382,003)
Recovery of prior years' expenditures	-	-	5,866	5,866
Other	2,100,000	2,100,000	1,407,014	(692,986)
<b>Total revenues</b>	<b>7,700,000</b>	<b>7,700,000</b>	<b>2,634,672</b>	<b>(5,065,328)</b>
<b>EXPENDITURES:</b>				
Instruction	4,392,070	4,392,070	2,054,084	2,337,986
Support services	807,930	807,930	469,748	338,182
Enterprise and community services	200,000	200,000	33,751	166,249
Facilities acquisition and construction	3,750,000	3,750,000	908,635	2,841,365
<b>Total expenditures</b>	<b>9,150,000</b>	<b>9,150,000</b>	<b>3,466,218</b>	<b>5,683,782</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(1,450,000)</b>	<b>(1,450,000)</b>	<b>(831,546)</b>	<b>618,454</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	10,000	10,000	4,380	(5,620)
Transfers out	(10,000)	(10,000)	-	10,000
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>-</b>	<b>-</b>	<b>4,380</b>	<b>4,380</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(1,450,000)</b>	<b>(1,450,000)</b>	<b>(827,166)</b>	<b>622,834</b>
<b>FUND BALANCE, July 1, 2019</b>	<b>1,450,000</b>	<b>1,450,000</b>	<b>1,754,025</b>	<b>304,025</b>
<b>FUND BALANCE, June 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 926,859</b>	<b>\$ 926,859</b>

**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****CATEGORICAL FUND****YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
<b>REVENUES:</b>				
State sources	\$ 1,000,000	\$ 1,000,000	\$ 114,658	\$ (885,342)
Investment earnings	25,000	25,000	28,003	3,003
Contributions and donations	1,000,000	1,000,000	111,910	(888,090)
Recovery of prior years' expenditures	-	-	58	58
Other	-	-	15,779	15,779
Total revenues	2,025,000	2,025,000	270,408	(1,754,592)
<b>EXPENDITURES:</b>				
Instruction	620,000	620,000	220,501	399,499
Support services	1,040,000	1,040,000	319,795	720,205
Facilities acquisition and construction	2,365,000	2,365,000	889,682	1,475,318
Total expenditures	4,025,000	4,025,000	1,429,978	2,595,022
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,000,000)	(2,000,000)	(1,159,570)	840,430
<b>NET CHANGE IN FUND BALANCE</b>	(2,000,000)	(2,000,000)	(1,159,570)	840,430
<b>FUND BALANCE, July 1, 2019</b>	2,000,000	2,000,000	2,726,046	726,046
<b>FUND BALANCE, June 30, 2020</b>	\$ -	\$ -	\$ 1,566,476	\$ 1,566,476

**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****GRANT FUND****YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
<b>REVENUES:</b>				
Intermediate sources	\$ 1,543,917	\$ 1,543,917	\$ 222,138	\$ (1,321,779)
State sources	23,997,478	23,997,478	9,779,813	(14,217,665)
Federal sources	29,057,868	29,057,868	15,314,190	(13,743,678)
Contributions and donations	2,898,486	2,898,486	385,923	(2,512,563)
Total revenues	57,497,749	57,497,749	25,702,064	(31,795,685)
<b>EXPENDITURES:</b>				
Instruction	30,387,857	30,387,857	14,546,055	15,841,802
Support services	16,247,787	16,247,787	6,424,095	9,823,692
Enterprise and community services	604,225	604,225	241,907	362,318
Facilities acquisition and construction	10,257,880	10,257,880	4,490,007	5,767,873
Total expenditures	57,497,749	57,497,749	25,702,064	31,795,685
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
<b>FUND BALANCE, July 1, 2019</b>	-	-	-	-
<b>FUND BALANCE, June 30, 2020</b>	\$ -	\$ -	\$ -	\$ -

**BEAVERTON SCHOOL DISTRICT**
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
**NUTRITION SERVICES FUND**
**YEAR ENDED JUNE 30, 2020**

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
<b>REVENUES:</b>				
State sources	\$ 265,799	\$ 265,799	\$ 241,585	\$ (24,214)
Federal sources	8,680,000	8,680,000	7,433,677	(1,246,323)
Charges for services	6,035,436	6,035,436	3,631,467	(2,403,969)
Rentals	-	-	1,760	1,760
Investment earnings	30,000	30,000	11,631	(18,369)
Contributions and donations	-	-	12,261	12,261
Recovery of prior years' expenditures	200	200	-	(200)
Other	5,000	5,000	441	(4,559)
Total revenues	15,016,435	15,016,435	11,332,822	(3,683,613)
<b>EXPENDITURES:</b>				
Support services	18,927	18,927	15,514	3,413
Enterprise and community services	15,884,318	15,884,318	13,265,332	2,618,986
Contingencies	2,853,190	2,853,190	-	2,853,190
Total expenditures	18,756,435	18,756,435	13,280,846	5,475,589
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(3,740,000)</b>	<b>(3,740,000)</b>	<b>(1,948,024)</b>	<b>1,791,976</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers out	(10,000)	(10,000)	(4,380)	5,620
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	<b>(10,000)</b>	<b>(10,000)</b>	<b>(4,380)</b>	<b>5,620</b>
<b>NET CHANGE IN FUND BALANCE</b>	<b>(3,750,000)</b>	<b>(3,750,000)</b>	<b>(1,952,404)</b>	<b>1,797,596</b>
<b>FUND BALANCE, July 1, 2019</b>	<b>3,750,000</b>	<b>3,750,000</b>	<b>3,252,096</b>	<b>(497,904)</b>
<b>FUND BALANCE, June 30, 2020</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,299,692</b>	<b>\$ 1,299,692</b>



### **INTERNAL SERVICE FUNDS**

Internal service funds are used to account for the financing of goods or services provided by one District department to other District departments, on a cost reimbursement basis. Included are:

*Insurance Reserve Fund* – accounts for costs incurred by the District under its self-insurance programs, except workers' compensation, up to insurance policy deductible limits.

*Workers' Compensation Fund* – accounts for workers' compensation claims relating to on-the-job injuries up to insurance policy deductible limits.





**BEAVERTON SCHOOL DISTRICT**  
**COMBINING STATEMENT OF NET POSITION**  
INTERNAL SERVICE FUNDS  
JUNE 30, 2020

	Insurance Reserve	Workers' Compensation	Total
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 4,278,253	\$ 3,417,167	\$ 7,695,420
Receivables	1,774	12,921	14,695
Due from other funds	107,394	135,117	242,511
<b>TOTAL ASSETS</b>	<b>4,387,421</b>	<b>3,565,205</b>	<b>7,952,626</b>
<b>LIABILITIES</b>			
Current liabilities:			
Accounts payable	113,495	74,949	188,444
Accrued claims losses	1,397,000	1,765,000	3,162,000
Accrued salaries and benefits	6,770	4,566	11,336
Due to other funds	772	445	1,217
Other liabilities	947,830	-	947,830
<b>TOTAL LIABILITIES</b>	<b>2,465,867</b>	<b>1,844,960</b>	<b>4,310,827</b>
<b>NET POSITION</b>			
Unrestricted	1,921,554	1,720,245	3,641,799
<b>TOTAL NET POSITION</b>	<b>\$ 1,921,554</b>	<b>\$ 1,720,245</b>	<b>\$ 3,641,799</b>

**BEAVERTON SCHOOL DISTRICT**  
**COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION**  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020

	Insurance Reserve	Workers' Compensation	Total
<b>OPERATING REVENUES:</b>			
Services to other funds	\$ 2,040,824	\$ 1,722,021	\$ 3,762,845
Recovery of prior years' expenditures	165	226,450	226,615
Other	173,102	-	173,102
<b>TOTAL OPERATING REVENUES</b>	<b>2,214,091</b>	<b>1,948,471</b>	<b>4,162,562</b>
<b>OPERATING EXPENSES:</b>			
Losses and claims	998,091	1,646,705	2,644,796
Insurance premiums and assessments	2,000,594	131,295	2,131,889
Salaries and benefits	955,651	560,019	1,515,670
Services, supplies and materials	841,337	206,178	1,047,515
<b>TOTAL OPERATING EXPENSES</b>	<b>4,795,673</b>	<b>2,544,197</b>	<b>7,339,870</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(2,581,582)</b>	<b>(595,726)</b>	<b>(3,177,308)</b>
<b>NONOPERATING REVENUE:</b>			
Investment earnings	15,661	21,463	37,124
<b>TOTAL NONOPERATING REVENUES</b>	<b>15,661</b>	<b>21,463</b>	<b>37,124</b>
<b>INCOME (LOSS) BEFORE TRANSFERS</b>	<b>(2,565,921)</b>	<b>(574,263)</b>	<b>(3,140,184)</b>
<b>TRANSFERS:</b>			
Transfers in	2,884,648	-	2,884,648
<b>TOTAL TRANSFERS</b>	<b>2,884,648</b>	<b>-</b>	<b>2,884,648</b>
<b>CHANGE IN NET POSITION</b>	<b>318,727</b>	<b>(574,263)</b>	<b>(255,536)</b>
<b>NET POSITION, July 1, 2019</b>	<b>1,602,827</b>	<b>2,294,508</b>	<b>3,897,335</b>
<b>NET POSITION, June 30, 2020</b>	<b>\$ 1,921,554</b>	<b>\$ 1,720,245</b>	<b>\$ 3,641,799</b>

**BEAVERTON SCHOOL DISTRICT**  
**COMBINING STATEMENT OF CASH FLOWS**  
INTERNAL SERVICE FUNDS  
YEAR ENDED JUNE 30, 2020

	Insurance Reserve	Workers' Compensation	Total
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Received from interfund services provided	\$ 3,202,202	\$ 1,704,062	\$ 4,906,264
Received from recovery of prior years' expenditures	165	226,450	226,615
Paid for goods and services	(3,066,259)	(451,323)	(3,517,582)
Paid to claimants	(1,000,360)	(1,671,284)	(2,671,644)
Paid to employees	(945,651)	(560,019)	(1,505,670)
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	(1,809,903)	(752,114)	(2,562,017)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:</b>			
Transfer from other funds	2,884,648	-	2,884,648
<b>NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES</b>	2,884,648	-	2,884,648
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Interest received	15,661	21,463	37,124
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	15,661	21,463	37,124
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	1,090,406	(730,651)	359,755
<b>CASH AND CASH EQUIVALENTS, July 1, 2019</b>	3,187,847	4,147,818	7,335,665
<b>CASH AND CASH EQUIVALENTS, June 30, 2020</b>	<u>\$ 4,278,253</u>	<u>\$ 3,417,167</u>	<u>\$ 7,695,420</u>
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>			
Operating income (loss)	\$ (2,581,582)	\$ (595,726)	\$ (3,177,308)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities			
Receivables	(1,383)	(12,777)	(14,160)
Due from other funds	41,660	(4,495)	37,165
Accounts payable	(224,328)	(113,850)	(338,178)
Accrued claims losses	10,000	-	10,000
Accrued salaries and benefits	(2,269)	(24,579)	(26,848)
Due to other funds	169	(687)	(518)
Other liabilities	947,830	-	947,830
<b>NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES</b>	<u>\$ (1,809,903)</u>	<u>\$ (752,114)</u>	<u>\$ (2,562,017)</u>

**BEAVERTON SCHOOL DISTRICT**
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**
**INSURANCE RESERVE FUND**
**YEAR ENDED JUNE 30, 2020**

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
<b>REVENUES:</b>				
Investment earnings	\$ 30,000	\$ 30,000	\$ 15,661	\$ (14,339)
Services to other funds	2,184,486	2,184,486	2,040,824	(143,662)
Recovery of prior years' expenditures	120,000	120,000	165	(119,835)
Other	35,000	35,000	173,102	138,102
Total revenues	2,369,486	2,369,486	2,229,752	(139,734)
<b>EXPENDITURES:</b>				
Support services	5,967,222	5,967,222	4,795,673	1,171,549
Facilities acquisition and construction	375,308	375,308	-	375,308
Contingencies	483,137	483,137	-	483,137
Total expenditures	6,825,667	6,825,667	4,795,673	2,029,994
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(4,456,181)	(4,456,181)	(2,565,921)	1,890,260
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	2,884,648	2,884,648	2,884,648	-
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	2,884,648	2,884,648	2,884,648	-
<b>NET CHANGE IN FUND BALANCE</b>	(1,571,533)	(1,571,533)	318,727	1,890,260
<b>FUND BALANCE, July 1, 2019</b>	1,571,533	1,571,533	1,602,827	31,294
<b>FUND BALANCE, June 30, 2020</b>	\$ -	\$ -	\$ 1,921,554	\$ 1,921,554

**BEAVERTON SCHOOL DISTRICT****SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****WORKERS' COMPENSATION FUND****YEAR ENDED JUNE 30, 2020**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
<b>REVENUES:</b>				
Investment earnings	\$ 21,000	\$ 21,000	\$ 21,463	\$ 463
Services to other funds	1,727,815	1,727,815	1,722,021	(5,794)
Recovery of prior years' expenditures	80,000	80,000	226,450	146,450
Total revenues	1,828,815	1,828,815	1,969,934	141,119
<b>EXPENDITURES:</b>				
Support services	3,306,092	3,306,092	2,544,197	761,895
Contingencies	522,723	522,723	-	522,723
Total expenditures	3,828,815	3,828,815	2,544,197	1,284,618
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(2,000,000)	(2,000,000)	(574,263)	1,425,737
<b>NET CHANGE IN FUND BALANCE</b>	(2,000,000)	(2,000,000)	(574,263)	1,425,737
<b>FUND BALANCE, July 1, 2019</b>	2,000,000	2,000,000	2,294,508	294,508
<b>FUND BALANCE, June 30, 2020</b>	\$ -	\$ -	\$ 1,720,245	\$ 1,720,245



### **FIDUCIARY FUND**

This fund accounts for the District's scholarship program provided by bequests and donations. Included is:

*Private Purpose Trust Fund* – accounts for fund-raising and scholarship resources received and held by the District in a fiduciary capacity. Disbursements from this fund are made in accordance with the trust and fund-raising agreements.





