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COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR YEAR ENDED
JUNE 30, 2021

District Goal:

WE empower all students to
achieve post-high school success.

Beaverton School District
16550 SW Merlo Rd.
Beaverton, Oregon 97003

www.beaverton.k12.or.us



BEAVERTON SCHOOL DISTRICT

Beaverton, Oregon

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2021

Prepared by:
Business Services Department

Don Grotting
Superintendent of Schools

Michael Schofield
Associate Superintendent for Business Services

Jason Guchereau
Finance Manager



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INTRODUCTORY SECTION



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



November 19, 2021

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, 2021 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, 2021 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 generally accepted accounting principles (GAAP) in the United States of America.

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, 2021. 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 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 2020 Comprehensive Annual Financial Report.

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 the MD&A. This letter of transmittal is designed to complement the 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 2020 was 39,711. 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	35	16,317
Middle School Programs	21	9,019
High School Programs	11	12,166
Special Education Programs	-	1,437
Charter School Programs	2	772
Total Programs and Enrollment	69	39,711

Growing from an enrollment of 39,054 in fall of fiscal year 2012 to 39,711, the District has experienced a 1.7 percent growth in enrollment over the past ten years. The District had experienced a higher growth rate through the fall of fiscal year 2020, but then experienced a 4.4 percent decline in enrollment due to the Covid pandemic and the transition to comprehensive distance learning in fiscal year 2021.

The District expects relatively flat to declining enrollment over the next few years with projected enrollment of 39,669 in 2024-25 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 55.7 percent of students of color, and 32.6 percent of students qualify for free and reduced lunch status.

The Beaverton School District Board (“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 128 principals, vice-principals and district administrators. The District employs 3,837 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 10.4 percent of the total non-farm employment in the PVH-PMSA, while trade, transportation and utilities account for 19.0 percent, government jobs 12.3 percent, professional and business services 16.5 percent, education and health services 15.2 percent, and leisure and hospitality 8.3 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, equal to the Oregon unemployment rate of 11.6 percent and as compared to 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 18.5 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 and 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 2020-21. 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 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 recognized when the liability is incurred, except for in a few cases. Unmatured interest on general long-term debt is recognized when due. Interfund transactions, certain compensated absences, and certain claims and judgments are recognized in the fiscal year as expenditures because they will be liquidated with expendable financial resources.

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 and seven electors of the District who are appointed by the Board. 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 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 2020-21 fiscal year. Arco Iris has completed its eleventh year of operations. The school educates 406 full-time students in grades K-8 and has renewed its charter through 2021-22. Hope Chinese has completed its ninth year of operations. The school educates 330 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, 2021, 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, 2021, 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 the Beaverton School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. This was the fortieth 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 the Beaverton School District for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2020. The District has achieved this prestigious award for thirty-nine 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.

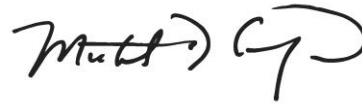
The preparation of the Comprehensive Annual Financial Report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted and contributed to the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

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

Respectfully submitted,

A handwritten signature in cursive script, reading "Don Grotting". The signature is fluid and stylized, with a large loop at the end of the last name.

Don Grotting
Superintendent of Schools

A handwritten signature in cursive script, reading "Michael Schofield". The signature is fluid and 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, 2020

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
for the Fiscal Year Ended June 30, 2020.**

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



A handwritten signature in black ink, reading 'W. Edward Chabal'.

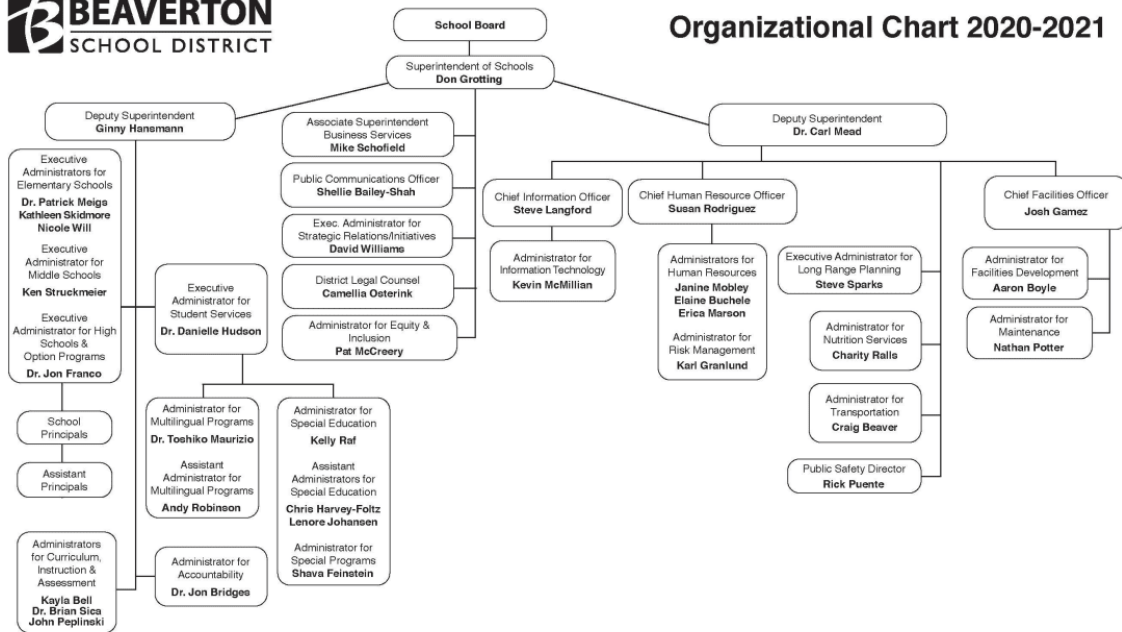
W. Edward Chabal
President

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

David J. Lewis
Executive Director



Organizational Chart 2020-2021



(effective July 20, 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



INDEPENDENT AUDITOR'S REPORT





GROVE, MUELLER & SWANK, P.C.

CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

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, 2021, 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

The District's 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, 2021, 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 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 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 19, 2021, 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 19, 2021, 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 19, 2021



MANAGEMENT'S DISCUSSION AND ANALYSIS



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021**

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, 2021. 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. 84, *Fiduciary Activities* (GASB No. 84), Statement No. 90, *Majority Equity Interest – An Amendment of GASB Statements No. 14 and No. 61* (GASB No. 90), and Statement No. 93, *Replacement of Interbank Offered Rates* (GASB No. 93). The District has also 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 2020-21. The District restated prior year net position as a result of the implementation of GASB No. 84, but anticipates no financial impact as a result of implementing the other statements. Additional information can be found in Footnote 17 and Footnote 19 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 \$119.0 million (net position). This is a change of \$35.9 million compared to the prior year, when they exceeded by \$83.1 million after restatement.
- The District's governmental funds report combined ending fund balance of \$194.8 million, a decrease of \$19.5 million from the prior year. Approximately 44.0 percent of this total amount, \$85.6 million, was unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable, restricted or committed: \$90.9 million for use on capital projects, \$3.9 million for debt service and the balance of \$14.4 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 \$92.3 million, or about 18.5 percent of total General Fund revenue.
- Total cost of all the District's programs was \$673.0 million for the fiscal year, an increase of \$57.7 million (9.4 percent) from the prior year.
- The District's total outstanding long-term debt and capital leases decreased by \$69.2 million (6.6 percent) during the 2020-21 fiscal year due to debt service payments and amortization of premiums.

OVERVIEW OF THE FINANCIAL STATEMENTS

This MD&A 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 provide additional detail to support the basic financial statements themselves.

BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(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 that will be collected in future years).

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 two categories: governmental funds and proprietary 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 (e.g. uncollected taxes are not recognized as they are not resources yet 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 nine 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, Grant, Debt Service, and Capital Projects Funds, all of which are considered to be major funds. The General Fund has two type subfunds included as a separate presentation, which can be found following the notes to the basic financial statements. Data from the other five of the governmental funds are combined into a single, aggregated

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(CONTINUED)**

presentation, as they are considered to be non-major funds. Additional information and individual fund data for each of these non-major governmental funds is provided as Other Supplementary Information on pages 89 - 97.

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.

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 40 - 71 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 - 80 of this report. *Other Supplementary Information*, presented on pages 83 - 120, 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 \$119.0 million at June 30, 2021.

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles and equipment, represent 79.2 percent of total assets. The remaining assets consist mainly of cash and investments, grants and property taxes receivable.

The District's largest liability (90.0 percent) is for the repayment of long-term debt and obligations including post-employment benefit obligations, the Public Employees Retirement System (PERS) net pension obligation, and all general obligation and limited tax pension obligation bonds due in more than one year. Other liabilities, representing about 10.0 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 (\$363.9 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.

BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(CONTINUED)

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 (\$4.9 million) reflects resources that are subject to external restrictions on how they may be used. The remaining balance in net position (negative \$487.8 million) is unrestricted.

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

Governmental Activities	June 30, 2021	June 30, 2020	Increase / (Decrease)
Capital assets	\$ 1,055,861,375	\$ 1,033,165,015	\$ 22,696,360
Current and other assets	278,104,419	293,790,831	(15,686,412)
Total assets	1,333,965,794	1,326,955,846	7,009,948
Deferred outflows of resources	240,565,943	229,353,671	11,212,272
Total assets and deferred outflows of resources	1,574,531,737	1,556,309,517	18,222,220
Long-term liabilities	1,505,955,486	1,453,174,272	52,781,214
Other liabilities	167,111,467	156,454,944	10,656,523
Total liabilities	1,673,066,953	1,609,629,216	63,437,737
Deferred inflows of resources	20,440,925	30,128,240	(9,687,315)
Total liabilities and deferred inflows of resources	1,693,507,878	1,639,757,456	53,750,422
Net position:			
Net investment in capital assets	363,941,382	356,573,540	7,367,842
Restricted	4,913,660	3,622,843	1,290,817
Unrestricted	(487,831,183)	(443,644,322)	(44,186,861)
Total net position	\$ (118,976,141)	\$ (83,447,939)	\$ (35,528,202)

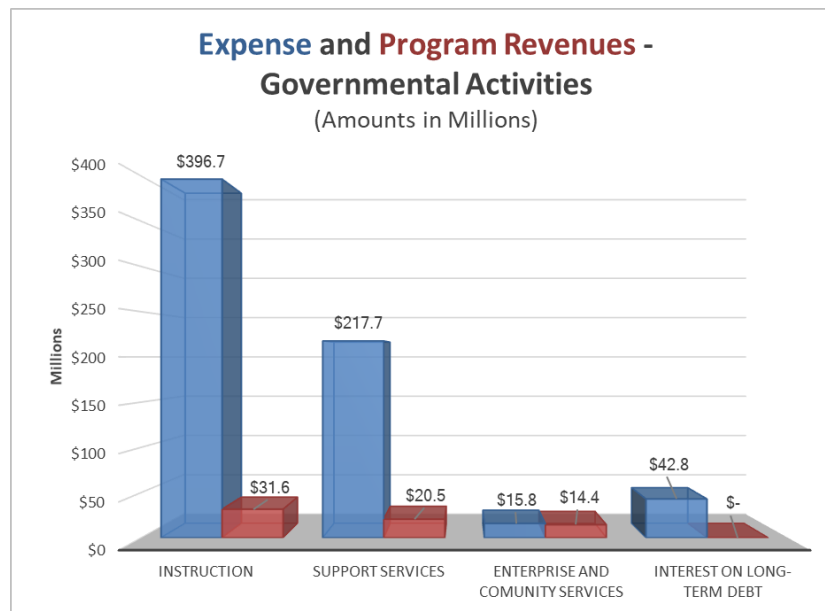
The District's overall financial position changed as indicated by a decrease of \$35.5 million in net position. Unrestricted net position decreased by \$44.2 million due mainly to the change in the PERS net pension liability. At the same time, the District's investment in capital assets, net of related debt, increased by \$7.4 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, 2021
(CONTINUED)

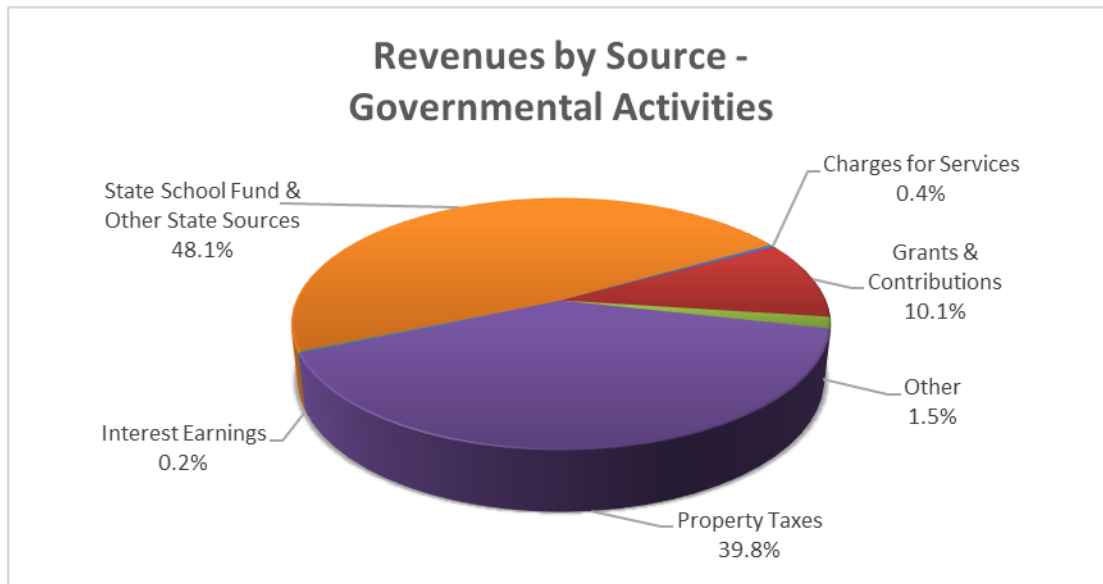
Governmental activities. During the 2020-21 fiscal year, the District's net position decreased by \$35.9 million.

The key elements in this change are the following:

Governmental Activities	June 30, 2021	June 30, 2020	Increase / (Decrease)
Revenues:			
Program revenues:			
Charges for services	\$ 2,259,955	\$ 9,453,783	\$ (7,193,828)
Operating grants and contributions	63,896,255	38,950,024	24,946,231
Capital grants and contributions	312,280	314,535	(2,255)
General revenues:			
Property taxes	218,010,788	204,465,142	13,545,646
Local option taxes	35,807,436	34,194,060	1,613,376
Construction excise tax	2,780,732	2,465,595	315,137
State school fund	285,817,276	281,611,303	4,205,973
Other state and local sources	20,633,367	19,990,880	642,487
Earnings on investments	1,028,129	6,728,554	(5,700,425)
Miscellaneous	6,581,056	6,771,351	(190,295)
Total revenues	637,127,274	604,945,227	32,182,047
Expenses:			
Instruction	396,664,903	380,493,251	16,171,652
Support services	217,707,283	210,020,005	7,687,278
Enterprise and community services	15,813,062	15,066,871	746,191
Interest on long-term debt	42,847,357	9,742,394	33,104,963
Total expenses	673,032,605	615,322,521	57,710,084
Increase (decrease) in net position	(35,905,331)	(10,377,294)	(25,528,037)
Net position – July 1 (as restated)	(83,070,810)	(73,070,645)	(10,000,165)
Net position – June 30	\$ (118,976,141)	\$ (83,447,939)	\$ (35,528,202)



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(CONTINUED)**



- Program revenues increased by \$17.8 million in 2020-21 as a combination of a decrease of \$7.2 million in charges for services and an increase of \$24.9 million in grants and contributions.
- General revenues increased by \$14.4 million in 2020-21 largely due to increases from the State School Fund and local property taxes offset by a decrease on earnings on investments.

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, 2021, the District's governmental funds reported combined ending fund balances of \$194.8 million, a decrease of \$19.5 million in comparison with the prior year. Approximately \$109.1 million (56.0 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 \$85.6 million (44.0 percent) of the ending fund balances are unassigned and available for spending at the District's discretion. Of the fund balance, \$90.9 million (46.7 percent) is designated for capital projects, as authorized by voters and the Board, and an additional \$3.9 million (2.0 percent) is dedicated for debt service obligations.

General Fund. The General Fund is the chief operating fund of the District. As of June 30, 2021, committed fund balance was \$6.6 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 18.5 percent of General Fund revenues. The fund balance increased by \$29.7 million due to increase revenues while holding expenditures flat as a part of the COVID-19 response.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(CONTINUED)**

Grant Fund. The Grant Fund has zero fund balance, consistent with prior years. Both revenues and expenditures increased by \$23.7 million from the prior year due to an increase in federal grants as part of the COVID-19 response.

Debt Service Fund. The Debt Service Fund has a total fund balance of \$3.9 million, all of which is set aside for the payment of debt service. The fund balance increased from \$1.6 million due to increases in local property taxes.