**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET (NON-GAAP**  
**BASIS) AND ACTUAL**  
**PRIVATE PURPOSE TRUST FUND**  
**YEAR ENDED JUNE 30, 2020**

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
<b>REVENUES:</b>				
Contributions and donations	\$ 100,000	\$ 100,000	\$ 85,170	\$ (14,830)
Investment earnings	5,000	5,000	2,379	(2,621)
Total revenues	105,000	105,000	87,549	(17,451)
<b>EXPENDITURES:</b>				
Enterprise and community services	450,000	450,000	87,236	362,764
Total expenditures	450,000	450,000	87,236	362,764
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(345,000)	(345,000)	313	345,313
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	10,000	10,000	-	(10,000)
<b>TOTAL OTHER FINANCING SOURCES (USES)</b>	10,000	10,000	-	(10,000)
<b>NET CHANGE IN FUND BALANCE</b>	(335,000)	(335,000)	313	335,313
<b>FUND BALANCE, July 1, 2019</b>	335,000	335,000	376,816	41,816
<b>FUND BALANCE, June 30, 2020</b>	\$ -	\$ -	\$ 377,129	\$ 377,129

**RECONCILIATION TO GAAP BASIS:**

<b>FUND BALANCE, June 30, 2020</b>	\$ 377,129
Scholarships payable	(40,250)
<b>NET POSITION, June 30, 2020</b>	\$ 336,879



## **OTHER FINANCIAL SCHEDULES**

### **Reference**

The Oregon Program Budgeting and Accounting Manual (PBAM) defines the following major fund numbers and major objects numbers, which are referenced in the following Other Financial Schedules:

#### **Fund Numbers**

100 – General Fund  
200 – Special Revenue Funds  
300 – Debt Service Funds  
400 – Capital Project Funds  
500 – Enterprise Funds<sup>1</sup>  
600 – Internal Service Funds  
700 – Trust and Agency Funds

#### **Object Numbers**

100 – Salaries  
200 – Associated Payroll Costs  
300 – Purchased Services  
400 – Supplies and Materials  
500 – Capital Outlay  
600 – Other Objects  
700 – Transfers  
800 – Other Uses of Funds

<sup>1</sup> Beaverton School District did not have any Enterprise Funds in the fiscal year.



**BEAVERTON SCHOOL DISTRICT**  
**REVENUE SUMMARY - ALL FUNDS**  
**YEAR ENDED JUNE 30, 2020**

	Fund 100	Fund 200	Fund 300	Fund 400
<b>Local Sources</b>				
1111 Current year taxes	\$ 142,465,868	\$ -	\$ 60,125,613	\$ -
1112 Prior year taxes	1,164,436	-	514,982	-
1114 Payments in lieu of property taxes	30,632	-	10,441	-
1121 Current year local option levy	33,928,678	-	-	-
1122 Prior year local option levy	265,382	-	-	-
1130 Construction excise tax	-	-	-	2,465,595
1311 Tuition from individuals	18,300	-	-	-
1312 Tuition from other districts within the state	835,217	-	-	-
1330 Summer school tuition	170,548	-	-	-
1411 Transportation fees from individuals	170,082	-	-	-
1500 Earnings on investments	1,961,287	78,314	587,881	4,063,949
1600 Food service	-	3,631,467	-	-
1700 Extracurricular activities	1,525,332	3,499,230	-	-
1910 Rentals	831,407	1,760	-	29,160
1920 Contributions & Donations	12,137	2,553,412	-	969,464
1950 Textbook sales	-	32,478	-	-
1960 Recovery of prior years' expenditures	163,201	6,315	2,708	3,595,037
1970 Services to other funds	-	-	21,762,753	-
1980 Fees charged to grants	541,780	-	-	-
1990 Miscellaneous	1,284,794	364,484	-	314,535
Total Local Sources	185,369,081	10,167,460	83,004,378	11,437,740
<b>Intermediate Sources</b>				
2101 County school fund	1,082,872	-	-	-
2102 ESD apportionment	10,535,460	-	-	-
2104 ESD apportionment - preschool	532,000	-	-	-
2200 Restricted revenue	-	222,138	-	-
Total Intermediate Sources	12,150,332	222,138	-	-
<b>State Sources</b>				
3101 State school fund	281,611,303	-	-	-
3102 State school fund match	-	124,744	-	-
3103 Common school fund	4,036,355	-	-	-
3199 Other unrestricted grants-in-aid	3,564,791	114,658	-	-
3222 State school fund - transportation equip	-	1,289,633	-	-
3299 Other restricted grants-in-aid	-	9,896,654	-	-
Total State Sources	289,212,449	11,425,689	-	-
<b>Federal Sources</b>				
4300 Restricted direct from federal	-	156,217	-	-
4500 Restricted through state	-	21,571,465	-	-
4700 Federal grants	-	52,433	-	-
4910 Commodities	-	967,753	-	-
Total Federal Sources	-	22,747,868	-	-
<b>Other Sources</b>				
5110 Proceeds from the sale of bonds	-	-	432,745,000	-
5160 Proceeds from capital leases	358,390	-	-	-
5200 Transfers in	18,413,036	10,380	1,336,850	-
5300 Sale/compensation for loss of capital assets	-	-	-	380,835
Total Other Sources	18,771,426	10,380	434,081,850	380,835
<b>TOTAL REVENUES</b>	<b>\$ 505,503,288</b>	<b>\$ 44,573,535</b>	<b>\$ 517,086,228</b>	<b>\$ 11,818,575</b>

Continued on next page.

**BEAVERTON SCHOOL DISTRICT**  
**REVENUE SUMMARY - ALL FUNDS (Continued)**  
**YEAR ENDED JUNE 30, 2020**

	Fund 600	Fund 700	Total
<b>Local Sources</b>			
1111 Current year taxes	\$ -	\$ -	\$ 202,591,481
1112 Prior year taxes	-	-	1,679,418
1114 Payments in lieu of property taxes	-	-	41,073
1121 Current year local option levy	-	-	33,928,678
1122 Prior year local option levy	-	-	265,382
1130 Construction excise tax	-	-	2,465,595
1311 Tuition from individuals	-	-	18,300
1312 Tuition from other districts within the state	-	-	835,217
1330 Summer school tuition	-	-	170,548
1411 Transportation fees from individuals	-	-	170,082
1500 Earnings on investments	37,124	2,379	6,730,934
1600 Food service	-	-	3,631,467
1700 Extracurricular activities	-	-	5,024,562
1910 Rentals	-	-	862,327
1920 Contributions & Donations	-	85,169	3,620,182
1950 Textbook sales	-	-	32,478
1960 Recovery of prior years' expenditures	226,615	-	3,993,876
1970 Services to other funds	3,762,845	-	25,525,598
1980 Fees charged to grants	-	-	541,780
1990 Miscellaneous	173,102	-	2,136,915
Total Local Sources	4,199,686	87,548	294,265,893
<b>Intermediate Sources</b>			
2101 County school fund	-	-	1,082,872
2102 ESD apportionment	-	-	10,535,460
2104 ESD apportionment - preschool	-	-	532,000
2200 Restricted revenue	-	-	222,138
Total Intermediate Sources	-	-	12,372,470
<b>State Sources</b>			
3101 State school fund	-	-	281,611,303
3102 State school fund match	-	-	124,744
3103 Common school fund	-	-	4,036,355
3199 Other unrestricted grants-in-aid	-	-	3,679,449
3222 State school fund - transportation equip	-	-	1,289,633
3299 Other restricted grants-in-aid	-	-	9,896,654
Total State Sources	-	-	300,638,138
<b>Federal Sources</b>			
4300 Restricted direct from federal	-	-	156,217
4500 Restricted through state	-	-	21,571,465
4700 Federal grants	-	-	52,433
4910 Commodities	-	-	967,753
Total Federal Sources	-	-	22,747,868
<b>Other Sources</b>			
5110 Proceeds from the sale of bonds	-	-	432,745,000
5160 Proceeds from capital leases	-	-	358,390
5200 Transfers in	2,884,648	-	22,644,914
5300 Sale/compensation for loss of capital assets	-	-	380,835
Total Other Sources	2,884,648	-	456,129,139
<b>TOTAL REVENUES</b>	<b>\$ 7,084,334</b>	<b>\$ 87,548</b>	<b>\$ 1,086,153,508</b>

**BEAVERTON SCHOOL DISTRICT**  
**GENERAL FUND (100) EXPENDITURE SUMMARY**  
**YEAR ENDED JUNE 30, 2020**

	Object 100	Object 200	Object 300	Object 400
<b>Instruction</b>				
1110 Elementary programs	\$ 66,060,151	\$ 41,355,785	\$ 57,992	\$ 1,709,839
1120 Middle school programs	29,322,400	17,573,550	53,124	396,688
1130 High school programs	43,344,473	24,889,756	912,105	1,246,312
1140 Pre-kindergarten programs	629,472	520,536	31	26,241
1210 Talented and gifted programs	197,642	67,983	993	95,812
1220 Restrictive programs	12,993,641	10,376,673	709,179	38,626
1250 Resource rooms	7,574,879	4,567,212	435	11,197
1280 Alternative education	1,505,291	898,909	7,314,552	228,613
1290 Designated programs	11,980,027	7,296,787	284,920	75,500
1410 Summer school - elementary school	27,328	9,778	13,838	4,879
1430 Summer school - high school	258,266	89,422	6,794	4,793
1490 Other summer school	1,113	405	-	150
<b>Total Instruction</b>	<b>173,894,683</b>	<b>107,646,796</b>	<b>9,353,963</b>	<b>3,838,650</b>
<b>Support Services</b>				
2110 Attendance and social work services	3,278,126	2,719,558	344,956	29,995
2120 Guidance services	9,036,624	5,740,777	40,438	47,764
2130 Health services	1,574,212	1,063,688	98,578	25,283
2140 Psychological services	2,460,606	1,442,001	3,399	38,954
2150 Speech pathology and audiology services	4,077,966	2,433,319	13,257	43,823
2160 Other student treatment services	219,959	131,036	1,023,228	10,750
2190 Service direction - student support services	2,586,211	1,548,400	171,949	239,015
2210 Improvement of instruction services	1,559,723	913,027	14,073	77,371
2220 Educational media services	3,464,596	2,681,277	4,312	406,977
2230 Assessment and testing	107,571	82,459	112	247,325
2240 Instructional staff development	1,675,977	1,237,929	199,782	74,360
2310 Board of education services	-	-	102,287	6,093
2320 Executive administration services	1,215,340	691,061	48,446	13,827
2410 Office of the principal services	18,698,900	12,390,761	67,662	238,309
2490 Other support services - school administration	1,616,817	979,583	42,810	34,866
2510 Direction of business support services	213,960	107,091	6,564	12,743
2520 Fiscal services	1,280,017	754,574	109,354	26,649
2540 Operation and maintenance of plant services	14,371,837	9,997,693	8,806,103	1,569,926
2550 Student transportation services	9,407,617	8,622,219	254,068	1,187,507
2570 Internal services	553,118	392,323	369,196	14,111
2620 Planning and development services	416,801	191,252	796,707	11,468
2630 Information services	554,959	341,914	7,112	26,792
2640 Staff services	2,229,702	1,426,882	173,947	104,563
2660 Technology services	5,295,760	3,249,122	1,607,946	1,512,317
<b>Total Support Services</b>	<b>85,896,399</b>	<b>59,137,946</b>	<b>14,306,286</b>	<b>6,000,788</b>
<b>Enterprise and Community Services</b>				
3110 Food services	-	-	-	-
<b>Total Enterprise and Community Services</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Uses</b>				
5110 Debt Service	-	-	-	-
5200 Transfers of funds	-	-	-	-
<b>Total Other Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 259,791,082</b>	<b>\$ 166,784,742</b>	<b>\$ 23,660,249</b>	<b>\$ 9,839,438</b>

Continued on next page.

**BEAVERTON SCHOOL DISTRICT**  
**GENERAL FUND (100) EXPENDITURE SUMMARY (Continued)**  
**YEAR ENDED JUNE 30, 2020**

	Object 500	Object 600	Object 700	Total
<b>Instruction</b>				
1110 Elementary programs	\$ -	\$ 635	\$ -	\$ 109,184,402
1120 Middle school programs	4,212	4,203	-	47,354,177
1130 High school programs	7,782	73,441	-	70,473,869
1140 Pre-kindergarten programs	-	-	-	1,176,280
1210 Talented and gifted programs	-	1,675	-	364,105
1220 Restrictive programs	-	-	-	24,118,119
1250 Resource rooms	-	-	-	12,153,723
1280 Alternative education	-	-	-	9,947,365
1290 Designated programs	-	178,654	-	19,815,888
1410 Summer school - elementary school	-	-	-	55,823
1430 Summer school - high school	-	737	-	360,012
1490 Other summer school	-	-	-	1,668
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Instruction	<u>11,994</u>	<u>259,345</u>	<u>-</u>	<u>295,005,431</u>
<b>Support Services</b>				
2110 Attendance and social work services	-	3,084	-	6,375,719
2120 Guidance services	-	1,068	-	14,866,671
2130 Health services	-	-	-	2,761,761
2140 Psychological services	-	-	-	3,944,960
2150 Speech pathology and audiology services	-	-	-	6,568,365
2160 Other student treatment services	-	-	-	1,384,973
2190 Service direction - student support services	-	56,371	-	4,601,946
2210 Improvement of instruction services	-	82,999	-	2,647,193
2220 Educational media services	-	480	-	6,557,642
2230 Assessment and testing	-	-	-	437,467
2240 Instructional staff development	-	74,018	-	3,262,066
2310 Board of education services	-	22,140	-	130,520
2320 Executive administration services	-	6,524	-	1,975,198
2410 Office of the principal services	-	17,737	-	31,413,369
2490 Other support services - school administration	-	377	-	2,674,453
2510 Direction of business support services	-	430	-	340,788
2520 Fiscal services	-	74,608	-	2,245,202
2540 Operation and maintenance of plant services	850,930	13,029	-	35,609,518
2550 Student transportation services	41,866	3,454	-	19,516,731
2570 Internal services	12,296	1,390	-	1,342,434
2620 Planning and development services	-	-	-	1,416,228
2630 Information services	-	1,370	-	932,147
2640 Staff services	-	9,859	-	3,944,953
2660 Technology services	41,729	4,645	-	11,711,519
	<u>946,821</u>	<u>373,583</u>	<u>-</u>	<u>166,661,823</u>
Total Support Services	<u>946,821</u>	<u>373,583</u>	<u>-</u>	<u>166,661,823</u>
<b>Enterprise and Community Services</b>				
3110 Food services	-	16,438	-	16,438
	<u>-</u>	<u>16,438</u>	<u>-</u>	<u>16,438</u>
Total Enterprise and Community Services	<u>-</u>	<u>16,438</u>	<u>-</u>	<u>16,438</u>
<b>Other Uses</b>				
5110 Debt service	-	1,250,299	-	1,250,299
5200 Transfers of funds	-	-	3,060,342	3,060,342
	<u>-</u>	<u>1,250,299</u>	<u>3,060,342</u>	<u>4,310,641</u>
Total Other Uses	<u>-</u>	<u>1,250,299</u>	<u>3,060,342</u>	<u>4,310,641</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 958,815</u>	<u>\$ 1,899,665</u>	<u>\$ 3,060,342</u>	<u>\$ 465,994,333</u>



**BEAVERTON SCHOOL DISTRICT**  
**SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY**  
**YEAR ENDED JUNE 30, 2020**

	Object 100	Object 200	Object 300	Object 400
<b>Instruction</b>				
1110 Elementary programs	\$ 40,854	\$ 13,070	\$ 398,820	\$ 411,123
1120 Middle school programs	68,190	21,814	534,745	430,966
1130 High school programs	1,308,346	601,209	488,403	3,333,427
1140 Pre-kindergarten programs	-	-	-	10,626
1220 Restrictive programs	1,172,649	931,367	51	16,363
1250 Resource rooms	747,958	494,670	208	-
1270 Educationally disadvantaged	3,063,499	2,061,882	301,015	206,344
1280 Alternative education	45,180	27,644	5,243	6,052
1290 Designated programs	1,199,705	707,212	232,875	162,858
1410 Summer school - elementary school	74,790	23,602	-	226
1420 Summer school - middle school	3,880	665	180	426
1490 Other summer school	232,116	82,467	61,826	24,253
<b>Total Instruction</b>	<b>7,957,167</b>	<b>4,965,602</b>	<b>2,023,366</b>	<b>4,602,664</b>
<b>Support Services</b>				
2110 Attendance and social work services	900,716	749,992	25,557	865
2120 Guidance services	77,673	49,470	85,482	5,731
2130 Health services	91,014	42,501	55,201	336
2140 Psychological services	304,352	217,420	-	-
2150 Speech pathology and audiology services	91,770	52,650	-	1,170
2160 Other student treatment services	-	-	152,519	418
2190 Service direction - student support services	354,910	191,240	1,027	-
2210 Improvement of instruction services	482,488	239,669	8,077	299,422
2220 Educational media services	-	-	13,885	254,774
2230 Assessment and testing	-	-	-	34,749
2240 Instructional staff development	527,957	260,709	276,093	21,334
2320 Executive administration services	-	-	15,000	-
2410 Office of the principal services	10,351	3,105	26,927	174,829
2520 Fiscal services	9,997	5,466	-	-
2540 Operation and maintenance of plant services	-	-	97,402	809
2550 Student transportation services	84,239	24,080	48,685	10,589
2570 Internal services	-	-	29,223	-
2630 Information services	-	-	-	3,788
2640 Staff services	232,912	124,378	-	-
2660 Technology services	19,159	6,666	2,514	178,326
<b>Total Support Services</b>	<b>3,187,538</b>	<b>1,967,346</b>	<b>837,592</b>	<b>987,140</b>
<b>Enterprise and Community Services</b>				
3110 Service area direction	955,098	597,472	46,993	974,836
3120 Food preparation and dispensing services	3,706,444	3,200,481	60,209	3,353,230
3140 Food services - summer school	140,437	48,144	8,394	371,665
3390 Other community services	6,738	2,455	11,745	54,421
<b>Total Enterprise and Community Services</b>	<b>4,808,717</b>	<b>3,848,552</b>	<b>127,341</b>	<b>4,754,152</b>
<b>Facilities Acquisition and Construction</b>				
4150 Building acquisition, construction and improvement services	78,685	9,690	241,969	940,881
<b>Total Facilities Acquisition and Construction</b>	<b>78,685</b>	<b>9,690</b>	<b>241,969</b>	<b>940,881</b>
<b>Other Uses</b>				
5200 Transfers of funds	-	-	-	-
<b>Total Other Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES</b>	<b>\$ 16,032,107</b>	<b>\$ 10,791,190</b>	<b>\$ 3,230,268</b>	<b>\$ 11,284,837</b>

Continued on the next page.

**BEAVERTON SCHOOL DISTRICT**  
**SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY (Continued)**  
**YEAR ENDED JUNE 30, 2020**

	Object 500	Object 600	Object 700	Total
<b>Instruction</b>				
1110 Elementary programs	\$ 5,030	\$ 310	\$ -	\$ 869,207
1120 Middle school programs	-	1,894	-	1,057,609
1130 High school programs	53,563	39,705	-	5,824,653
1140 Pre-kindergarten programs	-	-	-	10,626
1220 Restrictive programs	-	635	-	2,121,065
1250 Resource rooms	-	-	-	1,242,836
1270 Educationally disadvantaged	-	-	-	5,632,740
1280 Alternative education	-	-	-	84,119
1290 Designated programs	43,760	1,205	-	2,347,615
1410 Summer school - elementary school	-	-	-	98,618
1420 Summer school - middle school	-	-	-	5,151
1490 Other summer school	-	-	-	400,662
	<u>102,353</u>	<u>43,749</u>	<u>-</u>	<u>19,694,901</u>
<b>Total Instruction</b>				
	<u>102,353</u>	<u>43,749</u>	<u>-</u>	<u>19,694,901</u>
<b>Support Services</b>				
2110 Attendance and social work services	-	-	-	1,677,130
2120 Guidance services	-	205	-	218,561
2130 Health services	-	-	-	189,052
2140 Psychological services	-	-	-	521,772
2150 Speech pathology and audiology services	-	-	-	145,590
2160 Other student treatment services	-	-	-	152,937
2190 Service direction - student support services	-	-	-	547,177
2210 Improvement of instruction services	-	-	-	1,029,656
2220 Educational media services	-	-	-	268,659
2230 Assessment and testing	-	-	-	34,749
2240 Instructional staff development	-	-	-	1,086,093
2320 Executive administration services	-	-	-	15,000
2410 Office of the principal services	-	3,341	-	218,553
2520 Fiscal services	-	541,780	-	557,243
2540 Operation and maintenance of plant services	-	-	-	98,211
2550 Student transportation services	1,242,221	-	-	1,409,814
2570 Internal services	-	-	-	29,223
2630 Information services	-	-	-	3,788
2640 Staff services	-	-	-	357,290
2660 Technology services	28,789	-	-	235,454
	<u>1,271,010</u>	<u>545,326</u>	<u>-</u>	<u>8,795,952</u>
<b>Total Support Services</b>				
	<u>1,271,010</u>	<u>545,326</u>	<u>-</u>	<u>8,795,952</u>
<b>Enterprise and Community Services</b>				
3110 Service area direction	-	1,800	-	2,576,199
3120 Food preparation and dispensing services	-	429	-	10,320,793
3140 Food services - summer school	-	-	-	568,640
3390 Other community services	-	-	-	75,359
	<u>-</u>	<u>-</u>	<u>-</u>	<u>75,359</u>
<b>Total Enterprise and Community Services</b>				
	<u>-</u>	<u>2,229</u>	<u>-</u>	<u>13,540,991</u>
<b>Facilities Acquisition and Construction</b>				
4150 Building acquisition, construction and improvement services	5,000,183	16,917	-	6,288,325
	<u>5,000,183</u>	<u>16,917</u>	<u>-</u>	<u>6,288,325</u>
<b>Total Facilities Acquisition and Construction</b>				
	<u>5,000,183</u>	<u>16,917</u>	<u>-</u>	<u>6,288,325</u>
<b>Other Uses</b>				
5200 Transfers of funds	-	-	18,417,416	18,417,416
	<u>-</u>	<u>-</u>	<u>18,417,416</u>	<u>18,417,416</u>
<b>Total Other Uses</b>				
	<u>-</u>	<u>-</u>	<u>18,417,416</u>	<u>18,417,416</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 6,373,546</u>	<u>\$ 608,221</u>	<u>\$ 18,417,416</u>	<u>\$ 66,737,585</u>

**BEAVERTON SCHOOL DISTRICT**  
**DEBT SERVICE FUNDS (300) EXPENDITURE SUMMARY**  
YEAR ENDED JUNE 30, 2020

	<u>Object 600</u>	<u>Total</u>
Other Uses		
5110 Debt service	<u>\$ 518,202,258</u>	<u>\$ 518,202,258</u>
Total Other Uses	<u>518,202,258</u>	<u>518,202,258</u>
<b>TOTAL EXPENDITURES</b>	<u><b>\$ 518,202,258</b></u>	<u><b>\$ 518,202,258</b></u>

**BEAVERTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY**  
**YEAR ENDED JUNE 30, 2020**

	Object 100	Object 200	Object 300	Object 400
Support Services				
2510 Direction of business support services	\$ -	\$ -	\$ 3,000	\$ -
2540 Operation and maintenance of plant services	-	-	24,395	8,587
2550 Student transportation services	-	-	-	-
2620 Planning and development services	151,999	89,819	-	-
Total Support Services	151,999	89,819	27,395	8,587
Facilities Acquisition and Construction				
4110 Service area direction	2,843,408	1,686,510	48,354	9,063
4150 Building acquisition, construction and improvement services	23,616	-	4,473,268	1,874,732
4180 Other capital items	965	287	218,413	4,312,567
Total Facilities Acquisition and Construction	2,867,989	1,686,797	4,740,035	6,196,362
Other Uses				
5200 Transfers of funds	-	-	-	-
Total Other Uses	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,019,988</b>	<b>\$ 1,776,616</b>	<b>\$ 4,767,430</b>	<b>\$ 6,204,949</b>

Continued on the next page.

**BEAVERTON SCHOOL DISTRICT**  
**CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY (Continued)**  
**YEAR ENDED JUNE 30, 2020**

	<u>Object 500</u>	<u>Object 600</u>	<u>Object 700</u>	<u>Total</u>
Support Services				
2510 Direction of business support services	\$ -	\$ -	\$ -	\$ 3,000
2540 Operation and maintenance of plant services	146,454	1,225	-	180,661
2550 Student transportation services	3,492,317	-	-	3,492,317
2620 Planning and development services	-	-	-	241,818
	<u>3,638,771</u>	<u>1,225</u>	<u>-</u>	<u>3,917,796</u>
Total Support Services				
	<u>3,638,771</u>	<u>1,225</u>	<u>-</u>	<u>3,917,796</u>
Facilities Acquisition and Construction				
4110 Service area direction	-	203,442	-	4,790,777
4150 Building acquisition, construction and improvement services	60,619,958	902,857	-	67,894,431
4180 Other capital items	445,531	-	-	4,977,763
	<u>61,065,489</u>	<u>1,106,299</u>	<u>-</u>	<u>77,662,971</u>
Total Facilities Acquisition and Construction				
	<u>61,065,489</u>	<u>1,106,299</u>	<u>-</u>	<u>77,662,971</u>
Other Uses				
5200 Transfers of funds	-	-	1,167,156	1,167,156
	<u>-</u>	<u>-</u>	<u>1,167,156</u>	<u>1,167,156</u>
Total Other Uses				
	<u>-</u>	<u>-</u>	<u>1,167,156</u>	<u>1,167,156</u>
<b>TOTAL EXPENDITURES</b>	<u>\$ 64,704,260</u>	<u>\$ 1,107,524</u>	<u>\$ 1,167,156</u>	<u>\$ 82,747,923</u>

**BEAVERTON SCHOOL DISTRICT**  
**INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY**  
**YEAR ENDED JUNE 30, 2020**

	Object 100	Object 200	Object 300	Object 400
Support Services				
2320 Executive administration services	\$ 67,764	\$ 31,941	\$ 69,920	\$ -
2520 Fiscal services	88,877	49,546	720	-
2640 Staff services	237,319	139,096	53,965	25
2690 Other support services	604,512	296,614	534,258	211,308
Total Support Services	998,472	517,197	658,863	211,333
<b>TOTAL EXPENDITURES</b>	<b>\$ 998,472</b>	<b>\$ 517,197</b>	<b>\$ 658,863</b>	<b>\$ 211,333</b>

Continued on the next page.

**BEAVERTON SCHOOL DISTRICT**  
**INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY (Continued)**  
**YEAR ENDED JUNE 30, 2020**

	Object 500	Object 600	Total
Support Services			
2320 Executive administration services	\$ -	\$ -	\$ 169,625
2520 Fiscal services	-	-	139,143
2640 Staff services	-	-	430,405
2690 Other support services	174,632	4,779,373	6,600,697
Total Support Services	174,632	4,779,373	7,339,870
<b>TOTAL EXPENDITURES</b>	<b>\$ 174,632</b>	<b>\$ 4,779,373</b>	<b>\$ 7,339,870</b>

**BEAVERTON SCHOOL DISTRICT**  
**TRUST AND AGENCY FUNDS (700) EXPENDITURE SUMMARY (NON-GAAP BASIS)**  
**YEAR ENDED JUNE 30, 2020**

	<u>Object 300</u>	<u>Total</u>
Enterprise and Community Services		
3390 Other community services	<u>\$ 87,236</u>	<u>\$ 87,236</u>
Total Enterprise and Community Services	<u>87,236</u>	<u>87,236</u>
<b>TOTAL EXPENDITURES</b>	<u><u>\$ 87,236</u></u>	<u><u>\$ 87,236</u></u>



**BEAVERTON SCHOOL DISTRICT****SUPPLEMENTAL INFORMATION AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION**

YEAR ENDED JUNE 30, 2020

**A Energy Bill 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	\$ 6,545,009
Function 2550	-

**B Replacement of Equipment - General Fund:**

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

\$	69,932
----	--------

Exclude these functions:

- 1113 Elementary Co-curricular Activities
- 1122 Middle School Co-curricular Activities
- 1132 High School Co-curricular Activities
- 1140 Pre-Kindergarten
- 1300 Continuing Education
- 1400 Summer School
- 2550 Pupil Transportation
- 3100 Food Service
- 3300 Community Services
- 4150 Construction

**BEAVERTON SCHOOL DISTRICT**  
**SUPPLEMENTAL INFORMATION AS REQUIRED BY BOND DISCLOSURE AGREEMENTS**  
**GENERAL FUND ADOPTED BUDGETS**  
**FOR FISCAL YEARS 2019-20 AND 2020-21**

	<b>Fiscal Year 2019-20</b>	<b>Fiscal Year 2020-21</b>
<b><u>Resources</u></b>		
Local Sources	\$ 185,040,100	\$ 191,610,100
Intermediate Sources	11,982,643	12,551,064
State Sources	282,884,046	295,814,737
Miscellaneous	35,713,036	36,402,000
Total Resources	<u>\$ 515,619,825</u>	<u>\$ 536,377,901</u>
<b><u>Expenditures</u></b>		
Salaries	\$ 267,884,758	\$ 276,831,737
Associated Payroll Costs	172,735,290	176,795,656
Purchased Services	28,033,398	28,334,961
Supplies and Materials	14,582,929	19,578,310
Capital Outlay	660,000	789,298
Other Objects	2,375,821	2,591,517
Transfers	4,347,342	4,711,906
Other Uses of Funds	25,000,287	26,744,516
Total Expenditures	<u>\$ 515,619,825</u>	<u>\$ 536,377,901</u>

# STATISTICAL SECTION



Statistical Section





## **STATISTICAL SECTION OVERVIEW**

This section provides further details as a context for a better understanding of the financial statements.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how financial performance has changed over time.	129
<i>Revenue Capacity</i> These schedules contain information to help the reader assess the Beaverton School District's most significant local revenue sources, state school fund and property taxes.	135
<i>Debt Capacity</i> These schedules present information to help the reader assess the affordability of the School District's current levels of outstanding debt and the ability to issue additional debt in the future.	139
<i>Demographic and Economic Information</i> These schedules offer demographic and economic indicators to help the reader understand the environment within which the School District's financial activities take place.	142
<i>Operating Information</i> These schedules contain service and infrastructure data to help the reader understand how the information in the School District's financial report relates to the services the School District provides and the activities it performs.	144

**Sources:** The information in these schedules is derived from the comprehensive annual financial reports for fiscal years ended June 30, 2011-20, unless otherwise noted.