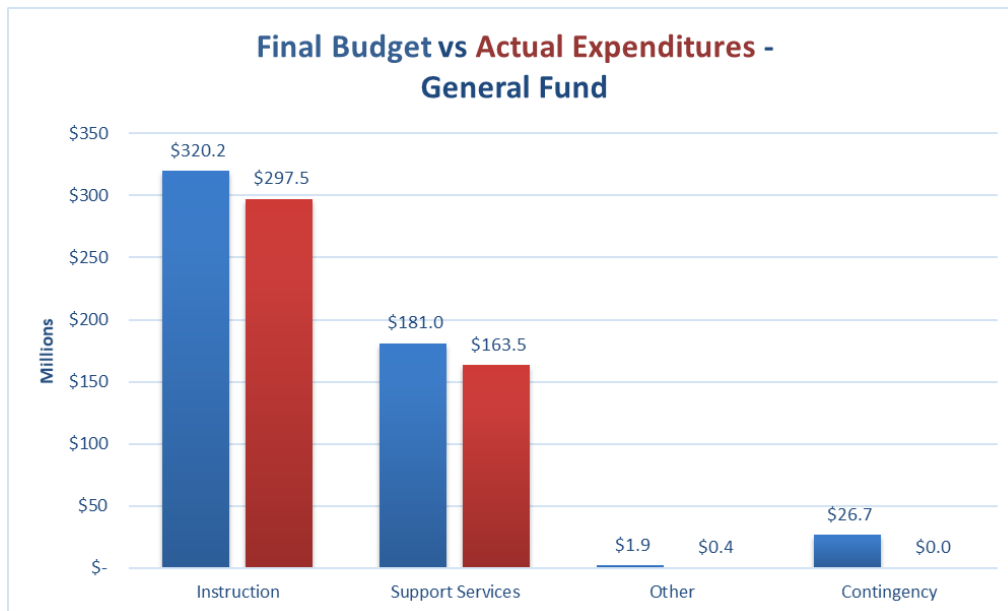
Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$90.9 million, all of which is dedicated for ongoing capital projects. Capital expenditures reflect costs incurred as part of the Long-Range Facilities Plan. All of the Capital Projects Fund balance is restricted or committed for capital improvements and repairs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. During the year, there were two supplemental budgets, one of which had additional appropriations, that were adopted for 2020-21.

Final budget compared to actual results. The most significant differences between estimated revenue and actual revenue were State Sources, Charges for Services, and Investment Earnings. State Sources were estimated to be \$295.8 million and actual revenue was \$293.9 million, a difference of \$1.9 million, due to lower enrollment. Charges for Services was estimated to be \$2.6 million and were \$0.5 million due to the cancellation of events due to COVID-19. Investments Earnings were estimated to be \$1.6 million and were \$0.6 million due to the low interest rate environment.

The most significant difference between estimated expenditures and actual expenditures were Instruction and Support Services. Estimated Instruction expenditures were \$320.2 million compared to the actual expenditures of \$297.5 million. Estimated Support Services expenditures were \$181.0 million compared to the actual expenditures of \$163.5 million. The budget estimates were determined before the COVID-19 pandemic. These variations are attributed to an active reduction of expenditures and cost containment measures implemented at in fiscal year in response and the shift to comprehensive distance learning.



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(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, 2021, the District had approximately \$1,055.7 million invested in capital assets, net of depreciation, as shown in the following table:

Capital Asset	June 30, 2021	June 30, 2020	Increase / (Decrease)
Land	\$ 71,493,501	\$ 71,475,001	\$ 18,500
Buildings and improvements	923,934,000	842,619,392	81,314,608
Vehicles and equipment	26,169,368	27,233,434	(1,064,066)
Construction in progress	34,264,506	91,837,188	(57,572,682)
Total capital assets, net of related accumulated depreciation	<u>\$ 1,055,861,375</u>	<u>\$ 1,033,165,015</u>	<u>\$ 22,696,360</u>

Additional information regarding the District's capital assets can be found in Note 5 on page 50 of this report.

Long-term debt. At the end of the current fiscal year, the District had total long-term debt outstanding of \$978.8 million outstanding. 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 \$4.65 billion, which is significantly in excess of the District's outstanding general obligation debt.

The District maintains an "AA" rating from Standard & Poor's and an "Aa3" 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 51 - 55 of this report.

Debt Type	June 30, 2021	June 30, 2020	Increase / (Decrease)
General obligation bonds	\$ 763,195,265	\$ 809,975,265	\$ (46,780,000)
Pension obligation bonds	162,825,000	177,630,000	(14,805,000)
Full faith and credit obligation bonds	15,305,000	16,050,000	(745,000)
Unamortized premium	36,425,702	43,275,663	(6,849,961)
Capital leases	1,053,591	1,291,677	(238,086)
Total debt	<u>\$ 978,804,558</u>	<u>\$ 1,048,222,605</u>	<u>\$ (69,418,047)</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 2020-21 decreased from 2019-20 by 1,663, a decrease of 4.0 percent. Due to the continuing effects of the COVID-19 pandemic, the District will have a lower ADM next year but will continue to receive funding based on the 2020-21 ADM.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2021
(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 Elementary and Secondary School Emergency Relief Fund (ESSER) II and (ESSER) III have provided additional grant funds to respond to this situation.

In June 2021, the Board adopted the District budget for the fiscal year 2021-22. The adopted budget for the General Fund for the year ending June 30, 2022 is \$580.4 million. This is an increase of \$44.0 million from the 2020-21 adopted budget. This budget was adopted with estimates assuming continued financial impacts as a result of the COVID-19 pandemic under an in-person learning model for the entire year. The District anticipates making appropriate adjustments as the impacts of the COVID-19 pandemic on the new school year become evident.

The 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 additional reserves to be established for specific purposes. While the PERS rates have decreased for the 2021-22 year, the District has created a PERS Reserve account that will set aside funds to address the anticipated rate increase for the 2023-25 biennium.

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, 2021

ASSETS:

Cash and investments	\$ 240,265,380
Receivables	31,872,028
Inventories	759,225
OPEB net asset - RHIA	5,207,786
Capital assets not being depreciated:	
Land	71,493,501
Construction in progress	34,264,506
Capital assets, net of accumulated depreciation:	
Buildings and improvements	923,934,000
Vehicles and equipment	26,169,368
TOTAL ASSETS	1,333,965,794

DEFERRED OUTFLOWS OF RESOURCES:

Deferred amount on refunding	44,572,336
PERS deferred outflows	190,977,264
OPEB deferred outflows	5,016,343
TOTAL DEFERRED OUTFLOWS OF RESOURCES	240,565,943
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	1,574,531,737

LIABILITIES:

Accounts payable	13,593,819
Accrued salaries and benefits	45,013,969
Compensated absences	6,080,261
Accrued interest payable	17,007,946
Unearned revenue	5,431,272
Accrued claims losses	4,140,000
Other accrued liabilities	1,929,303
Non-current liabilities	
Due within one year	
Capital leases payable	344,936
General obligation and full faith and credit obligation bonds	57,469,961
Limited tax pension obligation bonds	16,100,000
Due in more than one year	
Capital leases payable	708,655
General obligation and full faith and credit obligation bonds	757,456,006
Limited tax pension obligation bonds	146,725,000
PERS net pension liability	571,876,034
OPEB total liability - PHIS	29,189,791
TOTAL LIABILITIES	1,673,066,953

DEFERRED INFLOWS OF RESOURCES:

PERS deferred inflows	12,866,001
OPEB deferred inflows	7,574,924
TOTAL DEFERRED INFLOWS OF RESOURCES	20,440,925
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	1,693,507,878

NET POSITION:

Net investment in capital assets	363,941,382
Restricted for student body & special programs	4,480,627
Restricted for scholarships	433,033
Unrestricted	(487,831,183)
TOTAL NET POSITION	\$ (118,976,141)

BEAVERTON SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2021

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Change in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
Instruction:					
Regular programs	\$ 301,704,813	\$ 1,693,119	\$ 16,688,175	\$ -	\$ (283,323,519)
Special programs	93,251,469	-	11,816,644	-	(81,434,825)
Summer school programs	1,708,621	-	1,358,030	-	(350,591)
Total instruction	396,664,903	1,693,119	29,862,849	-	(365,108,935)
Support Services:					
Student support services	58,409,842	-	8,066,286	-	(50,343,556)
Instructional staff support	16,446,478	-	2,836,353	-	(13,610,125)
General administration support	2,676,096	-	-	-	(2,676,096)
School administration	43,089,145	-	90,247	-	(42,998,898)
Business support services	66,107,841	257,464	7,723,342	312,280	(57,814,755)
Central activities support	30,977,881	309,372	910,032	-	(29,758,477)
Total support services	217,707,283	566,836	19,626,260	312,280	(197,201,907)
Enterprise and Community Services:					
Food services	13,225,696	-	11,868,280	-	(1,357,416)
Community services	210,475	-	163,159	-	(47,316)
Custody and care of children services	2,376,891	-	2,375,707	-	(1,184)
Total enterprise and community services:	15,813,062	-	14,407,146	-	(1,405,916)
Interest on long-term debt	42,847,357	-	-	-	(42,847,357)
Total governmental activities	\$ 673,032,605	\$ 2,259,955	\$ 63,896,255	\$ 312,280	(606,564,115)
General revenues:					
Property taxes levied for general purposes					150,517,521
Local option taxes levied for general purposes					35,807,436
Property taxes levied for debt service					67,493,267
Construction excise tax					2,780,732
State school fund - general support					285,817,276
Common school fund					4,534,297
Unrestricted state and local sources					16,099,070
Earnings on investments					1,028,129
Gains on sale of capital assets					487,858
Miscellaneous					6,093,198
Total general revenues					570,658,784
CHANGE IN NET POSITION					(35,905,331)
NET POSITION, July 1, 2020 as originally reported					(83,447,939)
Restatement (see Note 19)					377,129
NET POSITION, July 1, 2020 as restated					(83,070,810)
NET POSITION, June 30, 2021					\$ (118,976,141)

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

BEAVERTON SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2021

	General Fund	Grant Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
ASSETS						
Pooled cash and investments	\$ 122,588,970	\$ -	\$ 1,458,035	\$ 97,167,557	\$ 9,442,733	\$ 230,657,295
Cash with fiscal agent	-	-	74,031	300,000	-	374,031
Receivables	3,237,955	17,447,383	186,791	802,096	5,545,761	27,219,986
Property taxes receivable	3,077,245	-	1,100,645	-	-	4,177,890
Due from other funds	11,993,896	-	1,891,729	-	-	13,885,625
Inventories	-	-	-	-	759,225	759,225
TOTAL ASSETS	\$ 140,898,066	\$ 17,447,383	\$ 4,711,231	\$ 98,269,653	\$ 15,747,719	\$ 277,074,052
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 3,299,977	\$ 2,945,340	\$ -	\$ 6,615,416	\$ 417,828	\$ 13,278,561
Accrued salaries and benefits	41,031,856	2,915,910	-	62,513	959,502	44,969,781
Due to other funds	1,966,454	9,155,772	-	4,420	3,100,723	14,227,369
Unearned revenue	-	2,327,431	-	-	3,103,841	5,431,272
Other liabilities	9,565	102,930	-	690,609	453,273	1,256,377
TOTAL LIABILITIES	46,307,852	17,447,383	-	7,372,958	8,035,167	79,163,360
Deferred Inflows of Resources:						
Unavailable revenue - property taxes	2,319,326	-	827,260	-	-	3,146,586
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	48,627,178	17,447,383	827,260	7,372,958	8,035,167	82,309,946
Fund Balances:						
Nonspendable						
Nutrition Services Fund - Inventories	-	-	-	-	759,225	759,225
Restricted						
Debt Service Fund	-	-	2,711,616	-	-	2,711,616
Capital Projects Fund	-	-	-	79,487,229	-	79,487,229
Student Body & Special Purpose Fund	-	-	-	-	4,480,627	4,480,627
Scholarships Fund	-	-	-	-	433,033	433,033
Committed						
Debt Service Fund	-	-	1,172,355	-	-	1,172,355
Capital Projects Fund	-	-	-	11,409,466	-	11,409,466
Categorical Fund	-	-	-	-	1,333,208	1,333,208
Nutrition Services Fund	-	-	-	-	706,459	706,459
Long-term Planning Fund	6,644,557	-	-	-	-	6,644,557
Unassigned	85,626,331	-	-	-	-	85,626,331
TOTAL FUND BALANCES	92,270,888	-	3,883,971	90,896,695	7,712,552	194,764,106
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 140,898,066	\$ 17,447,383	\$ 4,711,231	\$ 98,269,653	\$ 15,747,719	\$ 277,074,052

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, 2021

TOTAL FUND BALANCES		\$	194,764,106
Capital assets are not financial resources and therefore are not reported in the governmental funds:			
Cost	\$	1,424,501,994	
Accumulated depreciation		<u>(368,640,619)</u>	1,055,861,375
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.			
			3,146,586
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.			
			4,877,578
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.			
			(6,080,261)
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		(17,007,946)	
Bonds payable and unamortized premium		(977,750,967)	
Capital leases payable		<u>(1,053,591)</u>	(995,812,504)
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		(571,876,034)	
PERS deferred outflow of resources		190,977,264	
PERS deferred inflows of resources		<u>(12,866,001)</u>	(393,764,771)
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.			
			44,572,336
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		5,207,786	
Total OPEB liability		(29,189,791)	
OPEB deferred outflow of resources		5,016,343	
OPEB deferred inflows of resources		<u>(7,574,924)</u>	(26,540,586)
TOTAL NET POSITION		\$	<u><u>(118,976,141)</u></u>

BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	General Fund	Grant Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
REVENUES:						
Property taxes	\$ 150,626,256	\$ -	\$ 67,493,267	\$ -	\$ -	\$ 218,119,523
Local option levy	35,807,436	-	-	-	-	35,807,436
Construction excise tax	-	-	-	2,780,732	-	2,780,732
Intermediate sources	12,283,925	239,339	97,640	-	-	12,620,904
State sources	295,564,807	23,824,022	-	-	158,775	319,547,604
Federal sources	-	24,339,530	-	-	11,303,631	35,643,161
Charges for services	777,814	-	-	-	1,469,036	2,246,850
Rentals	183,968	-	-	72,054	-	256,022
Investment earnings	569,999	-	156,365	273,366	10,457	1,010,187
Contributions and donations	6,014	1,033,163	-	280,945	972,189	2,292,311
Services to other funds	-	-	23,677,219	-	-	23,677,219
Recovery of prior years' expenditures	35,613	-	-	3,691,709	16,171	3,743,493
Other	1,596,787	-	-	87,922	785,424	2,470,133
Total revenues	497,452,619	49,436,054	91,424,491	7,186,728	14,715,683	660,215,575
EXPENDITURES:						
Current						
Instruction	297,491,681	28,711,943	-	-	2,334,951	328,538,575
Support services	165,152,824	14,924,021	-	587,765	739,853	181,404,463
Enterprise and community services	2,887	3,013,783	-	-	11,387,001	14,403,671
Debt Service						
Principal	316,686	-	62,330,000	-	-	62,646,686
Interest	83,238	-	28,870,390	-	-	28,953,628
Capital Outlay						
Facilities acquisition and construction	-	2,786,307	-	56,391,695	374,325	59,552,327
Total expenditures	463,047,316	49,436,054	91,200,390	56,979,460	14,836,130	675,499,350
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	34,405,303	-	224,101	(49,792,732)	(120,447)	(15,283,775)
OTHER FINANCING SOURCES (USES):						
Sale of or compensation for loss of capital assets	200,000	-	-	287,858	-	487,858
Transfers in	-	-	1,338,250	-	970,105	2,308,355
Transfers out	(4,986,906)	-	-	(1,168,556)	(930,105)	(7,085,567)
Issuance of capital leases	78,599	-	-	-	-	78,599
TOTAL OTHER FINANCING SOURCES (USES)	(4,708,307)	-	1,338,250	(880,698)	40,000	(4,210,755)
NET CHANGE IN FUND BALANCES	29,696,996	-	1,562,351	(50,673,430)	(80,447)	(19,494,530)
FUND BALANCE, July 1, 2020*	62,573,892	-	2,321,620	141,570,125	7,792,999	214,258,636
FUND BALANCE, June 30, 2021	\$ 92,270,888	\$ -	\$ 3,883,971	\$ 90,896,695	\$ 7,712,552	\$ 194,764,106

* The July 1, 2020 Governmental Funds total fund balance was restated due to the implementation of GASB 84. See Footnote 19.

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, 2021

NET CHANGE IN FUND BALANCES \$ (19,494,530)

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	\$ 55,594,628	
Less current year depreciation expense	(32,898,268)	22,696,360

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

Net change in PERS net pension liability / asset	(121,729,576)	
Net change in deferred outflow of resources	24,710,639	
Net change in deferred inflow of resources	8,315,089	(88,703,848)

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 principal repaid	62,330,000	
Amortization expense	6,849,961	
Capital lease issued	(78,599)	
Capital lease debt principal repaid	316,685	69,418,047

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. (16,641,888)

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. (4,101,801)

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. (108,736)

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. 1,235,779

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. (1,019,210)

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

Net change in OPEB liability / asset	(3,701,251)	
Net change in deferred outflow of resources	3,143,521	
Net change in deferred inflow of resources	1,372,226	814,496

CHANGE IN NET POSITION \$ (35,905,331)

BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
JUNE 30, 2021

ASSETS

Current assets:

Pooled cash and investments	\$	9,234,054
Receivables		474,152
Due from other funds		<u>345,106</u>

TOTAL ASSETS		<u><u>10,053,312</u></u>
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LIABILITIES

Current liabilities:

Accounts payable		315,258
Accrued claims losses		4,140,000
Accrued salaries and benefits		44,188
Due to other funds		3,362
Other liabilities		<u>672,926</u>

TOTAL LIABILITIES		<u><u>5,175,734</u></u>
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NET POSITION

Unrestricted		<u>4,877,578</u>
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TOTAL NET POSITION	\$	<u><u>4,877,578</u></u>
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BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

OPERATING REVENUES:	
Services to other funds	\$ 4,696,365
Recovery of prior years' expenditures	102,444
Other	<u>89,412</u>
TOTAL OPERATING REVENUES	<u>4,888,221</u>
OPERATING EXPENSES:	
Losses and claims	2,362,195
Insurance premiums and assessments	3,481,161
Salaries and benefits	1,429,145
Services, supplies and materials	<u>1,175,093</u>
TOTAL OPERATING EXPENSES	<u>8,447,594</u>
OPERATING INCOME (LOSS)	(3,559,373)
NONOPERATING REVENUE:	
Investment earnings	<u>17,940</u>
TOTAL NONOPERATING REVENUES	<u>17,940</u>
INCOME (LOSS) BEFORE TRANSFERS	(3,541,433)
TRANSFERS:	
Transfers in	<u>4,777,212</u>
TOTAL TRANSFERS	<u>4,777,212</u>
CHANGE IN NET POSITION	1,235,779
NET POSITION, July 1, 2020	<u>3,641,799</u>
NET POSITION, June 30, 2021	<u><u>\$ 4,877,578</u></u>

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

BEAVERTON SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

CASH FLOWS FROM OPERATING ACTIVITIES:

Received from interfund services provided	\$ 3,950,966
Received from recovery of prior years' expenditures	102,444
Paid for goods and services	(4,529,440)
Paid to claimants	(2,329,343)
Paid to employees	(451,145)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES (3,256,518)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer from other funds	4,777,212
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NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES 4,777,212

CASH FLOWS FROM INVESTING ACTIVITIES:

Interest received	17,940
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NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES 17,940

NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS 1,538,634

CASH AND CASH EQUIVALENTS, July 1, 2020 7,695,420

CASH AND CASH EQUIVALENTS, June 30, 2021 \$ 9,234,054

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

Operating income (loss)	\$ (3,559,373)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:	
Changes in assets and liabilities	
Receivables	(459,457)
Due from other funds	(102,595)
Accounts payable	126,814
Accrued claims losses	978,000
Accrued salaries and benefits	32,852
Due to other funds	2,145
Other liabilities	(274,904)

NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES \$ (3,256,518)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2021

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. 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 and proprietary funds.