**BEAVERTON SCHOOL DISTRICT**  
**NET POSITION BY COMPONENT**  
 LAST TEN FISCAL YEARS ENDED JUNE 30  
*(accrual basis of accounting)*

	2020	2019	2018	2017 <sup>a</sup>	2016
Governmental activities					
Net investment in capital assets	\$ 356,573,540	\$ 307,682,555	\$ 290,846,498	\$ 268,188,162	\$ 262,579,965
Restricted for:					
Debt Service	-	1,172,594	-	569,986	1,881,023
Student Body	3,622,843	3,628,068	3,532,119	3,178,608	3,379,994
Unrestricted	(443,644,322)	(385,553,862)	(324,030,095)	(270,093,399)	(215,261,216)
Total primary government net position	\$ (83,447,939)	\$ (73,070,645)	\$ (29,651,478)	\$ 1,843,357	\$ 52,579,766

	2015	2014 <sup>b</sup>	2013 <sup>c</sup>	2012	2011
Governmental activities					
Net investment in capital assets	\$ 263,555,013	\$ 251,817,765	\$ 218,858,636	\$ 210,353,998	\$ 188,502,503
Restricted for:					
Debt Service	2,063,774	2,322,704	2,590,687	3,938,991	3,030,099
Student Body	2,866,864	2,943,385	2,732,183	2,496,967	2,403,075
Unrestricted	(119,174,972)	(228,749,495)	(20,953,952)	(12,888,743)	5,544,039
Total primary government net position	\$ 149,310,679	\$ 28,334,359	\$ 203,227,554	\$ 203,901,213	\$ 199,479,716

**Note:**

<sup>a</sup> Fiscal year 2017 was restated due to GASB 75.

<sup>b</sup> Fiscal year 2014 was restated due to GASB 68.

<sup>c</sup> Fiscal year 2013 was restated due to GASB 65.

**BEAVERTON SCHOOL DISTRICT**  
**CHANGES IN NET POSITION**  
 LAST TEN FISCAL YEARS ENDED JUNE 30  
*(accrual basis of accounting)*

	2020	2019	2018	2017	2016
<b>Expenses</b>					
Governmental activities:					
Instruction:					
Regular programs	\$ 288,892,592	\$ 279,440,871	\$ 261,781,198	\$ 251,640,423	\$ 278,194,402
Special programs	90,491,175	95,302,554	90,816,316	81,559,619	85,436,319
Summer school programs	1,109,484	1,350,107	1,599,044	1,202,441	1,446,450
Total instruction	380,493,251	376,093,532	354,196,558	334,402,483	365,077,171
Support Services:					
Students support services	51,821,053	48,475,828	43,245,977	38,745,667	39,284,776
Instructional staff support	17,777,675	21,880,138	21,579,054	20,507,887	20,225,200
General administration support	2,693,105	2,293,158	2,233,419	2,144,094	2,325,564
School administration	40,686,686	38,378,126	36,716,727	33,442,147	34,893,849
Business support services	67,425,522	65,984,943	62,356,966	56,468,112	55,384,931
Central activities support	29,615,964	27,475,179	24,743,049	21,562,471	22,841,783
Supplemental retirement	-	-	9,830	39,736	38,011
Total support services	210,020,005	204,487,372	190,885,022	172,910,114	174,994,114
Enterprise and Community Services:					
Food services	14,989,398	15,965,965	14,889,225	14,006,876	15,413,542
Community services	77,473	7,829	15,453	4,571	12,273
Custody and care of children services	-	-	-	-	-
Total enterprise and community services:	15,066,871	15,973,794	14,904,678	14,011,447	15,425,815
Facilities acquisition and construction	-	-	-	-	-
Interest on long-term debt	9,742,394	36,313,634	34,035,456	30,307,560	36,159,370
Total primary government expenses	615,322,521	632,868,332	594,021,714	551,631,604	591,656,470
<b>Program Revenues</b>					
Governmental activities:					
Charges for services					
Instruction	4,499,211	5,428,180	5,270,449	6,031,333	6,964,291
Support Services	1,321,345	1,251,795	1,562,046	1,428,741	860,873
Enterprise and community services	3,633,227	5,478,412	4,884,146	4,431,211	4,426,767
Operating grants and contributions	38,950,024	41,978,368	37,291,667	30,565,670	28,805,495
Capital grants and contributions	314,535	622,611	472,169	361,917	1,226,334
Total primary government program revenues	48,718,342	54,759,366	49,480,477	42,818,872	42,283,760
<b>Net (Expense)/Revenue</b>					
Total primary government net expense	\$ (566,604,179)	\$ (578,108,966)	\$ (544,541,237)	\$ (508,812,732)	\$ (549,372,710)
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Property taxes levied for general purposes	\$ 143,814,106	\$ 137,034,319	\$ 128,140,820	\$ 125,870,990	\$ 120,530,968
Local option taxes levied for general purposes	34,194,060	33,330,338	31,005,163	28,882,071	26,192,500
Property taxes levied for debt service	60,651,036	62,457,809	58,897,201	52,900,525	51,502,850
Construction excise tax	2,465,595	3,391,946	3,217,459	3,829,430	3,069,069
State school fund - general support	281,611,303	257,695,444	258,157,569	231,739,269	228,865,870
Common school fund	4,036,355	4,499,398	4,191,413	5,011,850	4,691,786
Unrestricted state and local sources	15,954,525	15,218,199	17,260,645	14,767,326	13,006,206
Earnings on investments	6,728,554	12,172,451	4,943,574	2,351,393	3,198,636
Gain on sale of capital asset	382,800	284,741	298,016	139,540	15,250
Miscellaneous	6,388,551	8,605,154	6,934,542	2,377,106	1,568,662
Total primary government	556,226,885	534,689,799	513,046,402	467,869,500	452,641,797
<b>Change in Net Position</b>					
Total primary government	\$ (10,377,294)	\$ (43,419,167)	\$ (31,494,835)	\$ (40,943,232)	\$ (96,730,913)

Continued on the next page.



**BEAVERTON SCHOOL DISTRICT**  
**CHANGES IN NET POSITION (Continued)**  
 LAST TEN FISCAL YEARS ENDED JUNE 30  
*(accrual basis of accounting)*

	2015	2014	2013	2012	2011
<b>Expenses</b>					
Governmental activities:					
Instruction:					
Regular programs	\$ 151,695,546	\$ 171,453,815	\$ 153,974,885	\$ 165,967,152	\$ 155,823,545
Special programs	52,710,940	62,155,870	60,687,497	58,727,067	58,135,083
Summer school programs	823,881	746,800	357,718	424,405	462,055
Total instruction	205,230,367	234,356,485	215,020,100	225,118,624	214,420,683
Support Services:					
Students support services	21,318,056	25,864,345	24,161,236	25,290,719	24,318,965
Instructional staff support	10,122,238	10,435,278	9,478,534	14,046,573	16,324,138
General administration support	1,453,617	1,560,440	1,445,588	1,453,474	1,527,173
School administration	19,465,092	24,474,041	23,217,806	22,895,754	22,373,286
Business support services	41,631,222	46,057,995	43,841,715	43,878,022	44,761,271
Central activities support	13,373,047	16,829,201	15,844,328	15,304,425	16,137,172
Supplemental retirement	100,893	796,395	1,357,685	712,529	85,307
Total support services	107,464,165	126,017,695	119,346,892	123,581,496	125,527,312
Enterprise and Community Services:					
Food services	11,736,797	12,763,646	12,801,512	12,620,976	12,590,877
Community services	47,469	138,592	128,385	67,660	140,908
Custody and care of children services	-	-	-	37,544	37,083
Total enterprise and community services:	11,784,266	12,902,238	12,929,897	12,726,180	12,768,868
Facilities acquisition and construction	-	-	-	-	1,332,465
Interest on long-term debt	34,413,599	16,163,540	35,719,584	24,764,671	24,552,195
Total primary government expenses	358,892,397	389,439,958	383,016,473	386,190,971	378,601,523
<b>Program Revenues</b>					
Governmental activities:					
Charges for services					
Instruction	10,217,286	10,098,793	10,003,939	9,571,654	9,341,231
Support Services	877,606	904,645	878,076	821,016	841,385
Enterprise and community services	4,190,202	4,137,738	4,335,594	4,690,877	4,736,978
Operating grants and contributions	28,314,126	29,592,463	26,430,911	28,815,557	45,694,904
Capital grants and contributions	-	-	-	-	560,751
Total primary government program revenues	43,599,220	44,733,639	41,648,520	43,899,104	61,175,249
<b>Net (Expense)/Revenue</b>					
Total primary government net expense	\$ (315,293,177)	\$ (344,706,319)	\$ (341,367,953)	\$ (342,291,867)	\$ (317,426,274)
<b>General Revenues and Other Changes in Net Position</b>					
Governmental activities:					
Property taxes levied for general purposes	\$ 114,933,952	\$ 110,583,679	\$ 106,074,191	\$ 104,258,668	\$ 100,540,188
Local option taxes levied for general purposes	24,213,931	19,060,210	-	-	32
Property taxes levied for debt service	51,440,929	49,732,072	47,152,740	48,141,562	44,848,328
Construction excise tax	2,997,116	2,407,510	1,863,969	1,157,042	1,180,614
State school fund - general support	216,460,563	199,569,316	172,475,674	167,737,344	157,658,272
Common school fund	3,796,074	3,537,242	3,655,130	3,262,020	3,419,944
Unrestricted state and local sources	15,770,697	12,110,552	8,490,373	17,833,330	11,638,640
Earnings on investments	2,541,728	517,574	503,144	617,642	790,559
Gain on sale of capital asset	200	767,803	-	-	-
Miscellaneous	4,114,307	1,760,973	3,243,765	3,705,756	4,577,759
Total primary government	436,269,497	400,046,931	343,458,986	346,713,364	324,654,336
<b>Change in Net Position</b>					
Total primary government	\$ 120,976,320	\$ 55,340,612	\$ 2,091,033	\$ 4,421,497	\$ 7,228,062

**BEAVERTON SCHOOL DISTRICT**  
**FUND BALANCES, GOVERNMENTAL FUNDS**  
 LAST TEN FISCAL YEARS ENDED JUNE 30  
*(modified accrual basis of accounting)*

	2020	2019	2018	2017	2016
<b>General Fund</b>					
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	6,149,838	24,369,523	22,852,024	21,717,173	20,852,418
Unassigned	56,424,054	16,915,100	29,660,002	38,054,174	42,979,287
Total general fund	\$ 62,573,892	\$ 41,284,623	\$ 52,512,026	\$ 59,771,347	\$ 63,831,705
<b>All Other Governmental Funds</b>					
Non-spendable, reported in:					
Nutrition services fund	\$ 836,651	\$ 493,950	\$ 515,050	\$ 287,514	\$ 287,230
Restricted, reported in:					
Debt service fund	2,276,890	3,363,872	561,085	3,380	764,450
Capital projects fund	132,786,906	205,728,055	288,305,160	382,060,011	261,642,449
Student body fund	3,622,843	3,628,068	3,532,119	3,178,608	3,379,994
Committed, reported in:					
Debt service fund	44,730	73,778	1,638,504	2,153,717	2,766,289
Capital projects fund	8,783,219	6,771,418	8,258,658	4,854,576	3,218,712
Special purpose fund	926,859	1,754,025	1,110,005	1,247,371	838,734
Categorical fund	1,566,476	2,726,046	2,705,099	2,534,954	688,591
Nutrition services fund	463,041	2,758,146	3,247,047	3,381,526	2,961,635
Total all other governmental funds	\$ 151,307,615	\$ 227,297,358	\$ 309,872,727	\$ 399,701,657	\$ 276,548,084
Total governmental funds	\$ 213,881,507	\$ 268,581,981	\$ 362,384,753	\$ 459,473,004	\$ 340,379,789

	2015	2014	2013	2012	2011
<b>General Fund</b>					
Non-spendable	\$ -	\$ -	\$ -	\$ 19,561	\$ -
Committed	1,599,028	789,822	969,517	1,612,745	1,362,113
Unassigned	55,398,731	31,344,339	7,550,548	7,969,481	20,156,857
Total general fund	\$ 56,997,759	\$ 32,134,161	\$ 8,520,065	\$ 9,601,787	\$ 21,518,970
<b>All Other Governmental Funds</b>					
Non-spendable, reported in:					
Nutrition services fund	\$ 290,613	\$ 391,594	\$ 346,922	\$ 363,240	\$ 395,505
Restricted, reported in:					
Debt service fund	1,245,261	180,468	595,664	1,788,919	1,461,497
Capital projects fund	407,078,800	1,555,310	11,918,770	17,172,156	19,912,189
Student body fund	2,866,864	2,943,385	2,732,183	2,496,967	2,403,075
Committed, reported in:					
Debt service fund	2,160,737	1,259,156	1,387,645	2,178,252	1,839,856
Capital projects fund	3,110,890	3,965,378	2,360,010	1,761,111	2,382,926
Special purpose fund	670,848	588,877	715,269	486,347	377,058
Categorical fund	631,280	707,232	1,049,292	829,743	4,725,675
Nutrition services fund	2,816,392	2,986,839	2,973,352	2,874,658	2,092,097
Total all other governmental funds	\$ 420,871,685	\$ 14,578,239	\$ 24,079,107	\$ 29,951,393	\$ 35,589,878
Total governmental funds	\$ 477,869,444	\$ 46,712,400	\$ 32,599,172	\$ 39,553,180	\$ 57,108,848

**BEAVERTON SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCE AND DEBT SERVICE RATIO**  
 LAST TEN FISCAL YEARS ENDED JUNE 30  
*(modified accrual basis of accounting)*

	2020	2019	2018	2017	2016
<b>Revenues</b>					
Local sources:					
Property taxes	\$ 204,311,973	\$ 202,636,212	\$ 189,669,800	\$ 177,968,233	\$ 171,027,470
Local option levy	34,194,060	33,330,338	31,005,163	28,882,071	26,192,500
Construction excise tax	2,465,595	3,391,946	3,217,459	3,829,430	3,069,069
Investment earnings	6,691,430	12,046,450	4,843,830	2,279,583	3,153,780
Charges for services	8,790,501	11,767,575	11,407,264	7,467,920	6,261,873
Services to other funds	21,762,753	19,535,532	20,374,626	19,795,795	20,272,819
Contributions and donations	3,535,013	5,355,478	5,212,260	3,243,358	2,954,499
Other local revenues	8,227,334	11,113,001	8,933,422	7,814,013	9,097,126
Intermediate sources	12,372,470	12,491,150	12,114,483	10,102,679	10,454,984
State sources	300,638,138	273,870,719	273,744,443	243,417,143	237,573,946
Federal sources	22,747,867	25,888,701	24,170,167	24,406,856	23,887,298
<b>Total Revenues</b>	<b>625,737,134</b>	<b>611,427,102</b>	<b>584,692,917</b>	<b>529,207,081</b>	<b>513,945,364</b>
<b>Expenditures</b>					
Current:					
Instruction	314,700,334	322,031,311	310,493,539	287,283,072	272,408,774
Support services	179,375,571	180,658,052	170,779,264	155,791,952	142,452,087
Enterprise and community services	13,557,428	14,886,084	14,045,480	13,160,253	13,664,440
Debt service					
Principal	44,306,137	39,783,743	44,497,060	41,157,802	36,742,349
Interest	42,405,921	44,274,820	37,526,453	35,381,003	36,726,785
Other debt service	2,156,275	-	-	-	158,054
Capital outlay					
Facilities acquisition and construction	83,951,295	103,489,877	105,693,226	208,045,840	147,718,421
<b>Total Expenditures</b>	<b>680,452,961</b>	<b>705,123,887</b>	<b>683,035,022</b>	<b>740,819,922</b>	<b>649,870,910</b>
<b>Excess (deficiency) of Revenues over (under) Expenditures</b>	<b>(54,715,827)</b>	<b>(93,696,785)</b>	<b>(98,342,105)</b>	<b>(211,612,841)</b>	<b>(135,925,546)</b>
<b>Other Financing Sources (Uses)</b>					
Sale of or compensation for loss of capital assets	380,835	272,873	277,750	138,684	8,325
Transfers in	19,760,266	4,375,321	3,228,905	3,427,609	22,002,909
Transfers out	(22,644,914)	(5,285,321)	(3,228,905)	(4,427,609)	(23,737,909)
Issuance of capital leases	358,390	531,140	976,104	3,447,000	-
Issuance of long-term debt	432,745,000	-	-	297,850,265	16,260,000
Premium on long-term debt issued	-	-	-	30,270,107	1,766,329
Payment to refunded bond escrow agent	(430,584,224)	-	-	-	(17,863,763)
PERS UAL lump sum payment	-	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>15,353</b>	<b>(105,987)</b>	<b>1,253,854</b>	<b>330,706,056</b>	<b>(1,564,109)</b>
<b>Net Change in Fund Balances</b>	<b>\$ (54,700,474)</b>	<b>\$ (93,802,772)</b>	<b>\$ (97,088,251)</b>	<b>\$ 119,093,215</b>	<b>\$ (137,489,655)</b>
Expenditures for capital assets	\$ 82,221,446	\$ 98,911,794	\$ 107,103,467	\$ 203,724,073	\$ 131,532,269
Debt service as a percentage of noncapital expenditures	14.49%	13.87%	14.24%	14.25%	14.17%

Continued on the next page.

**BEAVERTON SCHOOL DISTRICT**  
**CHANGES IN FUND BALANCE AND DEBT SERVICE RATIO (Continued)**  
 LAST TEN FISCAL YEARS ENDED JUNE 30  
*(modified accrual basis of accounting)*

	2015	2014	2013	2012	2011
<b>Revenues</b>					
Local sources:					
Property taxes	\$ 166,521,730	\$ 159,534,598	\$ 153,683,804	\$ 150,620,229	\$ 145,659,756
Local option levy	24,213,931	19,060,210	-	-	-
Construction excise tax	2,997,116	2,407,510	1,863,969	1,157,042	1,180,614
Investment earnings	2,512,389	493,400	479,582	584,133	758,801
Charges for services	8,208,884	14,459,273	14,533,443	14,482,206	14,311,011
Services to other funds	15,993,367	12,594,515	11,437,776	12,240,643	11,869,835
Contributions and donations	2,437,253	6,713,267	2,543,885	2,351,882	1,749,023
Other local revenues	11,377,538	2,107,157	3,104,806	3,942,717	4,865,100
Intermediate sources	14,746,576	10,387,971	6,687,868	6,644,011	8,148,791
State sources	222,399,682	204,829,139	177,953,309	182,188,683	165,128,816
Federal sources	24,331,919	22,879,196	23,887,026	26,463,475	43,945,881
<b>Total Revenues</b>	<b>495,740,385</b>	<b>455,466,236</b>	<b>396,175,468</b>	<b>400,675,021</b>	<b>397,617,628</b>
<b>Expenditures</b>					
Current:					
Instruction	252,459,576	227,532,904	207,207,837	218,652,203	209,144,733
Support services	131,991,858	118,182,184	111,511,979	116,641,891	118,428,270
Enterprise and community services	13,341,410	12,714,904	12,715,302	12,554,327	12,572,108
Debt service					
Principal	33,850,765	45,375,306	41,348,283	38,323,249	33,994,798
Interest	33,567,947	19,620,481	22,468,382	24,746,840	26,637,751
Other debt service	544,615	-	1,013,347	281,899	-
Capital outlay					
Facilities acquisition and construction	42,591,476	16,608,797	6,889,659	5,679,030	15,507,726
<b>Total Expenditures</b>	<b>508,347,647</b>	<b>440,034,576</b>	<b>403,154,789</b>	<b>416,879,439</b>	<b>416,285,386</b>
<b>Excess (deficiency) of Revenues over (under) Expenditures</b>	<b>(12,607,262)</b>	<b>15,431,660</b>	<b>(6,979,321)</b>	<b>(16,204,418)</b>	<b>(18,667,758)</b>
<b>Other Financing Sources (Uses)</b>					
Sale of or compensation for loss of capital assets	200	767,803	6,312	-	-
Transfers in	3,121,052	3,581,820	3,177,796	6,929,535	4,377,445
Transfers out	(5,351,052)	(5,668,055)	(4,177,796)	(8,564,535)	(6,132,445)
Issuance of capital leases	-	-	-	-	1,844,111
Issuance of long-term debt	461,368,784	-	159,400,000	42,175,000	-
Premium on long-term debt issued	63,295,961	-	20,961,752	5,668,811	-
Payment to refunded bond escrow agent	-	-	(179,342,751)	(47,560,061)	-
PERS UAL lump sum payment	(78,670,639)	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>443,764,306</b>	<b>(1,318,432)</b>	<b>25,313</b>	<b>(1,351,250)</b>	<b>89,111</b>
<b>Net Change in Fund Balances</b>	<b>\$ 431,157,044</b>	<b>\$ 14,113,228</b>	<b>\$ (6,954,008)</b>	<b>\$ (17,555,668)</b>	<b>\$ (18,578,647)</b>
 Expenditures for capital assets	 \$ 35,461,753	 \$ 20,107,951	 \$ 7,518,248	 \$ 6,775,497	 \$ 17,262,152
 Debt service as a percentage of noncapital expenditures	 14.26%	 15.48%	 16.13%	 15.38%	 15.20%

**BEAVERTON SCHOOL DISTRICT**  
**ASSESSED VALUE AND REAL MARKET VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**

Fiscal Year	Assessed Value		Total Taxable Value	Total Direct Rate <sup>a</sup>
	Residential Property	Personal Property		
2020	\$ 29,995,416,298	\$ 1,024,494,382	\$ 31,019,910,680	\$ 7.908
2019	28,627,341,458	917,599,262	29,544,940,720	8.021
2018	27,980,980,946	892,997,589	28,873,978,535	8.053
2017	26,724,297,636	852,885,982	27,577,183,618	7.921
2016	25,474,574,888	827,083,328	26,301,658,216	7.957
2015	24,377,039,678	766,409,601	25,143,449,279	8.037
2014	23,358,556,710	756,361,921	24,114,918,631	8.054
2013	22,579,021,200	742,141,580	23,321,162,780	6.775
2012	21,897,521,030	719,492,406	22,617,013,436	6.860
2011	21,269,293,890	698,324,971	21,967,618,861	6.784

Fiscal Year	Real Market Value <sup>b</sup>		Total Real Market Value	Assessed Value as a Percentage of RMV
	Residential Property	Personal Property		
2020	\$ 50,975,076,237	\$ 1,024,494,382	\$ 51,999,570,619	59.65%
2019	49,251,421,850	917,814,310	50,169,236,160	58.89
2018	45,500,522,954	892,997,589	46,393,520,543	62.24
2017	40,875,891,989	852,885,982	41,728,777,971	66.09
2016	36,434,229,379	827,083,328	37,261,312,707	70.59
2015	33,933,616,189	766,409,601	34,700,025,790	72.46
2014	30,645,539,168	756,361,921	31,401,901,089	76.79
2013	28,888,144,155	742,141,580	29,630,285,735	78.71
2012	29,322,657,487	719,492,406	30,042,149,893	75.28
2011	30,622,355,726	698,324,971	31,320,680,697	70.14

<sup>a</sup> Per \$1,000 of assessed value.

<sup>b</sup> Real Market Value is the actual value, based on what a property would sell for in a competitive market if the property were used in its highest and best use.

**Source:** Washington County Dept. of Assessment & Taxation

**BEAVERTON SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING PROPERTY TAX RATES**  
 LAST TEN FISCAL YEARS  
*(rate per \$1,000 of assessed value)*

Fiscal Year	District Direct Rates			
	General Purpose	Local Option	Bonds	Total
2020	\$ 4.693	\$ 1.250	\$ 1.965	\$ 7.908
2019	4.693	1.250	2.078	8.021
2018	4.693	1.250	2.110	8.053
2017	4.693	1.250	1.978	7.921
2016	4.693	1.250	2.014	7.957
2015	4.693	1.250	2.094	8.037
2014	4.693	1.250	2.111	8.054
2013	4.693	-	2.082	6.775
2012	4.693	-	2.167	6.860
2011	4.693	-	2.091	6.784

Fiscal Year	Overlapping Rates							
	Portland Community College				Tualatin Hills Park & Recreation		Tualatin Valley Fire & Rescue	City of Beaverton
	College	City of Hillsboro	City of Portland	City of Tigard	Recreation	Fire & Rescue		
2020	\$ 0.685	\$ 5.387	\$ 7.883	\$ 2.852	\$ 1.614	\$ 2.073	\$ 4.419	
2019	0.687	5.387	7.980	2.863	1.624	2.084	4.426	
2018	0.605	5.387	7.884	2.871	1.611	2.078	4.345	
2017	0.679	5.387	7.971	4.967	1.619	2.098	4.375	
2016	0.586	5.387	7.763	6.283	1.625	2.108	4.377	
2015	0.722	5.387	7.892	4.178	1.717	1.891	4.377	
2014	0.734	5.387	7.980	3.376	1.728	1.906	4.376	
2013	0.665	7.541	7.363	6.350	1.730	1.915	4.238	
2012	0.598	6.464	7.688	3.795	1.739	1.930	4.179	
2011	0.636	5.387	7.808	2.722	1.743	1.883	4.203	

Fiscal Year	Overlapping Rates						
	Washington County	Metro Service District	Tri-Met	Port of Portland	Multnomah County	NW Regional ESD	
2020	\$ 2.958	\$ 0.663	\$ -	\$ 0.070	\$ 4.393	\$ 0.154	
2019	2.958	0.473	-	0.070	4.393	0.154	
2018	2.958	0.409	-	0.070	4.393	0.154	
2017	2.959	0.397	-	0.070	4.393	0.154	
2016	2.838	0.388	-	0.070	4.487	0.154	
2015	2.838	0.459	-	0.070	4.491	0.154	
2014	2.968	0.467	-	0.070	4.511	0.154	
2013	2.970	0.404	-	0.070	5.424	0.154	
2012	2.974	0.315	0.058	0.070	5.440	0.154	
2011	2.980	0.409	0.088	0.070	5.385	0.154	

The permanent and local option tax rates are determined by the State of Oregon Constitution and State Statutes. Existing districts cannot increase their permanent rate authority. Local option levies are limited to five years for operations and ten years for capital projects. Elections for local option levies must meet the double majority election test, except in the November general election in even numbered years. Rates for debt service are set based on each year's requirements.