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, 2021

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 and proprietary) 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.

Grant Fund account for revenues and expenditures of grants restricted for specific educational projects. Principal revenue sources are federal, state, and local grants.

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 restricted to expenditures for specific purposes such as supplies and equipment, capital improvements, student body activity funds, individual school activity programs, scholarships, and the 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.

Measurement Focus and Basis of Accounting

Government-wide and internal service 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 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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, 2021, no allowance for doubtful accounts is considered necessary.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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 with Buildings and Improvements being 10 to 50 years and Vehicles and Equipment being 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 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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 administered 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, 2021, the total of these District contributions was \$985,091.

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, 2021

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, 2021

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.

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.

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.

Fund Balance Policy

School Board policy mandates that the District budget in such a way as to ensure an ending general fund balance of at least five percent of general fund budgeted revenues. It also mandates an additional economic reserve of 5.0 percent of anticipated operating revenues is maintained to address adverse conditions which may negatively affect the district’s revenues. Additional reserves may be created by the Board for specific purposes.

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, 2021

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 were two supplemental budgets with additional appropriations adopted for 2020-21. 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, 2021:

Cash with fiscal agent	\$	374,031
Petty cash		198
Deposits with banks		17,341,796
Investments		222,549,355
		<u>\$ 240,265,380</u>

Cash and investments are shown on the basic financial statements Statement of Net Position as \$240,265,380.

At year-end, the District's deposits with various financial institutions had a bank value of \$18,498,206 and a book value of \$17,341,796. 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.

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, 2021, \$18,248,206 of the District's bank balances were

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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, 2021 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	\$ 101,887,653	0.174	45.8%
U.S. Agency securities	33,997,360	0.154	15.3%
Corporate indebtedness	50,106,450	0.183	22.5%
Local Government Investment Pool (LGIP)	36,557,892	0.003	16.4%
	<u>\$ 222,549,355</u>	<u>0.145</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 LGIP is comprised of a variety of investments, characterized as a Level 2 fair value measurement in the Oregon Short Term Fund's audited financial report.

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 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,

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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, 2021, the District's investments were rated by either Moody's or Standard and Poor's as follows:

Investment Type	Rating	Amount
U.S. Treasury securities	Exempt	\$ 101,887,653
U.S. Agency securities	Aaa/AAA	33,997,360
Corporate indebtedness	Aaa/AAA	14,996,100
	Aa/AA	25,111,150
	A/A	9,999,200
Total corporate indebtedness		50,106,450
Local Government Investment Pool (LGIP)	Not Rated	36,557,892
Total investments		\$ 222,549,355

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). The State of Oregon LGIP is unrated for credit quality. Separate financial statements for the Oregon Short-Term Fund are available from the Oregon State Treasurer and can be found here:

<https://www.oregon.gov/treasury/public-financial-services/oregon-short-term-funds/pages/default.aspx>

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, 2021, more than 5 percent of the District's portfolio was invested in Federal Home Loan Bank Discount Notes. These investments were 15.28% of the District's total investments.

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2021 is as follows:

	Due to Other Funds	Due from Other Funds
General fund	\$ 1,966,454	\$ 11,993,896
Grant fund	9,155,772	-
Debt service fund	-	1,891,729
Capital projects fund	4,420	-
Other governmental funds	3,100,723	-
Internal service funds	3,362	345,106
Total	<u>\$ 14,230,731</u>	<u>\$ 14,230,731</u>

There is a \$8,950,189 interfund balance in the General Fund to fund reimbursable expenditures in the Grant Fund and a \$3,043,707 interfund balance in the General Fund to fund reimbursable expenditures in the Nutrition Services Fund. The remaining \$2,236,835 interfund balances between funds are the result of payroll accruals

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

Interfund transfers for the year ended June 30, 2021 are as follows:

	Transfer in	Transfer out
General fund	\$ -	\$ 4,986,906
Debt service fund	1,338,250	-
Capital projects fund	-	1,168,556
Other governmental funds	970,105	930,105
Internal service fund	4,777,212	-
Total	<u>\$ 7,085,567</u>	<u>\$ 7,085,567</u>

Transfers were made from the Capital Projects Funds to the Debt Service Fund totaling \$1,168,556 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. The General Fund also transferred \$40,000 into the Scholarship Fund to establish a scholarship and \$4,777,212 into the Insurance Reserve Fund to support the internal service fund. The remaining balance of \$926,859 in the Special Purpose Fund was transferred into the Student Body Fund to close the fund. Transfers were also made from the Food Service Fund to the Special Purpose Fund totaling \$2,110 for volunteer donations and from the Student Body Fund to the Scholarship Fund totaling \$1,136 to fund scholarships.

5. CAPITAL ASSETS

Capital assets activity for the year was as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021
Capital assets not being depreciated:				
Land	\$ 71,475,001	\$ 18,500	\$ -	\$ 71,493,501
Construction in progress	91,837,188	14,428,736	(72,001,418)	34,264,506
Total capital assets not being depreciated	<u>163,312,189</u>	<u>14,447,236</u>	<u>(72,001,418)</u>	<u>105,758,007</u>
Capital assets being depreciated:				
Buildings and improvements	1,153,115,851	108,852,913	(124,569)	1,261,844,195
Vehicles and equipment	52,772,413	4,387,687	(260,308)	56,899,792
Total capital assets being depreciated	<u>1,205,888,264</u>	<u>113,240,600</u>	<u>(384,877)</u>	<u>1,318,743,987</u>
Less accumulated depreciation for:				
Buildings and improvements	(310,496,459)	(27,478,512)	64,776	(337,910,195)
Vehicles and equipment	(25,538,979)	(5,419,756)	228,311	(30,730,424)
Total accumulated depreciation	<u>(336,035,438)</u>	<u>(32,898,268)</u>	<u>293,087</u>	<u>(368,640,619)</u>
Total capital assets being depreciated, net	<u>869,852,826</u>	<u>80,342,332</u>	<u>(91,790)</u>	<u>950,103,368</u>
Total capital assets, net	<u>\$ 1,033,165,015</u>	<u>\$ 94,789,568</u>	<u>\$ (72,093,208)</u>	<u>\$ 1,055,861,375</u>

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

Regular programs	\$ 16,702,582
Special programs	4,684,666
Summer school programs	62,265
Student support services	3,243,435
Instructional staff support	851,298
General administration support	139,928
School administration	2,448,162
Business support services	2,817,127
Central activities support	1,452,552
Food services	492,348
Community services	3,488
Custody and care of children services	417
	<u>\$ 32,898,268</u>

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

6. RECEIVABLES

Receivables are comprised of the following as of June 30, 2021:

Account	General Fund	Grant Fund	Debt Service Fund	Capital Projects Fund	Other Governmental Funds	Internal Service Funds	Total
Receivables:							
Intergovernmental receivable	\$ 3,222,474	\$ -	\$ 186,547	\$ 598,725	\$ -	\$ 434,255	\$ 4,442,001
Grants receivable	-	17,447,383	-	-	5,199,299	-	22,646,682
Interest receivable	-	-	-	202,614	-	-	202,614
Other receivable	15,481	-	244	757	346,462	39,897	402,841
Total receivables	3,237,955	17,447,383	186,791	802,096	5,545,761	474,152	27,694,138
Property taxes receivable	3,077,245	-	1,100,645	-	-	-	4,177,890
	<u>\$ 6,315,200</u>	<u>\$ 17,447,383</u>	<u>\$ 1,287,436</u>	<u>\$ 802,096</u>	<u>\$ 5,545,761</u>	<u>\$ 474,152</u>	<u>\$ 31,872,028</u>

7. LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2021 is as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021	Due Within One Year
Governmental activities:					
General obligation bonds	\$ 809,975,265	\$ -	\$ 46,780,000	\$ 763,195,265	\$ 49,845,000
Pension obligation bonds	177,630,000	-	14,805,000	162,825,000	16,100,000
Full faith & credit obligations	16,050,000	-	745,000	15,305,000	775,000
Unamortized premium	43,275,663	-	6,849,961	36,425,702	6,849,961
Total bonds payable, net	1,046,930,928	-	69,179,961	977,750,967	73,569,961
Capital leases	1,291,677	78,599	316,685	1,053,591	344,936
Net pension liability	450,146,458	121,729,576	-	571,876,034	-
OPEB total liability	25,276,847	5,423,534	1,510,590	29,189,791	-
	<u>\$ 1,523,645,910</u>	<u>\$ 127,231,709</u>	<u>\$ 71,007,236</u>	<u>\$ 1,579,870,383</u>	<u>\$ 73,914,897</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, 2021 was \$4.65 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, 2021

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, 2021

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

In 2009, the District issued 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. 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. 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, 2021, 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, 2021

Debt Activity

The following is a summary of long-term debt transactions of governmental activities for the year ended June 30, 2021:

Issue Date	Original Issue	Outstanding at June 30, 2020	Additions	Reductions	Outstanding at June 30, 2021	Interest Rates
General Obligation Bonds:						
August 25, 2011	\$ 42,175,000	\$ 11,295,000	\$ -	\$ 3,585,000	\$ 7,710,000	2.0 - 5.0%
December 11, 2012	126,325,000	23,590,000	-	11,015,000	12,575,000	1.8 - 4.0%
August 7, 2014	361,755,000	48,395,000	-	14,710,000	33,685,000	2.0 - 5.0%
May 11, 2017	38,990,000	35,090,000	-	2,775,000	32,315,000	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	-	14,695,000	418,050,000	0.4 - 2.1%
		809,975,265	-	46,780,000	763,195,265	
Limited Tax Pension Obligation Bonds:						
June 21, 2005	189,935,000	117,180,000	-	11,195,000	105,985,000	4.1 - 4.8%
February 26, 2015	79,220,000	60,450,000	-	3,610,000	56,840,000	0.4 - 4.1%
		177,630,000	-	14,805,000	162,825,000	
Full Faith and Credit Obligation Bonds:						
April 27, 2016	16,260,000	16,050,000	-	745,000	15,305,000	2.0 - 4.0%
		16,050,000	-	745,000	15,305,000	
Total General Obligation and Pension Bonds:		1,003,655,265	-	62,330,000	941,325,265	
Unamortized Premium		43,275,663	-	6,849,961	36,425,702	
Total		\$ 1,046,930,928	\$ -	\$ 69,179,961	\$ 977,750,967	

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
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	70,843,515	19,935,967	90,779,482
2027-2031	303,259,946	95,754,507	399,014,453
2032-2036	313,234,014	77,070,235	390,304,249
	\$ 941,325,265	\$ 289,434,932	\$ 1,230,760,197

9. CAPITAL LEASES

The District 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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

a total cost of approximately \$358,000 and were capitalized over the life of the lease. The fourth set of vehicles were delivered in 2020-21 with a total cost of approximately \$79,000 and were capitalized over the life of the lease. The capital lease obligations were paid from the General Fund.

The District also entered into a lease purchase agreement in June 2021 as lessee for financing the acquisition of \$4.7 million of teacher computers. As of June 30, the computers had been ordered but not delivered to the District under this agreement.

Assets under capital leases as of June 30 include the following:

Assets:	
Vehicles and equipment	\$ 1,968,825
Less accumulated depreciation	(878,111)
Total assets value	<u>\$ 1,090,714</u>

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

Fiscal Year Ending June 30,	Minimum Lease Payments	Less: Amount Representing Interest	Present Value of Minimum Lease Payments
2022	\$ 409,002	\$ (64,066)	\$ 344,936
2023	457,945	(42,657)	415,288
2024	220,212	(17,842)	202,370
2025	76,037	(5,265)	70,772
2026	21,144	(919)	20,225
	<u>\$ 1,184,340</u>	<u>\$ (130,749)</u>	<u>\$ 1,053,591</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)
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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, 2021

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, 2021 were approximately \$53,787,000 excluding amounts to fund employer specific liabilities. Approximately \$23,668,000 was charged for the year ended June 30, 2021 as PERS benefits expenditures to be used for bond payments as they become due. Approximately \$88,704,000 was recognized as employer pension expense during the reporting period.

At June 30, 2021, the District reported a net pension liability of \$571,876,034 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2018, rolled forward to a measurement date of June 30, 2020. 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, 2020, the District's proportion was 2.62 percent, which was an increase of approximately 0.02 percent from its proportion measured as of June 30, 2019.

	Deferred Outflow of Resources	Deferred (Inflow) of Resources	Net
Differences between expected and actual experience	\$ 25,169,464	\$ -	
Changes of assumptions	30,690,779	(1,075,341)	
Net difference between projected and actual earnings on investments	67,245,192	-	
Changes in proportionate share	14,084,976	-	
Differences between employer contributions and employer's proportionate share of system contributions	-	(11,790,660)	
Subtotal - Amortized Deferrals	137,190,411	(12,866,001)	\$ 124,324,410
District contributions subsequent to measurement date	53,786,853	-	53,786,853
Total deferred outflow (inflow) of resources	\$ 190,977,264	\$ (12,866,001)	\$ 178,111,263

The \$53,786,853 reported as deferred outflows of resources related to pensions resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

the next fiscal year. Other 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
2022	\$ 31,271,152
2023	38,108,896
2024	32,366,841
2025	22,385,071
2026	192,450
Total	<u>\$ 124,324,410</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 12, 2021, which can be found at:

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

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>

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, 2018
Measurement date	June 30, 2020
Experience Study	2018, published July 2019
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, 2021

Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category.</p> <p>Active members: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled Retiree, sex-distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>
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(Source: June 30, 2020 Oregon PERS Comprehensive Annual Financial Report; 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 2018 Experience Study which is reviewed for the four-year period ending December 31, 2018.

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, 2020 PERS Comprehensive Annual Financial Report; page 70)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

Assumed Asset Allocation

Asset Class / Strategy	OIC Policy Range	Current Year Target
Debt Securities	15.0 – 25.0%	20.0%
Public Equity	27.5 – 37.5%	32.5%
Real Estate	9.5 – 15.5%	12.5%
Private Equity	14.0 – 21.0%	17.5%
Alternative Equity	7.5 – 17.5%	15.0%
Opportunity Portfolio	0.0 – 3.0%	0.0%
Risk Parity	0.0 – 2.5%	2.5%
Total		100.0 %

(Source: June 30, 2020 Oregon PERS Comprehensive Annual Financial Report; page 102)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in May 2019 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, 2020 Oregon PERS Comprehensive Annual Financial Report; page 70)

Asset Class	Target Allocation	Annual Arithmetic Return	20-Year Annualized Geometric Mean	Standard Deviation
Core Fixed Income	9.60 %	4.14 %	4.07 %	3.90 %
Short-Term Bonds	9.60	3.70	3.68	2.10
Bank / Leveraged Loans	3.60	5.40	5.19	6.85
High Yield Bonds	1.20	6.13	5.74	9.35
Large / Mid Cap US Equities	16.17	7.35	6.30	15.50
Small Cap US Equities	1.35	8.35	6.68	19.75
Microcap US Equities	1.35	8.86	6.79	22.10
Developed Foreign Equities	13.48	8.30	6.91	17.95
Emerging Market Equities	4.24	10.35	7.69	25.35
Non-US Small Cap Equities	1.93	8.81	7.25	19.10
Private Equity	17.50	11.95	8.33	30.00
Real Estate (Property)	10.00	6.19	5.55	12.00
Real Estate (REITS)	2.50	8.29	6.69	21.00
Hedge Fund of Funds - Diversified	1.50	4.28	4.06	6.90
Hedge Fund - Event-Driven	0.38	5.89	5.59	8.10
Timber	1.13	6.36	5.61	13.00
Farmland	1.13	6.87	6.12	13.00
Infrastructure	2.25	7.51	6.67	13.85
Commodities	1.13	5.34	3.79	18.70
Assumed Inflation - Mean			2.50 %	1.65 %

(Source: June 30, 2020 Oregon PERS Comprehensive Annual Financial Report; 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

BEAVERTON SCHOOL DISTRICT
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JUNE 30, 2021

be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

	Decrease 1% 6.20%	Current Rate 7.20%	Increase 1% 8.20%
District's proportionate share of the net pension liability / (asset)	\$ 849,188,681	\$ 571,876,034	\$ 339,336,526

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, 2021.

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	\$ 29,189,791	\$ -	\$ 29,189,791
Net OPEB Asset	-	5,207,786	5,207,786
OPEB Deferred Outflows of Resources	4,336,381	679,962	5,016,343
OPEB Deferred Inflows of Resources	6,750,656	824,268	7,574,924
OPEB Expense	189,208	(1,003,704)	(814,496)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
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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 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, 2019, the date of the most recent valuation, there were 5,086 active and 201 retired members in the plan.

Total OPEB Liability

The District’s total OPEB liability of \$29,189,791 was determined by an actuarial valuation as of July 1, 2019, adjusted to a measurement date of June 30, 2020.

Actuarial assumptions and other inputs

The total OPEB liability measured as of June 30, 2020 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, 2020
Inflation	2.50%
Projected salary growth	2.75%
Discount rate	2.21%
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
Mortality	Healthy Annuitant – Pub-2010 Healthy Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex Social Security Data Scale <ul style="list-style-type: none"> • Male Beneficiary – General, set back 12 months • Male Member – Teachers, no set back • Female Beneficiary – General, no set back • Female Member – Teachers, no set back

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

	<p>Disabled Retiree – Pub-2010 Disabled Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex Social Security Data Scale</p> <ul style="list-style-type: none"> • Male Member – Non-Safety, set forward 24 months • Female Member – Non-Safety, set forward 12 months <p>Non-Annuitant – Pub-2010 Employee, Sex Distinct, headcount-weighted, Generational Projection with Unisex Social Security Data Scale</p> <ul style="list-style-type: none"> • Male Member – 120% of same table and set back as Healthy Annuitant assumption • Female member – 100% of same table and set back as Healthy Annuitant assumption
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, 2021 reporting date is 2.21%, 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, 2020	\$ 25,276,847
Changes for the year:	
Service cost	1,455,408
Interest on total OPEB liability	909,421
Effect of changes to benefit terms	-
Effect of economic/demographic gains or losses	-
Effect of assumptions changes or inputs	3,058,705
Benefit payments	(1,510,590)
Balance as of June 30, 2021	<u>\$ 29,189,791</u>

The effects of assumptions changes or inputs reflect a change in the discount rate from 3.50% to 2.21%.

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% 1.21%	Current Rate 2.21%	Increase 1% 3.21%
District's total OPEB liability (asset)	<u>\$ 31,764,448</u>	<u>\$ 29,189,791</u>	<u>\$ 26,799,462</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, 2021

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)	\$ 25,739,844	\$ 29,189,791	\$ 33,319,832

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

For the year ended June 30, 2021, the District recognized an OPEB expense of \$189,208 related to the PHIS OPEB. At June 30, 2021, 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	\$ 251,200	\$ -	
Changes of assumptions	2,681,087	(6,750,656)	
Subtotal - Amortized Deferrals	2,932,287	(6,750,656)	\$ (3,818,369)
District contributions subsequent to measurement date	1,404,094	-	1,404,094
Total deferred outflow (inflow) of resources	\$ 4,336,381	\$ (6,750,656)	\$ (2,414,275)

The \$1,404,094 reported as deferred outflows of resources related to PHIS OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to PHIS OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2022	\$ (771,527)
2023	(771,527)
2024	(771,527)
2025	(771,527)
2026	(602,997)
Thereafter	(129,264)
Total	\$ (3,818,369)

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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 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, 2021, 2020, and 2019, were approximately \$71,000, \$67,000, and \$1,282,000 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, 2021, the District reported an asset of \$5,207,786 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2020, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2018, 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 2.56%, changed from 2.59% for the prior measurement date.

For the year ended June 30, 2021, the District recognized OPEB expense reduction of \$1,003,704 related to the RHIA OPEB. At June 30, 2021, 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	\$ -	\$ (532,387)	
Changes of assumptions	-	(276,819)	
Net difference between projected and actual earnings on investments	579,147	-	
Changes in proportionate share	30,227	(15,062)	
Subtotal - Amortized Deferrals	609,374	(824,268)	\$ (214,894)
District contributions subsequent to measurement date	70,588	-	70,588
Total deferred outflow (inflow) of resources	\$ 679,962	\$ (824,268)	\$ (144,306)

The \$70,588 reported as deferred outflows of resources related to RHIA OPEB resulting from District contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the next fiscal

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to RHIA OPEB will be recognized in OPEB expense as follows:

Fiscal year ending June 30,	Amount
2022	\$ (517,244)
2023	(94,423)
2024	214,087
2025	182,686
Total	<u>\$ (214,894)</u>

Actuarial assumptions and other inputs

The net OPEB liability measured as of June 30, 2020 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, 2018
Measurement date	June 30, 2020
Experience Study	2018, published July 24, 2019
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: 32%; Disabled retirees: 20%
Healthcare cost trend rate	Not applicable. Statute stipulates \$60 monthly payment for healthcare insurance.
Mortality	<p>Healthy retirees and beneficiaries: Pub-2010 Healthy Retiree, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Active members: Pub-2010 Employees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: Pub-2010 Disabled retirees, sex distinct, generational with Unisex, Social Security Data Scale, with job category adjustments and set-backs as described in the valuation.</p>

(Source: June 30, 2020 Oregon PERS Comprehensive Annual Financial Report; Table 28; page 73)

Discount Rate

The discount rate used to measure the net OPEB liability at June 30, 2020 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 May 2019 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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, 2020 Oregon PERS Comprehensive Annual Financial Report; page 72)

Sensitivity Analysis

Sensitivity of the District's proportionate share of net OPEB liability 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:

	Decrease 1% 6.20%	Current Rate 7.20%	Increase 1% 8.20%
District's proportionate share of net OPEB liability (asset)	<u>\$ (4,204,411)</u>	<u>\$ (5,207,786)</u>	<u>\$ (6,065,714)</u>

Sensitivity of the District's proportionate share of net OPEB liability to changes in the healthcare cost trend rates. The District's proportionate share of net OPEB asset for the Retirement Health Insurance Account is \$5,207,786. The ORS stipulates a \$60 monthly payment, so there would be no change to the proportionate share of net OPEB liability 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, 2021, all of which are considered due within one year, as follows:

	Balance June 30, 2020	Additions	Reductions	Balance June 30, 2021
Compensated Absences	<u>\$ 5,061,051</u>	<u>\$ 5,616,372</u>	<u>\$ (4,597,162)</u>	<u>\$ 6,080,261</u>

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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

- 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, 2021. 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.

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

	2021	2020	2019
Accrued claims losses, July 1	\$ 3,162,000	\$ 3,152,000	\$ 2,690,000
Inurred claims, including an estimate of claims incurred but not reported (IBNR)	3,340,195	2,654,796	3,271,479
Claims payments	(2,362,195)	(2,644,796)	(2,809,479)
Accrued claim losses, June 30	<u>\$ 4,140,000</u>	<u>\$ 3,162,000</u>	<u>\$ 3,152,000</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 (ADM_r). 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 (ADM_w) of the District compared to that of the State totals, using either the current year ADM_w or the prior year ADM_w (if higher) for each District. For 2020-21, the District had estimated ADM_w of 47,000 and an extended ADM_w of 48,840. The Statewide estimated ADM_w is 709,082. For 2019-20, the District had a finalized ADM_w of 48,840 within the Statewide ADM_w of 704,654. The COVID-19 pandemic caused the reduction in the District ADM_w as well as the state ADM_w, and 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 \$872,000 under agreements entered into by Washington County for the fiscal year ended June 30, 2021.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

16. COMMITMENTS AND CONTINGENCIES

The District is committed under various accepted bid agreements and contracts for approximately \$39.7 million for goods, services, and construction of facilities, as follows:

General fund	\$ 8,518,842
Grant fund	10,804,267
Capital projects fund	19,101,753
Other governmental funds	591,490
Internal service funds	731,916
Total	<u>\$ 39,748,268</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 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, 2021, the District implemented the following new accounting standards:

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.

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.

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).

For the fiscal year ended June 30, 2021, the District completed implementation of the following new accounting standards that had 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.

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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

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. 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.

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. 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.

19. RESTATEMENT OF PRIOR YEAR NET POSITION

The District had previously recorded the Scholarship Fund as the Fiduciary Fund – Private Purpose Trust Fund in 2019-20. Per the GASB 84 determination, the Scholarship Fund is not a fiduciary fund and should now be recorded as a special purpose governmental fund. A restatement of the prior year net position was required to record the Scholarship Fund net position as part of the government-wide net position.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2021

The total restatement for the government-wide financial statements is as follows:

Net Position - July 1, 2020 as originally reported	\$ (83,447,939)
Addition of Scholarship Fund	<u>377,129</u>
Net Position - July 1, 2020 as restated	<u><u>\$ (83,070,810)</u></u>

The total restatement for the governmental financial statements is as follows:

	General Fund	Debt Service Fund	Capital Projects Fund	Nonmajor Governmental Funds	Total
Fund Balance - July 1, 2020 as originally	\$ 62,573,892	\$ 2,321,620	\$ 141,570,125	\$ 7,415,870	\$ 213,881,507
Addition of Scholarship Fund	-	-	-	377,129	377,129
Fund Balance - July 1, 2020 as restated	<u>\$ 62,573,892</u>	<u>\$ 2,321,620</u>	<u>\$ 141,570,125</u>	<u>\$ 7,792,999</u>	<u>\$ 214,258,636</u>



REQUIRED SUPPLEMENTARY INFORMATION



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS
JUNE 30, 2021

Year ended June 30,	Employer's proportion of the net pension liability (NPL)	Employer's proportionate share of the net pension liability (NPL) ¹	Covered payroll ²	NPL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total pension liability
2021	2.62%	\$ 571,876,034	\$ 279,841,650	204.4%	75.8%
2020	2.60%	450,146,458	293,949,194	153.1%	80.2%
2019 ⁶	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 ⁵	2.24%	336,425,374	243,813,517	138.0%	80.5%
2016 ⁴	2.05%	117,982,257	219,944,988	53.6%	91.9%
2015 ³	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, 2021

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
2021	\$ 53,786,853	\$ 53,786,853	\$ -	\$ 288,434,742	18.6%
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.

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

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

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

⁴ 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.

⁵ 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%.

⁶ 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, 2021

Year ended June 30,	District's proportion of the net OPEB liability	District's proportionate share of the net OPEB liability (NOL) ¹	Covered payroll ²	NOL as a percentage of covered payroll	Plan fiduciary net position as a percentage of the total OPEB liability
2021	2.56%	\$ (5,207,786)	\$ 279,841,650	-1.9%	150.1%
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, 2021

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
2021	\$ 70,588	\$ 70,588	\$ -	\$ 288,434,742	0.0%
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.

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

² 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, 2021
(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
2021	\$ 1,455	\$ 909	\$ -	\$ -	\$ 3,060	\$ (1,511)	\$ 3,913
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, 2021
(DOLLAR AMOUNTS IN THOUSANDS)

Year ended June 30,	Total OPEB liability beginning	Net change in total liability	Total OPEB liability ending	Covered employee payroll ²	Total OPEB liability as percentage of covered payroll	Discount rate
2021	\$ 25,277	\$ 3,913	\$ 29,190	\$ 279,842	10.4%	2.21%
2020	30,279	(5,002)	25,277	293,949	8.6%	3.50%
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.

There are no assets accumulated in a trust to pay related benefits for this plan.

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

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

² 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, 2021**

	Budgetary Funds		Total (reported as General Fund)
	General Fund	Long-Term Planning	
REVENUES:			
Property taxes	\$ 150,626,256	\$ -	\$ 150,626,256
Local option levy	35,807,436	-	35,807,436
Intermediate sources	12,283,925	-	12,283,925
State sources	293,944,334	1,620,473	295,564,807
Charges for services	468,443	309,371	777,814
Rentals	183,968	-	183,968
Investment earnings	554,258	15,741	569,999
Contributions and donations	6,014	-	6,014
Recovery of prior years' expenditures	34,113	1,500	35,613
Other	1,596,658	129	1,596,787
TOTAL REVENUES	495,505,405	1,947,214	497,452,619
EXPENDITURES:			
Current:			
Instruction	297,491,681	-	297,491,681
Support services	163,500,329	1,652,495	165,152,824
Enterprise and community services	2,887	-	2,887
Debt service:			
Principal	316,686	-	316,686
Interest	83,238	-	83,238
TOTAL EXPENDITURES	461,394,821	1,652,495	463,047,316
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	34,110,584	294,719	34,405,303
OTHER FINANCING SOURCES (USES):			
Sale of or compensation for loss of capital assets	-	200,000	200,000
Transfers out	(4,986,906)	-	(4,986,906)
Issuance of capital leases	78,599	-	78,599
TOTAL OTHER FINANCING SOURCES (USES)	(4,908,307)	200,000	(4,708,307)
NET CHANGE IN FUND BALANCES	29,202,277	494,719	29,696,996
FUND BALANCE, July 1, 2020	56,424,054	6,149,838	62,573,892
FUND BALANCE, June 30, 2021	\$ 85,626,331	\$ 6,644,557	\$ 92,270,888

BEAVERTON SCHOOL DISTRICT
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(GAAP BASIS)**
GENERAL FUND
YEAR ENDED JUNE 30, 2021

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
REVENUES:				
Property taxes	\$ 149,000,000	\$ 149,000,000	\$ 150,626,256	\$ 1,626,256
Local option levy	35,300,000	35,300,000	35,807,436	507,436
Intermediate sources	12,551,064	12,551,064	12,283,925	(267,139)
State sources	295,814,737	295,814,737	293,944,334	(1,870,403)
Charges for services	2,585,100	2,585,100	468,443	(2,116,657)
Rentals	1,120,000	1,120,000	183,968	(936,032)
Investment earnings	1,600,000	1,600,000	554,258	(1,045,742)
Contributions and donations	-	-	6,014	6,014
Recovery of prior years' expenditures	50,000	50,000	34,113	(15,887)
Other	1,955,000	1,955,000	1,596,658	(358,342)
Total revenues	499,975,901	499,975,901	495,505,405	(4,470,496)
EXPENDITURES:				
Instruction	320,230,185	320,230,185	297,491,681	22,738,504
Support services	182,761,294	181,011,294	163,500,329	17,510,965
Enterprise and community services	250,000	250,000	2,887	247,113
Facilities acquisition and construction	100,000	100,000	-	100,000
Debt service:				
Principal	1,395,000	1,395,000	316,686	1,078,314
Interest	185,000	185,000	83,238	101,762
Contingencies	26,744,516	26,744,516	-	26,744,516
Total expenditures	531,665,995	529,915,995	461,394,821	68,521,174
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(31,690,094)	(29,940,094)	34,110,584	64,050,678
OTHER FINANCING SOURCES (USES):				
Transfers out	(4,711,906)	(6,461,906)	(4,986,906)	1,475,000
Issuance of capital leases	4,452,000	4,452,000	78,599	(4,373,401)
TOTAL OTHER FINANCING SOURCES (USES)	(259,906)	(2,009,906)	(4,908,307)	(2,898,401)
NET CHANGE IN FUND BALANCE	(31,950,000)	(31,950,000)	29,202,277	61,152,277
FUND BALANCE, July 1, 2020	31,950,000	31,950,000	56,424,054	24,474,054
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 85,626,331	\$ 85,626,331

Note: GAAP serves as the basis of budgeting.