**Source:** Washington Co. and Multnomah Co. Departments of Assessment and Taxation.

**BEAVERTON SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT AND NINE YEARS PRIOR**

Beaverton School District						
Taxpayer	June 2020			June 2011		
	Taxable Assessed		% of Total Taxable	Taxable Assessed		% of Total Taxable
	Value	Rank		Value	Rank	
Nike, Inc.	\$ 969,967,560	1	3.1%	\$ 368,444,143	1	1.7%
Nike, IHM Inc.	216,673,430	2	0.7			
PPR Washington Square LLC	119,837,442	6	0.4	105,357,881	8	0.5
Maxim Intergrated Products Inc.	120,005,560	7	0.4	99,825,420	9	0.5
Beaverton LLC	105,280,660	8	0.3			
Kaiser Foundation Hospitals	85,135,285	9	0.3			
Portland 2 LLC	69,325,260	10	0.2			
Tektronix Inc				128,168,075	4	0.6
PS Business Parks LP				107,572,166	6	0.5
ERP Operating Ltd Partnership				80,435,660	10	0.4
<u>Public Utilities</u>						
Portland General Electric Co.	175,491,343	3	0.6	140,280,523	3	0.6
Comcast Corporation	152,868,000	4	0.5	118,667,000	5	0.5
Northwest Natural Gas	159,501,000	5	0.5	99,661,900	7	0.5
Frontier Communications				175,094,900	2	0.8
Subtotal of Ten Largest Taxpayers	2,174,085,540		7.0	1,423,507,668		6.5
All Other Taxpayers	28,845,825,140		93.0	20,544,111,193		93.5
Total Assessed Value of Tax District	\$ 31,019,910,680		100.0%	\$ 21,967,618,861		100.0%

Washington County						
Taxpayer	June 2020			June 2011		
	Taxable Assessed		% of Total Taxable	Taxable Assessed		% of Total Taxable
	Value	Rank		Value	Rank	
Intel	\$ 1,970,829,308	1	2.9%	\$ 1,086,959,550	1	2.3%
Nike, Inc.	1,011,210,140	2	1.5	431,605,315	2	0.9
Pacific Realty Associates	405,106,164	4	0.6	301,956,704	5	0.6
Genentech Inc.	274,026,540	6	0.4	231,546,750	7	0.5
Nike, IHM Inc.	216,673,430	9	0.3			
Lam Research Corporation	190,462,687	10	0.3			
Maxim Intergrated Products Inc.				137,021,824	9	0.3
Tektronix Inc				128,237,247	10	0.3
<u>Public Utilities</u>						
Portland General Electric Co.	616,308,814	3	0.9	390,952,730	3	0.8
Northwest Natural Gas	368,707,300	5	0.5	282,171,220	6	0.6
Comcast Corporation	254,049,000	7	0.4	213,072,700	8	0.5
Verizon Communications	241,357,000	8	0.4			
Frontier Communications				371,640,200	4	0.8
Subtotal of Ten Largest Taxpayers	5,548,730,383		8.2	3,575,164,240		7.6
All Other Taxpayers	62,483,625,744		91.8	43,226,703,997		92.4
Total Assessed Value of Tax District	\$ 68,032,356,127		100.0%	\$ 46,801,868,237		100.0%

**Note:** Ranked based on taxes levied.

**Source:** Washington County Department of Assessment & Taxation

**BEAVERTON SCHOOL DISTRICT**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**

<b>Fiscal Year</b>	<b>Taxes Levied for the Fiscal Year<sup>1</sup></b>	<b>Collected within the Fiscal Year of the Levy</b>	<b>Percentage of Levy</b>	<b>Collections in Subsequent Years<sup>2</sup></b>	<b>Total Collections to Date</b>	<b>Percentage of Levy</b>
2020	\$ 245,096,035	\$ 235,142,094	95.94%	\$ -	\$ 235,142,094	95.94%
2019	237,745,442	228,218,302	95.99	1,576,290	229,794,592	96.66
2018	227,729,017	217,437,442	95.48	2,537,324	219,974,766	96.59
2017	213,119,699	203,451,291	95.46	2,497,384	205,948,675	96.64
2016	202,813,119	193,825,317	95.57	2,674,354	196,499,671	96.89
2015	195,294,087	186,692,754	95.60	3,242,231	189,934,985	97.26
2014	183,560,233	174,630,884	95.14	3,754,823	178,385,707	97.18
2013	157,726,841	150,601,309	95.48	3,349,440	153,950,749	97.61
2012	155,139,570	147,593,679	95.14	2,820,421	150,414,100	96.95
2011	148,921,305	140,983,744	94.67	3,142,097	144,125,841	96.78

<sup>1</sup> Amounts are based upon the tax collection year July 1 to June 30, without adjustments for uncollectable or settlements that occur subsequently.

<sup>2</sup> Collections in subsequent years includes current year revenue received for taxes levied in prior years.

**Source:** Washington County Department of Assessment and Taxation and Beaverton School District financial records.



**BEAVERTON SCHOOL DISTRICT**  
**OUTSTANDING DEBT BY TYPE**

LAST TEN FISCAL YEARS

(dollars in thousands, except per capita)

Fiscal Year	General Obligation Bonds	Un-amortized Premium	Less Amount Available for Repayment	Net General Bonded Debt		
				General Bonded Debt	As Percentage of Actual Value of Property	Per Capita <sup>a</sup>
2020	\$ 809,975	\$ 43,275	\$ -	\$ 853,250	1.641%	\$ 2,898
2019	775,436	87,985	(1,193)	862,228	1.719	2,963
2018	800,970	94,836	-	895,806	1.931	3,132
2017	832,135	101,044	(570)	932,609	2.235	3,329
2016	563,109	78,037	(1,881)	639,265	1.716	2,334
2015	589,344	82,057	(2,064)	669,337	1.929	2,488
2014	233,560	24,782	(2,323)	256,019	0.815	971
2013	272,895	28,192	(2,591)	298,496	1.007	1,156
2012	307,620	13,948	(3,939)	317,629	1.057	1,233
2011	341,575	11,186	(3,030)	349,731	1.117	1,372

Fiscal Year	Pension Obligation Bonds <sup>b</sup>	FFC Obligation Bonds	Capital Leases	Total Debt			
				Primary Government	As Percentage of Taxable Value	As Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
2020	\$ 177,630	\$ 16,050	\$ 1,291	\$ 1,048,221	3.379%	n/a	\$ 3,560
2019	191,240	16,765	2,079	1,073,505	3.633	n/a	3,689
2018	203,740	17,455	2,607	1,119,608	3.878	3.072%	3,915
2017	215,470	18,115	2,574	1,169,338	4.240	3.463	4,174
2016	226,295	18,750	-	886,191	3.369	2.805	3,236
2015	236,040	18,935	197	926,573	3.685	3.108	3,444
2014	163,375	19,480	583	441,780	1.832	1.680	1,675
2013	168,195	20,175	1,108	490,565	2.104	1.975	1,900
2012	172,345	21,030	2,212	517,155	2.287	2.127	2,008
2011	175,870	22,040	4,080	554,751	2.525	2.407	2,176

n/a - Information not available as of printing.

<sup>a</sup> See Demographic and Economic Statistics for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.

<sup>b</sup> Pension Obligation Bonds are not included in the Net General Bonded Debt since they are not repaid directly with property tax dollars.

**BEAVERTON SCHOOL DISTRICT**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
AS OF JUNE 30, 2020

<b>Governmental Unit</b>	<b>Net Property-Tax Backed Debt Outstanding<sup>a</sup></b>	<b>Percent Within School District</b>	<b>Estimated Share of Direct and Overlapping Debt<sup>b</sup></b>
Beaverton School District <sup>c</sup>	\$ 955,103,871	100.00%	<u>\$ 998,379,534</u>
Washington County	213,232,118	47.88	102,091,913
Portland Community College	575,107,061	19.02	110,959,431
Tualatin Hills Park and Recreation District	69,944,234	96.96	67,836,115
City of Beaverton	34,857,325	98.30	34,294,658
Metro	964,085,000	15.18	147,789,410
Tualatin Valley Fire and Rescue	23,785,000	50.63	11,489,915
City of Hillsboro	72,075,000	11.96	8,712,931
City of Tigard	21,425,637	16.70	3,845,773
Multnomah County	322,191,877	0.11	322,192
City of Portland	463,339,299	0.09	446,196
Hillsboro School District	576,809,671	0.01	675,444
Hillsboro School District - Bond	777,521	0.01	<u>913</u>
Subtotal, overlapping debt			<u>488,464,891</u>
<b>Total direct and overlapping debt</b>			<u><b>\$ 1,486,844,425</b></u>

**Note:** Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

<sup>a</sup> Net Property-tax Backed Debt is Gross Property-tax Backed Debt less Self-supporting Unlimited-tax GO debt and less Self-supporting Full Faith & Credit debt.

<sup>b</sup> Overlapping Debt is calculated by using Net Property-tax Backed Debt times Percent Overlapping that are provided by Oregon State Treasury, Debt Management Division.

<sup>c</sup> Includes unamortized premium of **\$43,275,663**.

**Source:** State of Oregon - Office of the Treasurer

**BEAVERTON SCHOOL DISTRICT**  
**LEGAL DEBT MARGIN INFORMATION**  
 LAST TEN FISCAL YEARS

				Total Net Debt	
				Applicable to the Limit	
				as a Percentage of Debt	
Fiscal Year	Debt Limit	Total Net Debt Applicable to Limit		Legal Debt Margin	Limit
2020	\$ 4,133,965,864	\$ 809,975,000		\$ 3,323,990,864	19.59%
2019	3,988,454,275	775,436,000		3,213,018,275	19.44
2018	3,688,284,883	800,970,000		2,887,314,833	21.72
2017	3,317,437,849	832,135,000		2,485,302,849	25.08
2016	2,962,274,360	563,109,000		2,399,165,360	19.01
2015	2,758,652,050	589,344,000		2,169,308,050	21.36
2014	2,496,451,137	233,560,000		2,262,891,137	9.36
2013	2,355,607,716	272,895,000		2,082,712,716	11.58
2012	2,388,350,916	307,620,000		2,080,730,916	12.88
2011	2,489,994,115	341,575,000		2,148,419,115	13.72

**Legal Debt Margin Calculation for Fiscal Year 2020**

Real Market Value	\$	51,999,570,619	
Debt Limit (7.95% of Real Market Value <sup>1</sup> )			4,133,965,864
Debt Applicable to Limit			809,975,000
Legal Debt Margin			<u>\$ 3,323,990,864</u>

<sup>1</sup> ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market value of all taxable properties within the District based on:

For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one percent (0.0055) of the real market value. <sup>a</sup>

For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (0.0075) of the real market value. <sup>b</sup>

Allowable Percentage of Real Market Value:

<sup>a</sup> Kindergarten through eighth grade, 9 x .0055

4.95%

<sup>b</sup> Ninth through twelfth grade, 4 x .0075

3.00%

Allowable Percentage

7.95%

**BEAVERTON SCHOOL DISTRICT**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
 LAST TEN CALENDAR YEARS

Calendar Year	Population <sup>a</sup>	Personal Income <sup>b</sup>	Per Capita	Unemployment Rate <sup>c</sup>
	<i>Estimated</i>	<i>(in thousands)</i>	<b>Personal Income</b>	<i>(Washington County)</i>
2020	294,437	n/a	n/a	n/a
2019	291,014	n/a	n/a	3.1%
2018	286,013	\$ 36,442,209	\$ 60,971	3.5
2017	280,126	33,765,596	57,331	3.5
2016	273,845	31,588,397	54,203	4.2
2015	269,023	29,812,561	51,909	4.8
2014	263,778	26,299,466	46,713	5.7
2013	258,199	24,839,911	44,757	6.3
2012	257,562	24,314,346	44,396	7.1
2011	254,914	23,042,656	42,639	7.7

n/a - Information not available as of printing.

<sup>a</sup> Bureau of Economic and Business Research and BSD estimates based on PSU Population Research Center data.

<sup>b</sup> U.S. Department of Commerce, Bureau of Economic Analysis.

<sup>c</sup> Oregon Labor Market, Labor Force Data for Washington County. Not seasonally adjusted.

**BEAVERTON SCHOOL DISTRICT**  
**PRINCIPAL EMPLOYERS FOR THE PORTLAND METRO AREA**  
**CURRENT AND NINE YEARS PRIOR**

<u>Employer</u>	<u>December 31, 2019</u>			<u>December 31, 2010</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total Employment</u>
Ten Largest Employers						
Intel Corp.	20,600	1	1.61%	15,228	1	1.40%
Providence Health Services	18,885	2	1.48	13,831	2	1.28
Oregon Health & Science University	17,556	3	1.37	13,283	3	1.23
Nike Inc.	12,000	4	0.94	6,000	8	0.55
Legacy Health	11,404	5	0.89	8,250	6	0.76
Kaiser Permanente	11,243	6	0.88	9,204	5	0.85
Fred Meyer Stores	9,777	7	0.76	9,630	4	0.89
City of Portland	7,376	8	0.58	5,000	10	0.46
Portland Public Schools	6,500	9	0.51	5,101	9	0.47
Beaverton School District	5,458	10	0.43			
Multnomah County				6,310	7	0.58
Subtotal of Ten Largest Employers	120,799		9.44	91,837		8.47
All Other Employers	1,158,559		90.56	992,290		91.53
<b>Total Portland PMSA<sup>1</sup> Employment</b>	<b>1,279,358</b>		<b>100.00%</b>	<b>1,084,127</b>		<b>100.00%</b>

<sup>1</sup> Portland PMSA is the Portland-Vancouver-Hillsboro Metropolitan Statistical Area which includes Multnomah, Washington, Clackamas, Columbia and Yamhill counties in Oregon, as well as Clark and Skamania counties in Washington.