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****GRANT FUND****YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Intermediate sources	\$ 1,126,355	\$ 1,126,355	\$ 239,339	\$ (887,016)
State sources	57,732,602	57,732,602	23,824,022	(33,908,580)
Federal sources	28,957,086	33,723,082	24,339,530	(9,383,552)
Contributions and donations	2,187,529	2,187,529	1,033,163	(1,154,366)
Total revenues	90,003,572	94,769,568	49,436,054	(45,333,514)
EXPENDITURES:				
Instruction	44,589,448	44,589,448	28,711,943	15,877,505
Support services	29,894,962	29,894,962	14,924,021	14,970,941
Enterprise and community services	854,425	5,620,421	3,013,783	2,606,638
Facilities acquisition and construction	14,664,737	14,664,737	2,786,307	11,878,430
Total expenditures	90,003,572	94,769,568	49,436,054	45,333,514
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, July 1, 2020	-	-	-	-
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ -	\$ -

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, 2021

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
REVENUES:				
Property taxes	\$ 65,903,199	\$ 65,903,199	\$ 67,493,267	\$ 1,590,068
Intermediate sources	-	-	97,640	97,640
Investment earnings	325,000	325,000	156,365	(168,635)
Services to other funds	22,490,150	22,490,150	23,677,219	1,187,069
Total revenues	88,718,349	88,718,349	91,424,491	2,706,142
EXPENDITURES:				
Debt service:				
Principal	62,330,000	62,330,000	62,330,000	-
Interest	28,876,599	28,876,599	28,870,390	6,209
Total expenditures	91,206,599	91,206,599	91,200,390	6,209
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,488,250)	(2,488,250)	224,101	2,712,351
OTHER FINANCING SOURCES (USES):				
Transfers in	1,338,250	1,338,250	1,338,250	-
TOTAL OTHER FINANCING SOURCES (USES)	1,338,250	1,338,250	1,338,250	-
NET CHANGE IN FUND BALANCE	(1,150,000)	(1,150,000)	1,562,351	2,712,351
FUND BALANCE, July 1, 2020	1,150,000	1,150,000	2,321,620	1,171,620
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 3,883,971	\$ 3,883,971

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2021

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
REVENUES:				
Construction excise tax	\$ 3,475,000	\$ 3,475,000	\$ 2,780,732	\$ (694,268)
Rentals	32,000	32,000	72,054	40,054
Investment earnings	3,011,000	3,011,000	273,366	(2,737,634)
Contributions and donations	1,300,000	1,300,000	280,945	(1,019,055)
Recovery of prior years' expenditures	-	-	3,691,709	3,691,709
Other	1,000,000	1,000,000	87,922	(912,078)
Total revenues	8,818,000	8,818,000	7,186,728	(1,631,272)
EXPENDITURES:				
Support services	3,200,422	3,200,422	587,765	2,612,657
Facilities acquisition and construction	150,471,022	150,471,022	56,391,695	94,079,327
Total expenditures	153,671,444	153,671,444	56,979,460	96,691,984
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(144,853,444)	(144,853,444)	(49,792,732)	95,060,712
OTHER FINANCING SOURCES (USES):				
Sale of or compensation for loss of capital assets	200,000	200,000	287,858	87,858
Transfers out	(1,168,556)	(1,168,556)	(1,168,556)	-
TOTAL OTHER FINANCING SOURCES (USES)	(968,556)	(968,556)	(880,698)	87,858
NET CHANGE IN FUND BALANCE	(145,822,000)	(145,822,000)	(50,673,430)	95,148,570
FUND BALANCE, July 1, 2020	145,822,000	145,822,000	141,570,125	(4,251,875)
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 90,896,695	\$ 90,896,695

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, 2021

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
REVENUES:				
State sources	\$ -	\$ -	\$ 1,620,473	\$ 1,620,473
Charges for services	300,000	300,000	309,371	9,371
Investment earnings	5,000	5,000	15,741	10,741
Recovery of prior years' expenditures	-	-	1,500	1,500
Other	-	-	129	129
Total revenues	305,000	305,000	1,947,214	1,642,214
EXPENDITURES:				
Instruction	50,000	50,000	-	50,000
Support services	4,320,000	4,320,000	1,652,495	2,667,505
Facilities acquisition and construction	200,000	200,000	-	200,000
Contingencies	3,823,243	3,823,243	-	3,823,243
Total expenditures	8,393,243	8,393,243	1,652,495	6,740,748
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,088,243)	(8,088,243)	294,719	8,382,962
OTHER FINANCING SOURCES (USES):				
Sale of or compensation for loss of capital assets	-	-	200,000	200,000
Transfers in	1,515,000	1,515,000	-	(1,515,000)
TOTAL OTHER FINANCING SOURCES (USES)	1,515,000	1,515,000	200,000	(1,315,000)
NET CHANGE IN FUND BALANCE	(6,573,243)	(6,573,243)	494,719	7,067,962
FUND BALANCE, July 1, 2020	6,573,243	6,573,243	6,149,838	(423,405)
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 6,644,557	\$ 6,644,557

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

JUNE 30, 2021

	Budgetary Funds		Total (reported as General Fund)
	General Fund	Long-Term Planning	
ASSETS			
Equity in pooled cash and investments	\$ 115,943,224	\$ 6,645,746	\$ 122,588,970
Receivables	3,237,366	589	3,237,955
Property taxes receivable	3,077,245	-	3,077,245
Due from other funds	11,993,896	-	11,993,896
TOTAL ASSETS	\$ 134,251,731	\$ 6,646,335	\$ 140,898,066
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES			
Liabilities:			
Accounts payable	\$ 3,298,199	\$ 1,778	\$ 3,299,977
Accrued salaries and benefits	41,031,856	-	41,031,856
Due to other funds	1,966,454	-	1,966,454
Other liabilities	9,565	-	9,565
TOTAL LIABILITIES	46,306,074	1,778	46,307,852
Deferred Inflows of Resources:			
Property tax revenue	2,319,326	-	2,319,326
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	48,625,400	1,778	48,627,178
Fund Balances:			
Committed	-	6,644,557	6,644,557
Unassigned	85,626,331	-	85,626,331
TOTAL FUND BALANCES	85,626,331	6,644,557	92,270,888
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 134,251,731	\$ 6,646,335	\$ 140,898,066

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 & Special Purpose Fund – accounts for the receipts and disbursements of the various schools' student body activity funds, as well as the District's individual school. Principal revenue sources are fundraising and donations. Previously known as the Student Body Fund.

Special Purpose Fund – previously accounts for the District's individual school activity programs. The balance in this fund was transferred into the Student Body & Special Purpose Fund in 2020-21.

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.

Scholarships Fund – accounts for fundraising and scholarship resources received and held by the District. Disbursements from this fund are made in accordance with the trust and fundraising agreements.

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 and other federal grants received through the State of Oregon.



BEAVERTON SCHOOL DISTRICT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
JUNE 30, 2021

	Special Revenue Funds					Total
	Student Body & Special Purpose	Special Purpose	Categorical	Scholarships	Nutrition Services	
ASSETS						
Equity in pooled cash and investments	\$ 4,528,883	\$ -	\$ 4,463,619	\$ 450,033	\$ 198	\$ 9,442,733
Receivables	340,374	-	-	-	5,205,387	5,545,761
Inventories	-	-	-	-	759,225	759,225
TOTAL ASSETS	\$ 4,869,257	\$ -	\$ 4,463,619	\$ 450,033	\$ 5,964,810	\$ 15,747,719
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ 270,073	\$ -	\$ 26,570	\$ 17,000	\$ 104,185	\$ 417,828
Accrued salaries and benefits	96,211	-	-	-	863,291	959,502
Due to other funds	6,708	-	-	-	3,094,015	3,100,723
Unearned revenue	-	-	3,103,841	-	-	3,103,841
Other liabilities	15,638	-	-	-	437,635	453,273
TOTAL LIABILITIES	388,630	-	3,130,411	17,000	4,499,126	8,035,167
Fund Balances:						
Nonspendable	-	-	-	-	759,225	759,225
Restricted	4,480,627	-	-	433,033	-	4,913,660
Committed	-	-	1,333,208	-	706,459	2,039,667
TOTAL FUND BALANCES	4,480,627	-	1,333,208	433,033	1,465,684	7,712,552
TOTAL LIABILITIES AND FUND BALANCES	\$ 4,869,257	\$ -	\$ 4,463,619	\$ 450,033	\$ 5,964,810	\$ 15,747,719

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2021

	Special Revenue Funds					
	Student Body & Special Purpose	Special Purpose	Categorical	Scholarships	Nutrition Services	Total
REVENUES:						
State sources	\$ 19,516	\$ -	\$ -	\$ -	\$ 139,259	\$ 158,775
Federal sources	-	-	-	-	11,303,631	11,303,631
Charges for services	1,469,036	-	-	-	-	1,469,036
Investment earnings	-	-	10,030	427	-	10,457
Contributions and donations	882,458	-	-	73,783	15,948	972,189
Recovery of prior years' expenditures	12,746	-	-	-	3,425	16,171
Other	519,428	-	265,766	-	230	785,424
Total revenues	2,903,184	-	275,796	74,210	11,462,493	14,715,683
EXPENDITURES:						
Instruction	2,206,513	-	128,438	-	-	2,334,951
Support services	683,799	-	40,357	-	15,697	739,853
Enterprise and community services	48,865	-	-	59,442	11,278,694	11,387,001
Facilities, acquisition and construction	34,056	-	340,269	-	-	374,325
Total expenditures	2,973,233	-	509,064	59,442	11,294,391	14,836,130
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(70,049)	-	(233,268)	14,768	168,102	(120,447)
OTHER FINANCING SOURCES (USES):						
Transfers in	928,969	-	-	41,136	-	970,105
Transfers out	(1,136)	(926,859)	-	-	(2,110)	(930,105)
TOTAL OTHER FINANCING SOURCES (USES)	927,833	(926,859)	-	41,136	(2,110)	40,000
NET CHANGE IN FUND BALANCES	857,784	(926,859)	(233,268)	55,904	165,992	(80,447)
FUND BALANCE, July 1, 2020	3,622,843	926,859	1,566,476	377,129	1,299,692	7,792,999
FUND BALANCE, June 30, 2021	\$ 4,480,627	\$ -	\$ 1,333,208	\$ 433,033	\$ 1,465,684	\$ 7,712,552

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
STUDENT BODY AND SPECIAL PURPOSE FUND
YEAR ENDED JUNE 30, 2021

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
REVENUES:				
State sources	\$ -	\$ -	\$ 19,516	\$ 19,516
Charges for services	5,300,000	5,300,000	1,469,036	(3,830,964)
Contributions and donations	4,500,000	4,500,000	882,458	(3,617,542)
Recovery of prior years' expenditures	-	-	12,746	12,746
Other	500,000	500,000	519,428	19,428
Total revenues	10,300,000	10,300,000	2,903,184	(7,396,816)
EXPENDITURES:				
Instruction	11,717,560	11,717,560	2,206,513	9,511,047
Support services	1,577,440	1,577,440	683,799	893,641
Enterprise and community services	500,000	500,000	48,865	451,135
Facilities acquisition and construction	2,500,000	2,500,000	34,056	2,465,944
Total expenditures	16,295,000	16,295,000	2,973,233	13,321,767
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,995,000)	(5,995,000)	(70,049)	5,924,951
OTHER FINANCING SOURCES (USES):				
Transfers in	3,005,000	3,005,000	928,969	(2,076,031)
Transfers out	(10,000)	(10,000)	(1,136)	8,864
TOTAL OTHER FINANCING SOURCES (USES)	2,995,000	2,995,000	927,833	(2,067,167)
NET CHANGE IN FUND BALANCE	(3,000,000)	(3,000,000)	857,784	3,857,784
FUND BALANCE, July 1, 2020	3,000,000	3,000,000	3,622,843	622,843
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 4,480,627	\$ 4,480,627

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****SPECIAL PURPOSE FUND****YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
OTHER FINANCING SOURCES (USES):				
Transfers out	\$ (3,000,000)	\$ (3,000,000)	\$ (926,859)	\$ 2,073,141
TOTAL OTHER FINANCING SOURCES (USES)	<u>(3,000,000)</u>	<u>(3,000,000)</u>	<u>(926,859)</u>	<u>2,073,141</u>
NET CHANGE IN FUND BALANCE	(3,000,000)	(3,000,000)	(926,859)	2,073,141
FUND BALANCE, July 1, 2020	<u>3,000,000</u>	<u>3,000,000</u>	<u>926,859</u>	<u>(2,073,141)</u>
FUND BALANCE, June 30, 2021	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CATEGORICAL FUND
YEAR ENDED JUNE 30, 2021

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
REVENUES:				
State sources	\$ 1,000,000	\$ 1,000,000	\$ -	\$ (1,000,000)
Investment earnings	25,000	25,000	10,030	(14,970)
Contributions and donations	1,000,000	1,000,000	-	(1,000,000)
Other	-	-	265,766	265,766
Total revenues	2,025,000	2,025,000	275,796	(1,749,204)
EXPENDITURES:				
Instruction	450,000	450,000	128,438	321,562
Support services	1,050,000	1,050,000	40,357	1,009,643
Facilities acquisition and construction	2,625,000	2,625,000	340,269	2,284,731
Total expenditures	4,125,000	4,125,000	509,064	3,615,936
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,100,000)	(2,100,000)	(233,268)	1,866,732
NET CHANGE IN FUND BALANCE	(2,100,000)	(2,100,000)	(233,268)	1,866,732
FUND BALANCE, July 1, 2020	2,100,000	2,100,000	1,566,476	(533,524)
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 1,333,208	\$ 1,333,208

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****SCHOLARSHIPS FUND****YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Investment earnings	\$ 5,000	\$ 5,000	\$ 427	\$ (4,573)
Contributions and donations	100,000	100,000	73,783	(26,217)
Total revenues	105,000	105,000	74,210	(30,790)
EXPENDITURES:				
Enterprise and community services	490,000	490,000	59,442	430,558
Total expenditures	490,000	490,000	59,442	430,558
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(385,000)	(385,000)	14,768	399,768
OTHER FINANCING SOURCES (USES):				
Transfers in	10,000	10,000	41,136	31,136
TOTAL OTHER FINANCING SOURCES (USES)	10,000	10,000	41,136	31,136
NET CHANGE IN FUND BALANCE	(375,000)	(375,000)	55,904	430,904
FUND BALANCE, July 1, 2020	375,000	375,000	377,129	2,129
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 433,033	\$ 433,033

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NUTRITION SERVICES FUND
YEAR ENDED JUNE 30, 2021

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
State sources	\$ 307,900	\$ 307,900	\$ 139,259	\$ (168,641)
Federal sources	10,857,532	10,857,532	11,303,631	446,099
Charges for services	5,759,000	5,759,000	-	(5,759,000)
Investment earnings	30,000	30,000	-	(30,000)
Contributions and donations	-	-	15,948	15,948
Recovery of prior years' expenditures	-	-	3,425	3,425
Other	5,000	5,000	230	(4,770)
Total revenues	16,959,432	16,959,432	11,462,493	(5,496,939)
EXPENDITURES:				
Support services	15,889	15,889	15,697	192
Enterprise and community services	16,879,570	16,879,570	11,278,694	5,600,876
Contingencies	2,912,163	2,912,163	-	2,912,163
Total expenditures	19,807,622	19,807,622	11,294,391	8,513,231
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,848,190)	(2,848,190)	168,102	3,016,292
OTHER FINANCING SOURCES (USES):				
Transfers out	(5,000)	(5,000)	(2,110)	2,890
TOTAL OTHER FINANCING SOURCES (USES)	(5,000)	(5,000)	(2,110)	2,890
NET CHANGE IN FUND BALANCE	(2,853,190)	(2,853,190)	165,992	3,019,182
FUND BALANCE, July 1, 2020	2,853,190	2,853,190	1,299,692	(1,553,498)
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 1,465,684	\$ 1,465,684



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, 2021

	Insurance Reserve	Workers' Compensation	Total
ASSETS			
Current assets:			
Pooled cash and investments	\$ 4,848,085	\$ 4,385,969	\$ 9,234,054
Receivables	437,510	36,642	474,152
Due from other funds	148,542	196,564	345,106
TOTAL ASSETS	5,434,137	4,619,175	10,053,312
LIABILITIES			
Current liabilities:			
Accounts payable	283,616	31,642	315,258
Accrued claims losses	2,375,000	1,765,000	4,140,000
Accrued salaries and benefits	41,950	2,238	44,188
Due to other funds	3,336	26	3,362
Other liabilities	672,926	-	672,926
TOTAL LIABILITIES	3,376,828	1,798,906	5,175,734
NET POSITION			
Unrestricted	2,057,309	2,820,269	4,877,578
TOTAL NET POSITION	\$ 2,057,309	\$ 2,820,269	\$ 4,877,578

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	Insurance Reserve	Workers' Compensation	Total
OPERATING REVENUES:			
Services to other funds	\$ 2,101,146	\$ 2,595,219	\$ 4,696,365
Recovery of prior years' expenditures	33,208	69,236	102,444
Other	60,012	29,400	89,412
TOTAL OPERATING REVENUES	2,194,366	2,693,855	4,888,221
OPERATING EXPENSES:			
Losses and claims	1,493,727	868,468	2,362,195
Insurance premiums and assessments	3,354,009	127,152	3,481,161
Salaries and benefits	976,498	452,647	1,429,145
Services, supplies and materials	1,020,732	154,361	1,175,093
TOTAL OPERATING EXPENSES	6,844,966	1,602,628	8,447,594
OPERATING INCOME (LOSS)	(4,650,600)	1,091,227	(3,559,373)
NONOPERATING REVENUE:			
Investment earnings	9,143	8,797	17,940
TOTAL NONOPERATING REVENUES	9,143	8,797	17,940
INCOME (LOSS) BEFORE TRANSFERS	(4,641,457)	1,100,024	(3,541,433)
TRANSFERS:			
Transfers in	4,777,212	-	4,777,212
TOTAL TRANSFERS	4,777,212	-	4,777,212
CHANGE IN NET POSITION	135,755	1,100,024	1,235,779
NET POSITION, July 1, 2020	1,921,554	1,720,245	3,641,799
NET POSITION, June 30, 2021	\$ 2,057,309	\$ 2,820,269	\$ 4,877,578

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2021

	Insurance Reserve	Workers' Compensation	Total
CASH FLOWS FROM OPERATING ACTIVITIES:			
Received from interfund services provided	\$ 1,411,934	\$ 2,539,032	\$ 3,950,966
Received from recovery of prior years' expenditures	33,208	69,236	102,444
Paid for goods and services	(4,204,620)	(324,820)	(4,529,440)
Paid to claimants	(1,458,547)	(870,796)	(2,329,343)
Paid to employees	1,502	(452,647)	(451,145)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(4,216,523)	960,005	(3,256,518)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfer from other funds	4,777,212	-	4,777,212
NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES	4,777,212	-	4,777,212
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest received	9,143	8,797	17,940
NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES	9,143	8,797	17,940
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	569,832	968,802	1,538,634
CASH AND CASH EQUIVALENTS, July 1, 2020	4,278,253	3,417,167	7,695,420
CASH AND CASH EQUIVALENTS, June 30, 2021	\$ 4,848,085	\$ 4,385,969	\$ 9,234,054
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (4,650,600)	\$ 1,091,227	\$ (3,559,373)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:			
Changes in assets and liabilities			
Receivables	(435,736)	(23,721)	(459,457)
Due from other funds	(41,148)	(61,447)	(102,595)
Accounts payable	170,121	(43,307)	126,814
Accrued claims losses	978,000	-	978,000
Accrued salaries and benefits	35,180	(2,328)	32,852
Due to other funds	2,564	(419)	2,145
Other liabilities	(274,904)	-	(274,904)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	\$ (4,216,523)	\$ 960,005	\$ (3,256,518)

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****INSURANCE RESERVE FUND****YEAR ENDED JUNE 30, 2021**

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
REVENUES:				
Investment earnings	\$ 30,000	\$ 30,000	\$ 9,143	\$ (20,857)
Services to other funds	2,391,578	2,391,578	2,101,146	(290,432)
Recovery of prior years' expenditures	-	-	33,208	33,208
Other	155,000	155,000	60,012	(94,988)
Total revenues	2,576,578	2,576,578	2,203,509	(373,069)
EXPENDITURES:				
Support services	6,743,482	8,493,482	6,844,966	1,648,516
Facilities acquisition and construction	160,308	160,308	-	160,308
Contingencies	800,000	800,000	-	800,000
Total expenditures	7,703,790	9,453,790	6,844,966	2,608,824
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,127,212)	(6,877,212)	(4,641,457)	2,235,755
OTHER FINANCING SOURCES (USES):				
Transfers in	3,027,212	4,777,212	4,777,212	-
TOTAL OTHER FINANCING SOURCES (USES)	3,027,212	4,777,212	4,777,212	-
NET CHANGE IN FUND BALANCE	(2,100,000)	(2,100,000)	135,755	2,235,755
FUND BALANCE, July 1, 2020	2,100,000	2,100,000	1,921,554	(178,446)
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 2,057,309	\$ 2,057,309

BEAVERTON SCHOOL DISTRICT**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL****WORKERS' COMPENSATION FUND****YEAR ENDED JUNE 30, 2021**

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
REVENUES:				
Investment earnings	\$ 30,000	\$ 30,000	\$ 8,797	\$ (21,203)
Services to other funds	2,829,092	2,829,092	2,595,219	(233,873)
Recovery of prior years' expenditures	80,000	80,000	69,236	(10,764)
Other	-	-	29,400	29,400
Total revenues	2,939,092	2,939,092	2,702,652	(236,440)
EXPENDITURES:				
Support services	3,341,754	3,341,754	1,602,628	1,739,126
Contingencies	897,338	897,338	-	897,338
Total expenditures	4,239,092	4,239,092	1,602,628	2,636,464
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,300,000)	(1,300,000)	1,100,024	2,400,024
NET CHANGE IN FUND BALANCE	(1,300,000)	(1,300,000)	1,100,024	2,400,024
FUND BALANCE, July 1, 2020	1,300,000	1,300,000	1,720,245	420,245
FUND BALANCE, June 30, 2021	\$ -	\$ -	\$ 2,820,269	\$ 2,820,269



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 Funds¹
600 – Internal Service Funds
700 – Trust and Agency Funds¹

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

¹ Beaverton School District did not have any Enterprise Funds or Trust and Agency Funds in the fiscal year.