**Source:** Portland Business Journal Book of Lists and Oregon Employment Department QualityInfo.org

**BEAVERTON SCHOOL DISTRICT**  
**FULL-TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE**  
 LAST TEN FISCAL YEARS  
 AS OF JUNE 30

	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
<b><u>Instruction</u></b>										
Certified	1,717.9	1,728.7	1,767.5	1,763.5	1,730.9	1,569.6	1,446.0	1,319.9	1,578.1	1,582.7
Support	118.0	125.0	136.1	131.7	127.3	103.0	109.3	98.5	77.7	76.3
<b><u>Special Programs</u></b>										
Certified	394.3	448.7	456.2	442.9	420.9	413.0	383.9	393.4	397.7	436.6
Support	216.0	249.2	258.9	260.8	236.1	228.2	213.8	225.1	259.7	256.4
Administration	-	-	-	-	-	-	-	-	1.0	1.0
<b><u>Student Support Services</u></b>										
Certified	237.3	235.3	222.7	219.9	213.8	192.6	176.6	170.8	183.7	188.9
Support	115.1	120.7	112.6	98.2	85.9	73.6	66.6	64.4	76.7	76.0
Administration	6.9	7.0	7.0	6.0	5.0	4.0	4.0	3.9	3.0	3.5
<b><u>Instructional Staff Support</u></b>										
Certified	47.7	68.3	62.3	67.8	52.1	32.0	20.3	16.3	71.8	101.1
Support	45.8	48.1	45.9	47.0	47.8	45.5	43.6	43.6	32.8	32.8
Administration	3.0	3.0	4.0	3.8	2.9	3.0	3.0	3.0	2.0	2.0
<b><u>General Administration Support</u></b>										
Support	5.4	5.0	5.3	5.7	5.3	5.3	5.0	1.5	5.0	5.0
Administration	3.8	3.8	3.5	3.6	3.7	2.8	2.8	2.8	3.0	3.0
<b><u>School Administration</u></b>										
Certified	8.7	9.7	11.7	11.3	9.4	9.2	12.4	15.2	12.9	10.9
Support	119.4	121.1	122.4	120.3	110.2	103.8	103.8	103.1	104.4	106.9
Administration	108.3	113.2	112.4	109.5	103.7	97.3	88.6	83.7	89.3	91.4
<b><u>Business Support Services</u></b>										
Support										
General Business	19.2	20.3	17.7	16.8	16.9	16.4	15.0	12.3	16.3	18.1
Facilities	262.8	265.5	257.3	228.8	214.5	208.9	201.6	190.5	206.2	212.5
Transportation	174.6	187.7	185.1	173.1	165.6	167.6	170.1	169.0	176.7	180.7
Other Support	10.3	9.9	10.6	9.8	8.4	7.7	8.8	8.0	9.7	10.0
Administration	4.0	4.7	5.2	5.2	5.3	5.3	4.3	3.7	3.0	3.0
<b><u>Central Activities Support</u></b>										
Certified	5.1	5.2	4.8	4.6	5.0	4.5	4.2	4.5	5.3	5.3
Support	99.2	100.2	101.7	99.1	87.7	69.5	67.1	60.0	60.9	66.9
Administration	10.0	9.7	9.9	9.0	8.1	7.8	7.0	7.0	6.5	7.0
<b><u>Food Services</u></b>										
Support	103.6	109.4	107.9	101.5	101.2	100.5	102.1	97.8	103.0	103.6
Administration	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<b><u>Community Services &amp; Custody and Care of Children Services</u></b>										
Certified	-	-	-	-	-	0.4	0.4	0.5	0.5	0.5
Support	-	-	-	-	-	-	1.3	1.1	1.7	1.5
<b><u>Facilities Acquisition and Construction</u></b>										
Certified	4.8	5.0	5.0	5.0	4.2	1.0	-	-	-	-
Support	27.9	31.0	29.4	33.6	29.5	17.1	4.5	3.6	3.1	10.5
Administration	1.0	1.1	1.0	1.0	1.0	1.0	1.9	1.2	1.0	1.8
<b>Total</b>	<b>3,871.0</b>	<b>4,037.5</b>	<b>4,064.9</b>	<b>3,980.5</b>	<b>3,803.2</b>	<b>3,491.4</b>	<b>3,268.8</b>	<b>3,105.4</b>	<b>3,493.7</b>	<b>3,596.8</b>

	Low	High	Number of Teachers	Full-time certified employees of the district are employed for 193 days, at 8 hours per day or 1,544 hours per year. Total work hours by certified employees are divided by 1,544 to obtain full-time-equivalent employment. Full-time-equivalent employment for all other positions is determined based on 2,080 hours per year (260 days at 8 hours).
<b>Bachelor's Range</b>	\$ 45,011	\$ 85,100	288	
<b>Master's Range</b>	48,868	92,368	2,235	
<b>Average Teacher Salary</b>	\$ 75,724			

Source: Beaverton School District records.

**BEAVERTON SCHOOL DISTRICT**  
**OPERATING STATISTICS**  
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	ADMw	Operating Expenditures <sup>a</sup>		Cost per Student	% Change	Expenses <sup>b</sup>		Cost per Student	% Change	Cert. Staff <sup>c</sup>	Student-Certified Staff Ratio	% of Students Receiving Free or Reduced-Price Meals
			(in thousands)				(in thousands)						
2020	41,374	48,843	\$ 511,254	\$ 12,357	(1.9%)	\$ 680,453	\$ 16,446	(4.1%)	2,523	16.40	33.1%		
2019	41,101	48,350	519,863	12,593	4.3	705,124	17,156	3.0	2,501	16.43	31.9		
2018	41,016	48,493	495,318	12,076	8.3	683,035	16,653	(8.0)	2,530	16.21	35.7		
2017	40,912	48,743	456,235	11,152	6.0	740,820	18,108	13.5	2,515	16.27	34.5		
2016	40,725	48,669	428,525	10,522	5.6	649,871	15,958	25.3	2,436	16.72	37.3		
2015	39,910	45,797	397,793	9,967	9.9	508,348	12,737	14.4	2,222	17.96	39.3		
2014	39,509	45,088	358,430	9,072	7.9	440,035	11,138	8.9	2,044	19.33	38.7		
2013	39,427	44,796	331,435	8,406	(5.6)	403,155	10,225	(4.2)	1,921	20.53	39.4		
2012	39,054	44,823	347,848	8,907	1.6	416,879	10,674	(0.5)	2,250	17.36	40.6		
2011	38,814	44,648	340,145	8,763	2.4	416,285	10,725	(4.2)	2,326	16.69	39.8		

<sup>a</sup> Operating expenditures are all governmental fund expenditures less debt service and capital outlays.

<sup>b</sup> Expenses include capital projects and debt service activity.

<sup>c</sup> Includes classroom, music, physical education, special education teachers, and counselors.

**Source:** Beaverton School District records.

**BEAVERTON SCHOOL DISTRICT**  
**CAPITAL ASSET INFORMATION**  
 LAST TEN FISCAL YEARS

	Fiscal Year										Average Age of Buildings (in years)
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	
<b><u>SCHOOLS</u></b>											
<b>Elementary</b>											
Buildings	34	34	34	33	33	33	33	33	33	33	49
Square feet <sup>a</sup>	2,214	2,214	2,173	2,040	2,012	2,012	2,012	2,012	2,012	2,012	
Capacity	22,757	22,795	22,609	21,417	21,377	21,312	21,189	21,207	21,207	21,225	
Enrollment <sup>b</sup>	18,129	18,193	18,326	18,073	18,345	17,919	17,987	17,952	17,917	17,818	
Percent used	80%	80%	81%	84%	86%	84%	85%	85%	84%	84%	
<b>Middle</b>											
Buildings	9	9	9	8	8	8	8	8	8	8	40
Square feet <sup>a</sup>	1,192	1,192	1,183	1,017	1,017	1,017	1,017	1,017	1,017	1,017	
Capacity	8,373	8,373	8,366	8,394	8,520	8,394	8,254	8,254	8,254	8,247	
Enrollment	7,656	7,663	7,623	9,356	9,200	9,067	8,870	8,842	8,734	8,567	
Percent used	91%	92%	91%	111%	108%	108%	107%	107%	106%	104%	
<b>High</b>											
Buildings	10	10	10	9	9	9	9	9	9	9	52
Square feet <sup>a</sup>	1,929	1,929	1,999	1,669	1,653	1,653	1,653	1,665	1,665	1,665	
Capacity	14,994	14,994	15,508	12,428	12,322	12,306	12,302	12,374	12,374	12,354	
Enrollment <sup>c</sup>	13,302	13,035	13,506	11,801	11,588	11,405	11,262	11,227	11,340	11,311	
Percent used	89%	87%	87%	95%	94%	93%	92%	91%	92%	92%	
<b>Other</b>											
Buildings	2	2	2	2	2	2	2	2	2	2	36
Square feet <sup>a</sup>	41	41	41	41	41	41	41	41	41	41	
<b><u>ADMINISTRATIVE</u></b>											
Buildings	1	1	1	1	1	1	1	1	1	1	49
Square feet <sup>a</sup>	36	36	36	36	36	36	36	36	36	36	
<b><u>TRANSPORTATION</u></b>											
Garages/Buildings	4	4	4	4	4	4	4	4	4	4	44
Buses	284	291	299	310	311	357	318	317	317	317	

<sup>a</sup> Square feet in thousands.

<sup>b</sup> Elementary enrollment included all K-8.

<sup>c</sup> High school enrollment includes all 6-12 and options schools, and excludes Early College.

**Source:** Beaverton School District Annual District Statistics.



# SINGLE AUDIT SECTION







## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

[www.gmscpa.com](http://www.gmscpa.com)

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

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

School Board  
Beaverton School District  
Beaverton, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beaverton School District, Washington County, Oregon (the District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated November 18, 2020.

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

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

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

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

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

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

***Purpose of this Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

November 18, 2020





## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

[www.gmscpa.com](http://www.gmscpa.com)

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

### ***INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE UNIFORM GUIDANCE***

School Board  
Beaverton School District  
Beaverton, Oregon

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

We have audited Beaverton School District's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

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

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

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

In our opinion, Beaverton School District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

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

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could

have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

***Purpose of this Report***

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

  
CERTIFIED PUBLIC ACCOUNTANTS

November 18, 2020

**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<b>Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Number</b>	<b>Period Covered</b>	<b>Grant Amount</b>	<b>2019-20 Revenue and Expenditures</b>
<b>U.S. Department of Education</b>					
Direct:					
Indian Education Grants to Local Education Agencies	84.060	S060A192500	07/01/19 - 06/30/20	\$ 23,025	\$ 13,111
Total Indian Education					13,111
Beaverton Active Students Succeed (PEP)	84.215	S215F160097	10/01/16 - 09/30/19	669,484	143,106
Total Physical Education Program (PEP)					143,106
Passed through Oregon Department of Education:					
Title I					
Title I Grants to Local Educational Agencies	84.010	50345	07/01/18 - 09/30/20	6,276,391	1,359,193
Title I Grants to Local Educational Agencies	84.010	53219	07/01/19 - 09/30/20	5,686,517	4,101,137
Title I Grants to Local Educational Agencies	84.010	52070	09/01/18 - 09/30/20	43,679	9,375
Title I Grants to Local Educational Agencies	84.010	45546	07/01/17 - 09/30/19	6,345,329	28,242
Total Title I					5,497,947
Migrant Education					
Migrant Education - State Grant Program	84.011	49205	07/01/18 - 09/30/19	504,322	204,160
Migrant Education - State Grant Program	84.011	52513	03/15/19 - 09/30/19	81,562	64,046
Migrant Education - State Grant Program	84.011	44977	07/01/17 - 09/30/19	434,439	25,196
Migrant Education - State Grant Program	84.011	52832	07/01/19 - 09/30/20	33,957	25,711
Migrant Education - State Grant Program	84.011	54440	10/07/19 - 11/30/19	7,166	7,159
Migrant Education - State Grant Program	84.011	52835	07/01/19 - 09/30/20	575,553	409,853
Total Migrant Education Program					736,125
Supporting Effective Instruction					
Supporting Effective Instruction State Grants	84.367	53481	07/01/19 - 09/30/20	913,135	604,187
Supporting Effective Instruction State Grants	84.367	45760	07/01/17 - 09/30/19	978,788	4,094
Supporting Effective Instruction State Grants	84.367	49258	07/01/18 - 09/30/19	948,642	292,670
Total Supporting Effective Instruction					900,951
English Language Acquisition					
English Language Acquisition State Grants	84.365	53402	07/01/19 - 09/30/20	626,773	266,711
English Language Acquisition State Grants	84.365	44197	07/01/17 - 09/30/19	655,029	2,352
English Language Acquisition State Grants	84.365	50230	07/01/18 - 09/30/20	644,727	248,451
Total English Language Acquisition					517,514
Career and Technical Education					
Career and Technical Education - Basic Grants to States	84.048	52483	07/01/19 - 09/30/20	296,085	202,157
Career and Technical Education - Basic Grants to States	84.048	48906	07/01/18 - 09/30/19	300,393	2,838
Total Career and Technical Education					204,995
Special Education Cluster (IDEA)					
Special Education Grants to States	84.027	53755	07/01/19 - 09/30/21	6,754,982	6,183,780
Special Education Grants to States	84.027	57334	07/01/19 - 09/30/20	4,665	4,665
Special Education Grants to States	84.027	54714	07/01/19 - 09/30/20	9,891	7,626
Total Special Education					6,196,071
Special Education Preschool Grants	84.173	53919	07/01/19 - 09/30/21	25,167	11,258
Total Special Education Preschool					11,258
Total Special Education Cluster (IDEA)					6,207,329
Student Support and Academic Enrichment	84.424	47674	07/01/17 - 09/30/19	114,004	3,265
Student Support and Academic Enrichment	84.424	54471	07/01/19 - 09/30/20	468,596	215,050
Student Support and Academic Enrichment	84.424	50674	07/01/18 - 09/30/19	443,558	124,476
Total Student Support and Academic Enrichment					342,791
Education Stabilization Fund	84.425D	57761	03/13/20 - 09/30/22	4,681,997	15,587
Total Education Stabilization Fund					15,587
Twenty-First Century Community Learning Centers	84.287	49085	07/01/18 - 09/30/20	499,936	156,167
Twenty-First Century Community Learning Centers	84.287	54255	07/01/19 - 09/30/20	499,936	320,563
Total Twenty-First Century Community Learning Centers					476,730
<b>Total U.S. Department of Education</b>					<b>15,056,186</b>

See additional information in the Notes to Schedule of Expenditures of Federal, State, and Local Awards.