BEAVERTON SCHOOL DISTRICT
REVENUE SUMMARY - ALL FUNDS
YEAR ENDED JUNE 30, 2021

	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Total
Local Sources						
1111 Current year taxes	\$ 149,236,671	\$ -	\$ 66,896,323	\$ -	\$ -	\$ 216,132,994
1112 Prior year taxes	1,358,637	-	585,995	-	-	1,944,632
1114 Payments in lieu of property taxes	30,949	-	10,949	-	-	41,898
1121 Current year local option levy	35,486,090	-	-	-	-	35,486,090
1122 Prior year local option levy	321,346	-	-	-	-	321,346
1130 Construction excise tax	-	-	-	2,780,732	-	2,780,732
1311 Tuition from individuals	24,750	-	-	-	-	24,750
1312 Tuition from other districts within the state	315,571	-	-	-	-	315,571
1330 Summer school tuition	120,770	-	-	-	-	120,770
1411 Transportation fees from individuals	1,442	-	-	-	-	1,442
1500 Earnings on investments	554,258	26,197	156,366	273,366	17,941	1,028,128
1700 Extracurricular activities	5,910	1,778,407	-	-	-	1,784,317
1910 Rentals	183,968	-	-	72,054	-	256,022
1920 Contributions & Donations	6,014	2,005,352	-	280,945	-	2,292,311
1950 Textbook sales	-	27,547	-	-	-	27,547
1960 Recovery of prior years' expenditures	34,113	17,671	-	3,691,709	102,444	3,845,937
1970 Services to other funds	-	-	23,677,219	-	4,696,365	28,373,584
1980 Fees charged to grants	1,329,649	-	-	-	-	1,329,649
1990 Miscellaneous	267,007	758,006	-	87,922	89,411	1,202,346
Total Local Sources	189,277,145	4,613,180	91,326,852	7,186,728	4,906,161	297,310,066
Intermediate Sources						
2101 County school fund	1,075,817	-	-	-	-	1,075,817
2102 ESD apportionment	10,490,100	-	-	-	-	10,490,100
2104 ESD apportionment - preschool	448,400	-	-	-	-	448,400
2199 Other intermediate sources	269,608	-	97,640	-	-	367,248
2200 Restricted revenue	-	239,339	-	-	-	239,339
Total Intermediate Sources	12,283,925	239,339	97,640	-	-	12,620,904
State Sources						
3101 State school fund	285,817,276	-	-	-	-	285,817,276
3102 State school fund match	-	124,744	-	-	-	124,744
3103 Common school fund	4,534,297	-	-	-	-	4,534,297
3199 Other unrestricted grants-in-aid	3,592,761	-	-	-	-	3,592,761
3222 State school fund - transportation equip	-	1,620,473	-	-	-	1,620,473
3299 Other restricted grants-in-aid	-	23,858,052	-	-	-	23,858,052
Total State Sources	293,944,334	25,603,269	-	-	-	319,547,603
Federal Sources						
4300 Restricted direct from federal	-	141,092	-	-	-	141,092
4500 Restricted through state	-	29,894,014	-	-	-	29,894,014
4700 Federal grants	-	4,805,285	-	-	-	4,805,285
4910 Commodities	-	802,771	-	-	-	802,771
Total Federal Sources	-	35,643,162	-	-	-	35,643,162
Other Sources						
5160 Proceeds from capital leases	78,599	-	-	-	-	78,599
5200 Transfers in	-	970,105	1,338,250	-	4,777,212	7,085,567
5300 Sale/compensation for loss of capital assets	-	200,000	-	287,858	-	487,858
Total Other Sources	78,599	1,170,105	1,338,250	287,858	4,777,212	7,652,024
TOTAL REVENUES	\$ 495,584,003	\$ 67,269,055	\$ 92,762,742	\$ 7,474,586	\$ 9,683,373	\$ 672,773,759

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2021

	Object 100	Object 200	Object 300	Object 400
Instruction				
1110 Elementary programs	\$ 64,790,646	\$ 39,722,389	\$ 23,887	\$ 3,507,763
1120 Middle school programs	29,460,531	17,263,601	48,878	891,978
1130 High school programs	44,617,128	25,410,989	537,019	1,122,821
1140 Pre-kindergarten programs	793,312	613,024	-	69,890
1210 Talented and gifted programs	140,231	63,092	1,910	141,546
1220 Restrictive programs	12,665,455	10,079,558	554,058	154,852
1250 Resource rooms	8,128,621	4,921,142	369	86,456
1280 Alternative education	1,465,282	914,328	7,913,627	214,247
1290 Designated programs	12,900,389	7,702,158	78,880	151,280
1430 Summer school - high school	127,644	45,544	-	-
1490 Other summer school	-	-	220	-
Total Instruction	<u>175,089,239</u>	<u>106,735,825</u>	<u>9,158,848</u>	<u>6,340,833</u>
Support Services				
2110 Attendance and social work services	3,008,316	2,429,964	222,009	34,640
2120 Guidance services	10,211,592	6,281,107	7,031	45,611
2130 Health services	607,766	474,004	82,388	30,119
2140 Psychological services	2,779,400	1,624,932	173	31,475
2150 Speech pathology and audiology services	4,436,530	2,593,624	35,584	78,874
2160 Other student treatment services	240,254	139,618	939,160	22,889
2190 Service direction - student support services	2,697,242	1,603,584	73,452	348,134
2210 Improvement of instruction services	1,545,177	893,426	4,550	3,620
2220 Educational media services	3,226,359	2,495,022	590	370,441
2230 Assessment and testing	42,538	30,212	-	10,640
2240 Instructional staff development	1,209,701	970,793	181,463	63,648
2310 Board of education services	-	-	158,851	1,211
2320 Executive administration services	1,141,240	659,646	3,721	15,126
2410 Office of the principal services	19,804,469	12,853,440	76,852	458,757
2490 Other support services - school administration	1,601,985	981,499	26,470	38,201
2510 Direction of business support services	250,305	147,108	21	8,880
2520 Fiscal services	1,366,733	806,301	95,955	30,113
2540 Operation and maintenance of plant services	14,449,129	10,023,298	8,749,734	1,510,914
2550 Student transportation services	7,858,620	7,906,977	148,475	656,006
2570 Internal services	576,737	400,205	199,104	3,943
2620 Planning and development services	321,899	187,622	268,427	11,155
2630 Information services	575,474	346,876	8,122	48,224
2640 Staff services	2,117,024	1,293,296	167,728	113,533
2660 Technology services	5,367,175	3,370,627	1,287,612	1,909,897
Total Support Services	<u>85,435,665</u>	<u>58,513,181</u>	<u>12,737,472</u>	<u>5,846,051</u>
Enterprise and Community Services				
3390 Other community services	-	742	2,145	-
Total Enterprise and Community Services	<u>-</u>	<u>742</u>	<u>2,145</u>	<u>-</u>
Other Uses				
5110 Debt Service	-	-	-	-
5200 Transfers of funds	-	-	-	-
Total Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 260,524,904</u>	<u>\$ 165,249,748</u>	<u>\$ 21,898,465</u>	<u>\$ 12,186,884</u>

Continued on next page.

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2021

	Object 500	Object 600	Object 700	Total
Instruction				
1110 Elementary programs	\$ -	\$ 125	\$ -	\$ 108,044,810
1120 Middle school programs	-	4,657	-	47,669,645
1130 High school programs	24,994	37,338	-	71,750,289
1140 Pre-kindergarten programs	-	-	-	1,476,226
1210 Talented and gifted programs	-	754	-	347,533
1220 Restrictive programs	2,831	691	-	23,457,445
1250 Resource rooms	-	-	-	13,136,588
1280 Alternative education	-	1,475	-	10,508,959
1290 Designated programs	-	94,073	-	20,926,780
1430 Summer school - high school	-	-	-	173,188
1490 Other summer school	-	-	-	220
Total Instruction	27,825	139,113	-	297,491,683
Support Services				
2110 Attendance and social work services	-	540	-	5,695,469
2120 Guidance services	-	540	-	16,545,881
2130 Health services	29,694	-	-	1,223,971
2140 Psychological services	-	-	-	4,435,980
2150 Speech pathology and audiology services	-	-	-	7,144,612
2160 Other student treatment services	-	-	-	1,341,921
2190 Service direction - student support services	-	34,394	-	4,756,806
2210 Improvement of instruction services	-	89,698	-	2,536,471
2220 Educational media services	-	1,810	-	6,094,222
2230 Assessment and testing	-	-	-	83,390
2240 Instructional staff development	-	1,540	-	2,427,145
2310 Board of education services	-	22,140	-	182,202
2320 Executive administration services	-	30,844	-	1,850,577
2410 Office of the principal services	-	17,049	-	33,210,567
2490 Other support services - school administration	-	815	-	2,648,970
2510 Direction of business support services	-	4,666	-	410,980
2520 Fiscal services	-	57,605	-	2,356,707
2540 Operation and maintenance of plant services	514,241	24,898	-	35,272,214
2550 Student transportation services	-	72,773	-	16,642,851
2570 Internal services	1,600	6,368	-	1,187,957
2620 Planning and development services	-	1,501	-	790,604
2630 Information services	-	1,206	-	979,902
2640 Staff services	-	4,383	-	3,695,964
2660 Technology services	44,433	5,220	-	11,984,964
Total Support Services	589,968	377,990	-	163,500,327
Enterprise and Community Services				
3390 Other community services	-	-	-	2,887
Total Enterprise and Community Services	-	-	-	2,887
Other Uses				
5110 Debt Service	-	399,924	-	399,924
5200 Transfers of funds	-	-	4,986,906	4,986,906
Total Other Uses	-	399,924	4,986,906	5,386,830
TOTAL EXPENDITURES	\$ 617,793	\$ 917,027	\$ 4,986,906	\$ 466,381,727

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2021

	Object 100	Object 200	Object 300	Object 400
Instruction				
1110 Elementary programs	\$ 3,588,899	\$ 2,169,525	\$ 403,447	\$ 712,329
1120 Middle school programs	1,020,775	602,550	1,508,221	2,131,814
1130 High school programs	2,080,512	1,159,981	618,957	1,092,889
1140 Pre-kindergarten programs	87,540	39,951	-	94,931
1220 Restrictive programs	997,629	662,310	-	9,531
1250 Resource rooms	653,649	375,175	-	-
1270 Educationally disadvantaged	3,152,709	2,034,576	95,298	676,663
1280 Alternative education	76,178	44,198	30,312	4,858
1290 Designated programs	892,514	534,327	143,342	1,187,115
1410 Summer school - elementary school	77,555	26,185	23,250	37,213
1420 Summer school - middle school	5,508	1,922	-	-
1430 Summer School - high school	216,899	71,944	2,211	274,460
1490 Other summer school	118,300	42,495	174,690	285,746
Total Instruction	12,968,667	7,765,139	2,999,728	6,507,549
Support Services				
2110 Attendance and social work services	2,308,776	1,501,101	32,243	19,206
2120 Guidance services	84,108	47,108	150,800	14,230
2130 Health services	1,345,438	780,994	68,886	107,918
2140 Psychological services	105,363	73,769	-	-
2150 Speech pathology and audiology services	43,608	32,389	-	-
2160 Other student treatment services	-	-	502,771	-
2190 Service direction - student support services	568,313	273,957	12,265	9,737
2210 Improvement of instruction services	834,434	388,041	-	142,325
2220 Educational media services	-	-	2,915	136,047
2240 Instructional staff development	605,516	294,212	342,490	60,079
2410 Office of the principal services	30,536	21,130	16,708	161,151
2490 Other support services - school administration	27,187	19,680	51	-
2520 Fiscal services	10,197	5,500	-	-
2540 Operation and maintenance of plant services	79	28	8,879	1,044,504
2550 Student transportation services	96,465	33,198	763	13,433
2570 Internal services	-	-	2,005	-
2630 Information services	-	-	-	9,296
2640 Staff services	378,968	215,309	-	-
2660 Technology services	12,370	7,553	329,762	581,066
Total Support Services	6,451,358	3,693,969	1,470,538	2,298,992
Enterprise and Community Services				
3110 Service area direction	1,036,392	631,455	53,724	810,695
3120 Food preparation and dispensing services	3,116,269	2,924,799	4,307	836,839
3140 Food services - summer school	163,985	56,759	12,178	2,178,411
3390 Other community services	30,577	11,361	63,227	92,518
3500 Custody and care of children	3,653	42,820	2,329,235	-
Total Enterprise and Community Services	4,350,876	3,667,194	2,462,671	3,918,463
Facilities Acquisition and Construction				
4150 Building acquisition, construction and improvement services	2,349	769	381,830	71,007
Total Facilities Acquisition and Construction	2,349	769	381,830	71,007
Other Uses				
5200 Transfers of funds	-	-	-	-
Total Other Uses	-	-	-	-
TOTAL EXPENDITURES	\$ 23,773,250	\$ 15,127,071	\$ 7,314,767	\$ 12,796,011

Continued on next page.

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2021

Instruction	Object 500	Object 600	Object 700	Total
1110 Elementary programs	\$ -	\$ 115	\$ 291,974	\$ 7,166,289
1120 Middle school programs	20,887	2,577	-	5,286,824
1130 High school programs	65,027	103,555	45,850	5,166,771
1140 Pre-kindergarten programs	-	-	-	222,422
1220 Restrictive programs	2,769	60	-	1,672,299
1250 Resource rooms	-	-	-	1,028,824
1270 Educationally disadvantaged	-	35	-	5,959,281
1280 Alternative education	-	-	-	155,546
1290 Designated programs	271,920	1,045	-	3,030,263
1410 Summer school - elementary school	-	-	-	164,203
1420 Summer school - middle school	-	-	-	7,430
1430 Summer School - high school	-	-	-	565,514
1490 Other summer school	-	-	-	621,231
Total Instruction	360,603	107,387	337,824	31,046,897
Support Services				
2110 Attendance and social work services	-	-	-	3,861,326
2120 Guidance services	-	270	-	296,516
2130 Health services	-	-	-	2,303,236
2140 Psychological services	-	-	-	179,132
2150 Speech pathology and audiology services	-	-	-	75,997
2160 Other student treatment services	-	-	-	502,771
2190 Service direction - student support services	-	-	-	864,272
2210 Improvement of instruction services	-	-	-	1,364,800
2220 Educational media services	-	30	-	138,992
2240 Instructional staff development	-	-	81,420	1,383,717
2410 Office of the principal services	28,480	150	-	258,155
2490 Other support services - school administration	-	-	-	46,918
2520 Fiscal services	-	1,329,649	-	1,345,346
2540 Operation and maintenance of plant services	-	-	-	1,053,490
2550 Student transportation services	1,955,468	250	-	2,099,577
2570 Internal services	-	-	-	2,005
2630 Information services	-	-	-	9,296
2640 Staff services	-	-	-	594,277
2660 Technology services	5,769	23	-	936,543
Total Support Services	1,989,717	1,330,372	81,420	17,316,366
Enterprise and Community Services				
3110 Service area direction	-	1,568	-	2,533,834
3120 Food preparation and dispensing services	-	-	-	6,882,214
3140 Food services - summer school	-	12	-	2,411,345
3390 Other community services	-	-	-	197,683
3500 Custody and care of children	-	-	-	2,375,708
Total Enterprise and Community Services	-	1,580	-	14,400,784
Facilities Acquisition and Construction				
4150 Building acquisition, construction and improvement services	2,685,416	19,260	-	3,160,631
Total Facilities Acquisition and Construction	2,685,416	19,260	-	3,160,631
Other Uses				
5200 Transfers of funds	-	-	930,105	930,105
Total Other Uses	-	-	930,105	930,105
TOTAL EXPENDITURES	\$ 5,035,736	\$ 1,458,599	\$ 1,349,349	\$ 66,854,783

BEAVERTON SCHOOL DISTRICT
DEBT SERVICE FUNDS (300) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2021

	<u>Object 600</u>	<u>Total</u>
Other Uses		
5110 Debt service	<u>\$ 91,200,390</u>	<u>\$ 91,200,390</u>
Total Other Uses	<u>91,200,390</u>	<u>91,200,390</u>
TOTAL EXPENDITURES	<u><u>\$ 91,200,390</u></u>	<u><u>\$ 91,200,390</u></u>

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2021

	<u>Object 100</u>	<u>Object 200</u>	<u>Object 300</u>	<u>Object 400</u>
Support Services				
2540 Operation and maintenance of plant services	\$ -	\$ -	\$ 438	\$ 57,000
2550 Student transportation services	-	-	-	-
2620 Planning and development services	<u>156,963</u>	<u>93,753</u>	<u>-</u>	<u>-</u>
Total Support Services	<u>156,963</u>	<u>93,753</u>	<u>438</u>	<u>57,000</u>
Facilities Acquisition and Construction				
4110 Service area direction	3,053,275	1,688,097	23,852	178,208
4150 Building acquisition, construction and improvement services	-	-	2,897,134	1,252,829
4180 Other capital items	<u>42,643</u>	<u>24,537</u>	<u>50,146</u>	<u>5,569,647</u>
Total Facilities Acquisition and Construction	<u>3,095,918</u>	<u>1,712,634</u>	<u>2,971,132</u>	<u>7,000,684</u>
Other Uses				
5200 Transfers of funds	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Other Uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u><u>\$ 3,252,881</u></u>	<u><u>\$ 1,806,387</u></u>	<u><u>\$ 2,971,570</u></u>	<u><u>\$ 7,057,684</u></u>

Continued on next page.

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2021

	Object 500	Object 600	Object 700	Total
Support Services				
2540 Operation and maintenance of plant services	\$ -	\$ -	\$ -	\$ 57,438
2550 Student transportation services	279,611	-	-	279,611
2620 Planning and development services	-	-	-	250,716
Total Support Services	279,611	-	-	587,765
Facilities Acquisition and Construction				
4110 Service area direction	-	72,506	-	5,015,938
4150 Building acquisition, construction and improvement services	39,605,146	523,606	-	44,278,715
4180 Other capital items	1,407,458	2,612	-	7,097,043
Total Facilities Acquisition and Construction	41,012,604	598,724	-	56,391,696
Other Uses				
5200 Transfers of funds	-	-	1,168,556	1,168,556
Total Other Uses	-	-	1,168,556	1,168,556
TOTAL EXPENDITURES	\$ 41,292,215	\$ 598,724	\$ 1,168,556	\$ 58,148,017

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2021

	Object 100	Object 200	Object 300	Object 400
Support Services				
2320 Executive administration services	\$ 85,577	\$ 44,559	\$ 115,775	\$ -
2520 Fiscal services	90,801	51,222	720	-
2640 Staff services	163,911	106,268	49,183	-
2690 Other support services	543,148	343,659	499,356	106,927
	<u>883,437</u>	<u>545,708</u>	<u>665,034</u>	<u>106,927</u>
Total Support Services	883,437	545,708	665,034	106,927
TOTAL EXPENDITURES	<u>\$ 883,437</u>	<u>\$ 545,708</u>	<u>\$ 665,034</u>	<u>\$ 106,927</u>

Continued on next page.

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2021

	Object 500	Object 600	Total
Support Services			
2320 Executive administration services	\$ -	\$ -	\$ 245,911
2520 Fiscal services	-	-	142,743
2640 Staff services	-	117	319,479
2690 Other support services	399,621	5,846,750	7,739,461
	<u>399,621</u>	<u>5,846,750</u>	<u>7,739,461</u>
Total Support Services	<u>399,621</u>	<u>5,846,867</u>	<u>8,447,594</u>
TOTAL EXPENDITURES	<u>\$ 399,621</u>	<u>\$ 5,846,867</u>	<u>\$ 8,447,594</u>

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

YEAR ENDED JUNE 30, 2021

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	\$ 6,801,808
Function 2550	-

B Replacement of Equipment - General Fund:

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

\$	15,221
----	--------

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 2020-21 AND 2021-22

	Fiscal Year 2020-21	Fiscal Year 2021-22
<u>Resources</u>		
Local Sources	\$ 191,610,100	\$ 198,640,100
Intermediate Sources	12,551,064	11,736,500
State Sources	295,814,737	286,904,003
Miscellaneous	36,402,000	83,147,408
Total Resources	<u>\$ 536,377,901</u>	<u>\$ 580,428,011</u>
<u>Expenditures</u>		
Salaries	\$ 276,831,737	\$ 279,005,792
Associated Payroll Costs	176,795,656	174,165,734
Purchased Services	28,334,961	28,940,437
Supplies and Materials	19,578,310	22,381,972
Capital Outlay	789,298	784,498
Other Objects	2,591,517	2,844,857
Transfers	4,711,906	3,033,212
Other Uses of Funds	26,744,516	69,271,509
Total Expenditures	<u>\$ 536,377,901</u>	<u>\$ 580,428,011</u>



STATISTICAL SECTION



WE
EXPECT
EXCELLENCE



WE
INNOVATE



WE
EMBRACE
EQUITY



WE
COLLABORATE

STATISTICAL SECTION OVERVIEW

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

<u>Contents</u>	<u>Page</u>
<i>Financial Trends</i> These schedules contain trend information to help the reader understand how financial performance has changed over time.	123
<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.	129
<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.	133
<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.	136
<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.	138

Sources: The information in these schedules is derived from the comprehensive annual financial reports for fiscal years ended June 30, 2012-21, unless otherwise noted.



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

	2021	2020 ^a	2019	2018	2017 ^b
Governmental activities					
Net investment in capital assets	\$ 363,941,382	\$ 356,573,540	\$ 307,682,555	\$ 290,846,498	\$ 268,188,162
Restricted for:					
Debt Service	-	-	1,172,594	-	569,986
Student Body & Special Programs	4,480,627	3,622,843	3,628,068	3,532,119	3,178,608
Scholarships	433,033	377,129	-	-	-
Unrestricted	(487,831,183)	(443,644,322)	(385,553,862)	(324,030,095)	(270,093,399)
Total primary government net position	\$ (118,976,141)	\$ (83,070,810)	\$ (73,070,645)	\$ (29,651,478)	\$ 1,843,357

	2016	2015	2014 ^c	2013 ^d	2012
Governmental activities					
Net investment in capital assets	\$ 262,579,965	\$ 263,555,013	\$ 251,817,765	\$ 218,858,636	\$ 210,353,998
Restricted for:					
Debt Service	1,881,023	2,063,774	2,322,704	2,590,687	3,938,991
Student Body & Special Programs	3,379,994	2,866,864	2,943,385	2,732,183	2,496,967
Scholarships	-	-	-	-	-
Unrestricted	(215,261,216)	(119,174,972)	(228,749,495)	(20,953,952)	(12,888,743)
Total primary government net position	\$ 52,579,766	\$ 149,310,679	\$ 28,334,359	\$ 203,227,554	\$ 203,901,213

Note:

^a Fiscal year 2020 was restated due to GASB 84.

^b Fiscal year 2017 was restated due to GASB 75.

^c Fiscal year 2014 was restated due to GASB 68.

^d 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)

	2021	2020	2019	2018	2017
Expenses					
Governmental activities:					
Instruction:					
Regular programs	\$ 301,704,813	\$ 288,892,592	\$ 279,440,871	\$ 261,781,198	\$ 251,640,423
Special programs	93,251,469	90,491,175	95,302,554	90,816,316	81,559,619
Summer school programs	1,708,621	1,109,484	1,350,107	1,599,044	1,202,441
Total instruction	396,664,903	380,493,251	376,093,532	354,196,558	334,402,483
Support Services:					
Student support services	58,409,842	51,821,053	48,475,828	43,245,977	38,745,667
Instructional staff support	16,446,478	17,777,675	21,880,138	21,579,054	20,507,887
General administration support	2,676,096	2,693,105	2,293,158	2,233,419	2,144,094
School administration	43,089,145	40,686,686	38,378,126	36,716,727	33,442,147
Business support services	66,107,841	67,425,522	65,984,943	62,356,966	56,468,112
Central activities support	30,977,881	29,615,964	27,475,179	24,743,049	21,562,471
Supplemental retirement	-	-	-	9,830	39,736
Total support services	217,707,283	210,020,005	204,487,372	190,885,022	172,910,114
Enterprise and Community Services:					
Food services	13,225,696	14,989,398	15,965,965	14,889,225	14,006,876
Community services	210,475	77,473	7,829	15,453	4,571
Custody and care of children services	2,376,891	-	-	-	-
Total enterprise and community services:	15,813,062	15,066,871	15,973,794	14,904,678	14,011,447
Interest on long-term debt	42,847,357	9,742,394	36,313,634	34,035,456	30,307,560
Total primary government expenses	673,032,605	615,322,521	632,868,332	594,021,714	551,631,604
Program Revenues					
Governmental activities:					
Charges for services					
Instruction	1,693,119	4,499,211	5,428,180	5,270,449	6,031,333
Support Services	566,836	1,321,345	1,251,795	1,562,046	1,428,741
Enterprise and community services	-	3,633,227	5,478,412	4,884,146	4,431,211
Operating grants and contributions	63,896,255	38,950,024	41,978,368	37,291,667	30,565,670
Capital grants and contributions	312,280	314,535	622,611	472,169	361,917
Total primary government program revenues	66,468,490	48,718,342	54,759,366	49,480,477	42,818,872
Net (Expense)/Revenue					
Total primary government net expense	\$ (606,564,115)	\$ (566,604,179)	\$ (578,108,966)	\$ (544,541,237)	\$ (508,812,732)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes levied for general purposes	\$ 150,517,521	\$ 143,814,106	\$ 137,034,319	\$ 128,140,820	\$ 125,870,990
Local option taxes levied for general purposes	35,807,436	34,194,060	33,330,338	31,005,163	28,882,071
Property taxes levied for debt service	67,493,267	60,651,036	62,457,809	58,897,201	52,900,525
Construction excise tax	2,780,732	2,465,595	3,391,946	3,217,459	3,829,430
State school fund - general support	285,817,276	281,611,303	257,695,444	258,157,569	231,739,269
Common school fund	4,534,297	4,036,355	4,499,398	4,191,413	5,011,850
Unrestricted state and local sources	16,099,070	15,954,525	15,218,199	17,260,645	14,767,326
Earnings on investments	1,028,129	6,728,554	12,172,451	4,943,574	2,351,393
Gain on sale of capital asset	487,858	382,800	284,741	298,016	139,540
Miscellaneous	6,093,198	6,388,551	8,605,154	6,934,542	2,377,106
Total primary government	570,658,784	556,226,885	534,689,799	513,046,402	467,869,500
Change in Net Position					
Total primary government	\$ (35,905,331)	\$ (10,377,294)	\$ (43,419,167)	\$ (31,494,835)	\$ (40,943,232)

Continued on the next page.

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

	2016	2015	2014	2013	2012
Expenses					
Governmental activities:					
Instruction:					
Regular programs	\$ 278,194,402	\$ 151,695,546	\$ 171,453,815	\$ 153,974,885	\$ 165,967,152
Special programs	85,436,319	52,710,940	62,155,870	60,687,497	58,727,067
Summer school programs	1,446,450	823,881	746,800	357,718	424,405
Total instruction	365,077,171	205,230,367	234,356,485	215,020,100	225,118,624
Support Services:					
Student support services	39,284,776	21,318,056	25,864,345	24,161,236	25,290,719
Instructional staff support	20,225,200	10,122,238	10,435,278	9,478,534	14,046,573
General administration support	2,325,564	1,453,617	1,560,440	1,445,588	1,453,474
School administration	34,893,849	19,465,092	24,474,041	23,217,806	22,895,754
Business support services	55,384,931	41,631,222	46,057,995	43,841,715	43,878,022
Central activities support	22,841,783	13,373,047	16,829,201	15,844,328	15,304,425
Supplemental retirement	38,011	100,893	796,395	1,357,685	712,529
Total support services	174,994,114	107,464,165	126,017,695	119,346,892	123,581,496
Enterprise and Community Services:					
Food services	15,413,542	11,736,797	12,763,646	12,801,512	12,620,976
Community services	12,273	47,469	138,592	128,385	67,660
Custody and care of children services	-	-	-	-	37,544
Total enterprise and community services:	15,425,815	11,784,266	12,902,238	12,929,897	12,726,180
Interest on long-term debt	36,159,370	34,413,599	16,163,540	35,719,584	24,764,671
Total primary government expenses	591,656,470	358,892,397	389,439,958	383,016,473	386,190,971
Program Revenues					
Governmental activities:					
Charges for services					
Instruction	6,964,291	10,217,286	10,098,793	10,003,939	9,571,654
Support Services	860,873	877,606	904,645	878,076	821,016
Enterprise and community services	4,426,767	4,190,202	4,137,738	4,335,594	4,690,877
Operating grants and contributions	28,805,495	28,314,126	29,592,463	26,430,911	28,815,557
Capital grants and contributions	1,226,334	-	-	-	-
Total primary government program revenues	42,283,760	43,599,220	44,733,639	41,648,520	43,899,104
Net (Expense)/Revenue					
Total primary government net expense	\$ (549,372,710)	\$ (315,293,177)	\$ (344,706,319)	\$ (341,367,953)	\$ (342,291,867)
General Revenues and Other Changes in Net Position					
Governmental activities:					
Property taxes levied for general purposes	\$ 120,530,968	\$ 114,933,952	\$ 110,583,679	\$ 106,074,191	\$ 104,258,668
Local option taxes levied for general purposes	26,192,500	24,213,931	19,060,210	-	-
Property taxes levied for debt service	51,502,850	51,440,929	49,732,072	47,152,740	48,141,562
Construction excise tax	3,069,069	2,997,116	2,407,510	1,863,969	1,157,042
State school fund - general support	228,865,870	216,460,563	199,569,316	172,475,674	167,737,344
Common school fund	4,691,786	3,796,074	3,537,242	3,655,130	3,262,020
Unrestricted state and local sources	13,006,206	15,770,697	12,110,552	8,490,373	17,833,330
Earnings on investments	3,198,636	2,541,728	517,574	503,144	617,642
Gain on sale of capital asset	15,250	200	767,803	-	-
Miscellaneous	1,568,662	4,114,307	1,760,973	3,243,765	3,705,756
Total primary government	452,641,797	436,269,497	400,046,931	343,458,986	346,713,364
Change in Net Position					
Total primary government	\$ (96,730,913)	\$ 120,976,320	\$ 55,340,612	\$ 2,091,033	\$ 4,421,497

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

	2021	2020 ^a	2019	2018	2017
General Fund					
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ -
Committed	6,644,557	6,149,838	24,369,523	22,852,024	21,717,173
Unassigned	85,626,331	56,424,054	16,915,100	29,660,002	38,054,174
Total general fund	\$ 92,270,888	\$ 62,573,892	\$ 41,284,623	\$ 52,512,026	\$ 59,771,347
All Other Governmental Funds					
Non-spendable, reported in:					
Nutrition services fund	\$ 759,225	\$ 836,651	\$ 493,950	\$ 515,050	\$ 287,514
Restricted, reported in:					
Debt service fund	2,711,616	2,276,890	3,363,872	561,085	3,380
Capital projects fund	79,487,229	132,786,906	205,728,055	288,305,160	382,060,011
Student body fund	4,480,627	3,622,843	3,628,068	3,532,119	3,178,608
Scholarship fund	433,033	377,129	-	-	-
Committed, reported in:					
Debt service fund	1,172,355	44,730	73,778	1,638,504	2,153,717
Capital projects fund	11,409,466	8,783,219	6,771,418	8,258,658	4,854,576
Special purpose fund	-	926,859	1,754,025	1,110,005	1,247,371
Categorical fund	1,333,208	1,566,476	2,726,046	2,705,099	2,534,954
Nutrition services fund	706,459	463,041	2,758,146	3,247,047	3,381,526
Total all other governmental funds	\$ 102,493,218	\$ 151,684,744	\$ 227,297,358	\$ 309,872,727	\$ 399,701,657
Total governmental funds	\$ 194,764,106	\$ 214,258,636	\$ 268,581,981	\$ 362,384,753	\$ 459,473,004

	2016	2015	2014	2013	2012
General Fund					
Non-spendable	\$ -	\$ -	\$ -	\$ -	\$ 19,561
Committed	20,852,418	1,599,028	789,822	969,517	1,612,745
Unassigned	42,979,287	55,398,731	31,344,339	7,550,548	7,969,481
Total general fund	\$ 63,831,705	\$ 56,997,759	\$ 32,134,161	\$ 8,520,065	\$ 9,601,787
All Other Governmental Funds					
Non-spendable, reported in:					
Nutrition services fund	\$ 287,230	\$ 290,613	\$ 391,594	\$ 346,922	\$ 363,240
Restricted, reported in:					
Debt service fund	764,450	1,245,261	180,468	595,664	1,788,919
Capital projects fund	261,642,449	407,078,800	1,555,310	11,918,770	17,172,156
Student body fund	3,379,994	2,866,864	2,943,385	2,732,183	2,496,967
Scholarship fund	-	-	-	-	-
Committed, reported in:					
Debt service fund	2,766,289	2,160,737	1,259,156	1,387,645	2,178,252
Capital projects fund	3,218,712	3,110,890	3,965,378	2,360,010	1,761,111
Special purpose fund	838,734	670,848	588,877	715,269	486,347
Categorical fund	688,591	631,280	707,232	1,049,292	829,743
Nutrition services fund	2,961,635	2,816,392	2,986,839	2,973,352	2,874,658
Total all other governmental funds	\$ 276,548,084	\$ 420,871,685	\$ 14,578,239	\$ 24,079,107	\$ 29,951,393
Total governmental funds	\$ 340,379,789	\$ 477,869,444	\$ 46,712,400	\$ 32,599,172	\$ 39,553,180

Note:

^a Fiscal year 2020 was restated due to GASB 84.