**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

<b>Program Title</b>	<b>Federal CFDA Number</b>	<b>Pass Through Entity Number</b>	<b>Period Covered</b>	<b>Grant Amount</b>	<b>2019-20 Revenue and Expenditures</b>
<b>U.S. Department of Health &amp; Human Services</b>					
Passed through Administration for Children and Families:					
CCDF Cluster					
Child Care and Development Block Grant	93.575	160246	01/01/19 - 06/30/20	\$ 254,640	\$ 50,762
Total CCDF Cluster					50,762
Passed through Oregon Department of Education:					
Foster Care Transportation Reimbursement	93.658	57107	07/01/19 - 06/30/21	46,529	46,529
Total Foster Care Transportation Reimbursement					46,529
<b>Total U.S. Department of Health &amp; Human Services</b>					<b>97,291</b>
<b>U.S. Department of Agriculture</b>					
Passed through Oregon Department of Education:					
Child Nutrition Cluster					
School Breakfast Program	10.553	N/A	07/01/19 - 06/30/20	873,920	873,920
National School Lunch Program	10.555	N/A	07/01/19 - 06/30/20	3,711,205	3,711,205
National School Lunch Program Commodities	10.555	N/A	07/01/19 - 06/30/20	967,753	967,753
Summer Food Service Program for Children	10.559	N/A	07/01/19 - 06/30/20	1,514,582	1,514,582
Total Child Nutrition Cluster					7,067,460
Child and Adult Food Care Program	10.558	N/A	07/01/19 - open	3,231	2,814
Child and Adult Food Care Program	10.558	N/A	07/01/19 - 06/30/20	382,247	366,216
Total Child and Adult Food Care Program					369,030
Fresh Fruits and Vegetable - Vose	10.582	54802	10/01/19 - 09/30/20	33,950	18,138
Fresh Fruits and Vegetable - Vose	10.582	50515	10/01/18 - 09/30/19	32,350	5,158
Fresh Fruits and Vegetable - William Walker	10.582	54841	10/01/19 - 09/30/20	24,600	13,421
Fresh Fruits and Vegetable - William Walker	10.582	50516	10/01/18 - 09/30/19	23,850	4,241
Total Fresh Fruits and Vegetable					40,958
<b>Total U.S. Department of Agriculture</b>					<b>7,477,448</b>
<b>U.S. Department of Transportation</b>					
Passed through Metro:					
Federal Transit Cluster					
Federal Transit - Formula Grants (Urbanized Area)	20.507	936204	07/01/19 - 07/31/22	150,000	52,433
Total Federal Transit Cluster					52,433
Passed through Oregon Department of Transportation:					
Highway Planning and Construction Cluster					
Highway Planning and Construction	20.205	HU-20-10-25	10/01/19 - 09/30/20	243,719	55,532
Total Highway Planning and Construction Cluster					55,532
<b>Total U.S. Department of Transportation</b>					<b>107,965</b>
<b>U.S. Department of Homeland Security</b>					
Passed through Oregon Military Department:					
Office of Emergency Management					
Homeland Security Grant Program					
State Homeland Security Program	97.067	19-206	10/01/19 - 12/31/20	65,000	8,979
<b>Total U.S. Department of Homeland Security</b>					<b>8,979</b>
<b>Total Federal Awards</b>					<b>\$ 22,747,869</b>
<b>State and local awards:</b>					
AHS Nike Innovation	N/A	N/A	07/01/17 - open	\$ 20,000	\$ 9,947
Confucius Classroom	N/A	N/A	03/01/14 - open	31,491	4,594
ELWC Washington County Early Learning Community Hub	N/A	BCC18-0689	07/01/18 - 09/30/19	328,304	36,164
Regional Data Warehouse	N/A	25099	05/01/12 - open	115,500	28,100
AHS Seismic Rehabilitation	N/A	N/A	07/01/18 - 09/30/20	2,500,000	2,025,283
High School Success (Measure 98)	N/A	44610 & 50961	07/01/17 - 08/31/19	11,245,437	343,329
9th Grade Success Support	N/A	N/A	03/01/19 - open	35,000	20,720
BEF: Camp Achieve Summer School	N/A	N/A	04/01/19 - 09/30/19	90,000	90,000
BEF: Kinnaman Summer Camp	N/A	N/A	04/01/19 - 09/30/19	10,000	8,617
BEF: Montclair Reading	N/A	N/A	04/01/19 - 06/01/20	7,755	6,176

See additional information in the Notes to Schedule of Expenditures of Federal, State, and Local Awards.



**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS (Continued)**  
**FOR THE YEAR ENDED JUNE 30, 2020**

Program Title	Federal CFDA Number	Pass Through Entity Number	Period Covered	Grant Amount	2019-20 Revenue and Expenditures
<b>State and local awards (continued):</b>					
BEF: Sunset Think Tank	N/A	N/A	07/01/19 - 06/01/20	\$ 10,000	\$ 5,490
Nike AVID	N/A	N/A	04/01/19 - open	82,500	15,820
Summer Meal Support	N/A	N/A	06/06/19 - open	2,265	1,025
Beaver Acres Seismic	N/A	SC1903	06/01/19 - 09/30/21	2,500,000	1,728,331
SRHS Revitalization Extension	N/A	52389	05/01/19 - 06/28/19	50,000	49,524
Outdoor School OSU (Measure 99)	N/A	TQQ32243	09/06/17 - 06/30/23	691,660	16,688
SHS Nike Innovation	N/A	N/A	12/08/15 - open	20,000	583
Gray Family Foundation Outdoor School	N/A	N/A	07/01/16 - open	57,800	5,987
BEF: Future Bus	N/A	N/A	05/14/16 - open	45,187	14,945
Nike PE Program	N/A	N/A	01/04/19 - open	22,343	1,592
MACC	N/A	N/A	01/01/14 - open	44,772	19,419
Cedar Mill Fence	N/A	N/A	10/21/17 - open	10,000	1
BEF: Summer School Trades for MS	N/A	N/A	01/01/19 - 07/19/19	10,000	5,150
BEF: Terra Linda Tiger Reading Club	N/A	N/A	07/01/18 - 06/30/20	5,000	4,971
Outdoor School Gray Family Foundation	N/A	N/A	09/17/15 - open	43,000	6,640
NSIF Nike School Innovation Fund	N/A	N/A	03/01/17 - open	247,680	2,844
Oregon Lions Vision Screening	N/A	48843	07/01/17 - 06/30/19	109,282	54,541
FRC/KPI Washington County	N/A	N/A	10/01/19 - 06/30/20	199,722	175,553
ACMA WAC Trauma Informed Care	N/A	N/A	01/27/20 - 06/30/20	4,500	2,497
Mountain View WAC Outdoor School	N/A	N/A	01/27/20 - 06/30/20	24,788	3,543
City of Beaverton Safe Routes to School	N/A	N/A	02/20/20 - 02/20/23	60,000	4,379
Mountain View Future Ready Library	N/A	N/A	06/15/19 - open	13,276	12,919
Aloha High Nike Innovation 9th Grade Success	N/A	N/A	05/14/19 - open	10,000	7,892
Children's Institute Early Learning	N/A	N/A	09/24/19 - 08/31/20	60,000	45,378
Hallways to Health	N/A	N/A	11/01/19 - 06/30/21	18,717	5,669
NEA Learning & Leadership Grant	N/A	N/A	09/23/19 - 09/23/20	5,000	4,411
Southridge Nike Innovation 9th Grade Success	N/A	N/A	07/01/19 - open	10,000	733
Mountain View Trailblazers Scholarship	N/A	N/A	03/15/20 - 06/30/20	2,700	2,699
BEF: Cedar Park Extended Day	N/A	N/A	09/18/19 - 06/30/20	10,000	6,086
BEF: Conestoga Extended Day	N/A	N/A	09/10/19 - 06/30/20	12,500	5,785
BEF: Five Oaks Extended Day	N/A	N/A	09/18/19 - 06/30/20	12,500	5,785
BEF: Highland Park Extended Day	N/A	N/A	09/01/19 - 06/30/20	5,100	2,816
BEF: Meadow Park Extended Day	N/A	N/A	09/18/19 - 06/30/20	12,500	8,477
BEF: Mt. View Extended Day	N/A	N/A	09/18/19 - 06/30/20	13,800	4,322
BEF: Whitford Extended Day	N/A	N/A	07/01/19 - 06/30/20	15,000	11,652
American Gift Fund - MHS Girls Golf	N/A	N/A	03/01/20 - open	3,000	2,119
9th Grade Success Support	N/A	N/A	10/25/19 - 06/30/21	54,000	17,463
PGE School Bus Electrification	N/A	N/A	05/13/20 - 06/30/21	531,727	6,570
Children's Institute Materials	N/A	N/A	06/15/20 - 07/31/20	37,500	10,626
High School Success (Measure 98)	N/A	52972	07/01/19 - 06/30/21	10,048,099	4,571,801
Farm to School	N/A	56079	07/01/19 - 06/30/21	276,896	158,316
Outdoor School	N/A	TQQ32243	07/01/19 - 06/30/20	1,260,460	519,853
Beaverton Aspire Partnership	N/A	N/A	07/01/19 - 06/30/21	3,000	916
Sunset Aspire Partnership	N/A	N/A	07/01/19 - 06/30/21	3,000	67
Westview Aspire Partnership	N/A	N/A	07/01/19 - 06/30/21	3,000	1,201
AHS Automotive Mechanics CTE	N/A	55404	09/01/19 - 06/30/21	35,453	15,007
AHS Construction CTE	N/A	55405	09/01/19 - 06/30/21	4,744	4,741
AHS Marketing CTE	N/A	55407	09/01/19 - 06/30/21	4,993	1,727
Aloha Computer Software Media Application	N/A	55406	09/01/19 - 06/30/21	2,000	1,545
Beaverton Digital Communication	N/A	55410	09/01/19 - 06/30/21	2,000	510
BHS Marketing CTE	N/A	55409	09/01/19 - 06/30/21	20,972	14,838
HS2 Health Professionals CTE	N/A	55411	09/01/19 - 06/30/21	18,226	13,368
HS2 PreEngineering CTE	N/A	55412	09/01/19 - 06/30/21	37,700	37,624
SHS Engineering CTE	N/A	55418	09/01/19 - 06/30/21	2,746	2,746
SHS Marketing CTE	N/A	55417	09/01/19 - 06/30/21	37,451	17,368
SHS Computer Engineering CTE	N/A	55416	09/01/19 - 06/30/21	9,488	9,488
Terra Nova Agriculture	N/A	55415	09/01/19 - 06/30/21	13,482	7,941
WHS Manufacturing CTE	N/A	55419	09/01/19 - 06/30/21	7,490	5,381
WHS Child Development CTE	N/A	55420	09/01/19 - 06/30/21	6,741	3,257
WHS Digital Communication CTE	N/A	55421	09/01/19 - 06/30/21	2,000	1,017
WHS Restaurant CTE	N/A	55423	09/01/19 - 06/30/21	10,985	6,080
SRHS Computer Tech CTE	N/A	55413	09/01/19 - 06/30/21	2,000	1,080
SRHS Marketing CTE	N/A	55414	09/01/19 - 06/30/21	5,742	4,324
BHS Health Diag CTE	N/A	55408	09/01/19 - 06/30/21	45,000	33,553
ACT 10th Grade Testing	N/A	N/A	09/01/19 - 06/30/21	34,749	34,749
Southridge Aspire Partnership	N/A	N/A	07/01/19 - 06/30/20	3,000	2,007
ODE IB Exams	N/A	N/A	07/01/19 - 06/30/20	63,514	63,514
<b>Total State and Local Awards</b>				\$	10,387,874
<b>Total Federal, State, and Local Awards</b>				\$	33,135,743

See additional information in the Notes to Schedule of Expenditures of Federal, State, and Local Awards.

**BEAVERTON SCHOOL DISTRICT**  
**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS**  
**FOR THE YEAR ENDED JUNE 30, 2020**

**PURPOSE OF THE SCHEDULE**

The accompanying Schedule of Expenditures of Federal, State and Local Awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.

**SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Presentation**

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance wherein certain types of expenditures are not allowable or are limited as to reimbursement.

**Indirect Cost Rate**

Beaverton School District has a negotiated indirect cost rate with Oregon Department of Education. The District is thus not allowed to use the ten percent de minimus indirect rate as otherwise allowed under the Uniform Guidance.

**Federal Financial Assistance**

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

**Major Programs**

Uniform Guidance establishes criteria to be used in defining major federal financial assistance programs. Major programs for the District are those programs selected for testing by the auditor using a risk-assessment model, as well as certain minimum expenditure requirements, as outlined in Uniform Guidance. Programs with similar requirements may be grouped into a cluster for testing purposes.

**Reporting Entity**

The reporting entity is fully described in notes to the financial statements. The Schedule includes all federal programs administered by the District for the year ended June 30, 2020.

**BEAVERTON SCHOOL DISTRICT**

**NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL, STATE, AND LOCAL AWARDS (Continued)**

FOR THE YEAR ENDED JUNE 30, 2020

**Revenue and Expenditure Recognition**

The receipt and expenditure of federal awards are accounted for under the modified accrual basis of accounting. Revenues are recorded when measurable and available. Expenditures are recorded when the liability is incurred. Donated commodities are valued at their estimated fair value.

**BEAVERTON SCHOOL DISTRICT**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2020**

---

**SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major federal programs:	
• Material weakness(es) identified?	No
• Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR section 200.516(a)?	No

Major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
84.027 & 84.173	Special Education Cluster (IDEA)

Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low-risk auditee?	Yes

**FINANCIAL STATEMENT FINDINGS**

None.

**FEDERAL AWARD FINDINGS AND QUESTIONED COSTS**

None.

**PRIOR YEAR FINANCIAL STATEMENT FINDINGS**

None.

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

None.

# COMPLIANCE SECTION





**INDEPENDENT AUDITOR'S REPORT**  
**REQUIRED BY OREGON STATE REGULATIONS**

Oregon Administrative Rules 162-10-000 through 162-10-320 incorporated in the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy; enumerate the financial statements, schedules, and comments and disclosures required in all audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required independent auditor's report and comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.







## GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

[www.gmscpa.com](http://www.gmscpa.com)

(503) 581-7788 • FAX (503) 581-0152

475 Cottage Street NE, Suite 200 • Salem, Oregon 97301-3814

### ***INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS***

School Board  
Beaverton School District  
Beaverton, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Beaverton School District, Washington County, Oregon (the District) as of and for the year ended June 30, 2020, and have issued our report thereon dated November 18, 2020.

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

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

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

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

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

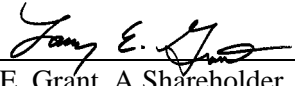
### ***Internal Control***

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

### ***Restriction on Use***

This report is intended solely for the information and use of the school board and management of the Beaverton School District and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

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

By:   
Larry E. Grant, A Shareholder  
November 18, 2020