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

	2021	2020	2019	2018	2017
Revenues					
Local sources:					
Property taxes	\$ 218,119,523	\$ 204,311,973	\$ 202,636,212	\$ 189,669,800	\$ 177,968,233
Local option levy	35,807,436	34,194,060	33,330,338	31,005,163	28,882,071
Construction excise tax	2,780,732	2,465,595	3,391,946	3,217,459	3,829,430
Investment earnings	1,010,187	6,691,430	12,046,450	4,843,830	2,279,583
Charges for services	2,246,850	8,790,501	11,767,575	11,407,264	7,467,920
Services to other funds	23,677,219	21,762,753	19,535,532	20,374,626	19,795,795
Contributions and donations	2,292,311	3,535,013	5,355,478	5,212,260	3,243,358
Other local revenues	6,469,648	8,227,334	11,113,001	8,933,422	7,814,013
Intermediate sources	12,620,904	12,372,470	12,491,150	12,114,483	10,102,679
State sources	319,547,604	300,638,138	273,870,719	273,744,443	243,417,143
Federal sources	35,643,161	22,747,867	25,888,701	24,170,167	24,406,856
Total Revenues	660,215,575	625,737,134	611,427,102	584,692,917	529,207,081
Expenditures					
Current:					
Instruction	328,538,575	314,700,334	322,031,311	310,493,539	287,283,072
Support services	181,404,463	179,375,571	180,658,052	170,779,264	155,791,952
Enterprise and community services	14,403,671	13,557,428	14,886,084	14,045,480	13,160,253
Debt service					
Principal	62,646,686	44,306,137	39,783,743	44,497,060	41,157,802
Interest	28,953,628	42,405,921	44,274,820	37,526,453	35,381,003
Other debt service	-	2,156,275	-	-	-
Capital outlay					
Facilities acquisition and construction	59,552,327	83,951,295	103,489,877	105,693,226	208,045,840
Total Expenditures	675,499,350	680,452,961	705,123,887	683,035,022	740,819,922
Excess (deficiency) of Revenues over (under) Expenditures	(15,283,775)	(54,715,827)	(93,696,785)	(98,342,105)	(211,612,841)
Other Financing Sources (Uses)					
Sale of or compensation for loss of capital assets	487,858	380,835	272,873	277,750	138,684
Transfers in	2,308,355	19,760,266	4,375,321	3,228,905	3,427,609
Transfers out	(7,085,567)	(22,644,914)	(5,285,321)	(3,228,905)	(4,427,609)
Issuance of capital leases	78,599	358,390	531,140	976,104	3,447,000
Issuance of long-term debt	-	432,745,000	-	-	297,850,265
Premium on long-term debt issued	-	-	-	-	30,270,107
Payment to refunded bond escrow agent	-	(430,584,224)	-	-	-
PERS UAL lump sum payment	-	-	-	-	-
Total Other Financing Sources (Uses)	(4,210,755)	15,353	(105,987)	1,253,854	330,706,056
Net Change in Fund Balances	\$ (19,494,530)	\$ (54,700,474)	\$ (93,802,772)	\$ (97,088,251)	\$ 119,093,215
 Expenditures for capital assets	 \$ 55,715,500	 \$ 82,221,446	 \$ 98,911,794	 \$ 107,103,467	 \$ 203,724,073
 Debt service as a percentage of noncapital expenditures	 14.78%	 14.49%	 13.87%	 14.24%	 14.25%

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)

	2016	2015	2014	2013	2012
Revenues					
Local sources:					
Property taxes	\$ 171,027,470	\$ 166,521,730	\$ 159,534,598	\$ 153,683,804	\$ 150,620,229
Local option levy	26,192,500	24,213,931	19,060,210	-	-
Construction excise tax	3,069,069	2,997,116	2,407,510	1,863,969	1,157,042
Investment earnings	3,153,780	2,512,389	493,400	479,582	584,133
Charges for services	6,261,873	8,208,884	14,459,273	14,533,443	14,482,206
Services to other funds	20,272,819	15,993,367	12,594,515	11,437,776	12,240,643
Contributions and donations	2,954,499	2,437,253	6,713,267	2,543,885	2,351,882
Other local revenues	9,097,126	11,377,538	2,107,157	3,104,806	3,942,717
Intermediate sources	10,454,984	14,746,576	10,387,971	6,687,868	6,644,011
State sources	237,573,946	222,399,682	204,829,139	177,953,309	182,188,683
Federal sources	23,887,298	24,331,919	22,879,196	23,887,026	26,463,475
Total Revenues	513,945,364	495,740,385	455,466,236	396,175,468	400,675,021
Expenditures					
Current:					
Instruction	272,408,774	252,459,576	227,532,904	207,207,837	218,652,203
Support services	142,452,087	131,991,858	118,182,184	111,511,979	116,641,891
Enterprise and community services	13,664,440	13,341,410	12,714,904	12,715,302	12,554,327
Debt service					
Principal	36,742,349	33,850,765	45,375,306	41,348,283	38,323,249
Interest	36,726,785	33,567,947	19,620,481	22,468,382	24,746,840
Other debt service	158,054	544,615	-	1,013,347	281,899
Capital outlay					
Facilities acquisition and construction	147,718,421	42,591,476	16,608,797	6,889,659	5,679,030
Total Expenditures	649,870,910	508,347,647	440,034,576	403,154,789	416,879,439
Excess (deficiency) of Revenues over (under) Expenditures	(135,925,546)	(12,607,262)	15,431,660	(6,979,321)	(16,204,418)
Other Financing Sources (Uses)					
Sale of or compensation for loss of capital assets	8,325	200	767,803	6,312	-
Transfers in	22,002,909	3,121,052	3,581,820	3,177,796	6,929,535
Transfers out	(23,737,909)	(5,351,052)	(5,668,055)	(4,177,796)	(8,564,535)
Issuance of capital leases	-	-	-	-	-
Issuance of long-term debt	16,260,000	461,368,784	-	159,400,000	42,175,000
Premium on long-term debt issued	1,766,329	63,295,961	-	20,961,752	5,668,811
Payment to refunded bond escrow agent	(17,863,763)	-	-	(179,342,751)	(47,560,061)
PERS UAL lump sum payment	-	(78,670,639)	-	-	-
Total Other Financing Sources (Uses)	(1,564,109)	443,764,306	(1,318,432)	25,313	(1,351,250)
Net Change in Fund Balances	\$ (137,489,655)	\$ 431,157,044	\$ 14,113,228	\$ (6,954,008)	\$ (17,555,668)
Expenditures for capital assets	\$ 131,532,269	\$ 35,461,753	\$ 20,107,951	\$ 7,518,248	\$ 6,775,497
Debt service as a percentage of noncapital expenditures	14.17%	14.26%	15.48%	16.13%	15.38%

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

Fiscal Year	Assessed Value - Residential Property	Assessed Value - Personal Property	Total Taxable Value	Total Direct Rate^a
2021	\$ 31,401,604,280	\$ 1,020,110,727	\$ 32,421,715,007	\$ 8.026
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

Fiscal Year	Real Market Value^b - Residential Property	Real Market Value^b - Personal Property	Total Real Market Value	Assessed Value as a Percentage of RMV
2021	\$ 57,414,555,588	\$ 1,086,109,144	\$ 58,500,664,732	55.42%
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

^a Per \$1,000 of assessed value.

^b 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)

District Direct Rates:

Fiscal Year	General Purpose	Local Option	Bonds	Total
2021	\$ 4.693	\$ 1.250	\$ 2.083	\$ 8.026
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

Overlapping Rates:

Fiscal Year	Portland Community College	City of Hillsboro	City of Portland	City of Tigard	Tualatin Hills Park & Recreation	Tualatin Valley Fire & Rescue	City of Beaverton
2021	\$ 0.680	\$ 5.387	\$ 8.165	\$ 3.134	\$ 1.594	\$ 2.117	\$ 4.408
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

Fiscal Year	Washington County	Metro Service District	Tri-Met	Port of Portland	Multnomah County	NW Regional ESD
2021	\$ 2.956	\$ 0.590	\$ -	\$ 0.070	\$ 4.393	\$ 0.154
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

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 2021			June 2012		
	Taxable Assessed		% of Total Taxable	Taxable Assessed		% of Total Taxable
	Value	Rank		Value	Rank	
Nike, Inc.	\$ 1,387,315,304	1	4.5%	\$ 427,000,869	1	1.9%
Maxim Intergrated Products Inc.	153,532,610	5	0.5	96,248,470	9	0.4
PPR Washington Square LLC	123,353,375	6	0.4	109,097,114	7	0.5
Beaverton LLC	108,820,030	7	0.4			
Portland 2 LLC	71,404,990	8	0.2			
Providence Health & Services-Oregon	82,665,792	9	0.3			
MG Pallas Apartments MOS LLC ET AL	65,932,490	10	0.2			
Tektronix Inc				132,532,873	4	0.6
PS Business Parks LP				109,808,499	5	0.5
Bernard Properties Partnership				59,371,003	10	0.3
<u>Public Utilities</u>						
Portland General Electric Co.	235,239,305	2	0.8	140,436,892	3	0.6
Northwest Natural Gas	175,727,000	3	0.6	95,862,600	8	0.4
Comcast Corporation	154,588,000	4	0.5	120,268,600	6	0.5
Frontier Communications				164,978,000	2	0.8
Subtotal of Ten Largest Taxpayers	2,558,578,896		8.2	1,455,604,920		6.6
All Other Taxpayers	28,461,331,784		91.8	20,512,013,941		93.4
Total Assessed Value of Tax District	\$ 31,019,910,680		100.0%	\$ 21,967,618,861		100.0%

Washington County						
Taxpayer	June 2021			June 2012		
	Taxable Assessed		% of Total Taxable	Taxable Assessed		% of Total Taxable
	Value	Rank		Value	Rank	
Intel	\$ 1,941,050,338	1	2.7%	\$ 1,316,340,035	1	5.8%
Nike, Inc.	1,435,297,509	2	2.0	437,733,767	2	1.9
Pacific Realty Associates	417,932,187	4	0.6	299,183,240	5	1.3
Genentech Inc.	273,303,730	7	0.4	239,110,040	7	1.1
Lam Research Corporation	198,542,849	9	0.3			
BV Cen tercall LLC	155,910,754	10	0.2			
Maxim Intergrated Products Inc.				133,369,640	9	0.6
Tektronix Inc				132,546,208	10	0.6
<u>Public Utilities</u>						
Portland General Electric Co.	819,111,924	3	1.1	405,597,504	3	1.8
Northwest Natural Gas	408,827,140	5	0.6	279,691,970	6	1.2
Verizon Communications	299,376,000	6	0.4			
Comcast Corporation	263,248,000	8	0.4	223,356,000	8	1.0
Frontier Communications				350,700,000	4	1.6
Subtotal of Ten Largest Taxpayers	6,212,600,431		8.7	3,817,628,404		16.9
All Other Taxpayers	65,060,763,723		91.3	18,799,385,032		83.1
Total Assessed Value of Tax District	\$ 71,273,364,154		100.0%	\$ 22,617,013,436		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

Fiscal Year	Taxes Levied for the Fiscal Year¹	Collected within the Fiscal Year of the Levy	Percentage of Levy	Collections in Subsequent Years²	Total Collections to Date	Percentage of Levy
2021	\$ 260,249,429	\$ 250,062,137	96.09%	\$ -	\$ 250,062,137	96.09%
2020	245,096,035	235,142,094	95.94	1,843,083	236,985,177	96.69
2019	237,745,442	228,218,302	95.99	2,195,317	230,413,619	96.92
2018	227,729,017	217,437,442	95.48	2,831,929	220,269,371	96.72
2017	213,119,699	203,451,291	95.46	2,592,404	206,043,695	96.68
2016	202,813,119	193,825,317	95.57	2,686,862	196,512,179	96.89
2015	195,294,087	186,692,754	95.60	3,252,233	189,944,987	97.26
2014	183,560,233	174,630,884	95.14	3,755,853	178,386,737	97.18
2013	157,726,841	150,601,309	95.48	3,350,568	153,951,877	97.61
2012	155,139,570	147,593,679	95.14	2,820,484	150,414,163	96.95

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

² 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 ^a
2021	\$ 763,195	\$ 36,426	\$ -	\$ 799,621	1.367%	\$ 2,687
2020	809,975	43,276	-	853,251	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 ^b	FFC Obligation Bonds	Capital Leases	Total Debt			
				Primary Government	As Percentage of Taxable Value	As Percentage of Personal Income ^a	Per Capita ^a
2021	\$ 162,825	\$ 15,305	\$ 1,054	\$ 978,805	3.019%	n/a	\$ 3,289
2020	177,630	16,050	1,292	1,048,223	3.379	n/a	3,560
2019	191,240	16,765	2,079	1,073,505	3.633	2.786%	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.

^a 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.

^b 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, 2021

Governmental Unit	Net Property-Tax Backed Debt Outstanding ^a	Percent Within School District	Estimated Share of Direct and Overlapping Debt ^b
Washington County	\$ 196,818,344	47.88%	\$ 94,040,789
Portland Community College	545,535,000	19.02	105,741,049
Tualatin Hills Park and Recreation District	61,463,970	96.96	59,656,253
City of Beaverton	33,173,396	98.30	32,635,722
Metro	920,585,000	15.18	141,981,825
Tualatin Valley Fire and Rescue	17,325,000	50.63	8,399,784
City of Hillsboro	69,220,000	11.96	8,294,979
City of Tigard	19,107,023	16.70	3,425,335
Multnomah County	690,660,604	0.11	669,250
City of Portland	423,863,607	0.09	421,320
Hillsboro School District	556,907,167	0.01	57,361
Hillsboro School District - Bond	263,751	0.01	236
Subtotal, overlapping debt			<u>455,323,903</u>
Beaverton School District, direct debt ^c			<u>978,804,558</u>
Total direct and overlapping debt			<u>\$ 1,434,128,461</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.

^a 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.

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

^c Direct Debt includes all outstanding long-term debt instruments including bonds, notes, loans, and capital leases.

Source: State of Oregon - Office of the Treasurer

BEAVERTON SCHOOL DISTRICT
LEGAL DEBT MARGIN INFORMATION
 LAST TEN FISCAL YEARS

Fiscal Year	Debt Limit	Total Net Debt		Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt
		Applicable to Limit	Margin		Limit
2021	\$ 4,650,802,846	\$ 763,195,000	\$ 3,887,607,846		16.41%
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	2,887,314,883		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

Legal Debt Margin Calculation for Fiscal Year 2021

Real Market Value	\$ 58,500,664,732	
Debt Limit (7.95% of Real Market Value ¹)		\$ 4,650,802,846
Debt Applicable to Limit		763,195,000
Legal Debt Margin		<u>\$ 3,887,607,846</u>

¹ 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. ^a

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. ^b

Allowable Percentage of Real Market Value:

^a Kindergarten through eighth grade, 9 x .0055

4.95%

^b 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 ^a <i>Estimated</i>	Personal Income ^b <i>(in thousands)</i>	Per Capita	Unemployment Rate ^c <i>(Washington County)</i>
			Personal Income	
2021	297,638	n/a	n/a	n/a
2020	294,437	n/a	n/a	6.5%
2019	291,014	\$ 38,527,576	\$ 64,043	3.0
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

n/a - Information not available as of printing.

^a Bureau of Economic and Business Research and BSD estimates based on PSU Population Research Center data.

^b U.S. Department of Commerce, Bureau of Economic Analysis.

^c 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>	Employees as of			Employees as of		
	December 31, 2020	Rank	% of Total Employment	December 31, 2011	Rank	% of Total Employment
Ten Largest Employers						
Intel Corp.	21,394	1	1.75%	15,228	1	1.38%
Providence Health Services	19,326	2	1.58	13,831	2	1.25
Oregon Health & Science University	17,441	3	1.43	13,283	3	1.20
Legacy Health	12,896	4	1.06	8,250	6	0.75
Nike Inc.	12,000	5	0.98	6,000	8	0.54
Kaiser Permanente	11,910	6	0.98	9,204	5	0.83
Fred Meyer Stores	8,163	7	0.67	9,630	4	0.87
City of Portland	7,409	8	0.61	5,000	10	0.45
Portland Public Schools	7,005	9	0.57	5,101	9	0.46
Beaverton School District	5,646	10	0.46			
Multnomah County				6,310	7	0.57
Subtotal of Ten Largest Employers	123,190		10.09	91,837		8.30
All Other Employers	1,097,477		89.91	1,014,128		91.70
Total Portland PMSA¹ Employment	1,220,667		100.00%	1,105,965		100.00%

¹ 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

	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012
<u>Instruction</u>										
Certified	1,712.4	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
Support	113.4	118.0	125.0	136.1	131.7	127.3	103.0	109.3	98.5	77.7
<u>Special Programs</u>										
Certified	403.9	394.3	448.7	456.2	442.9	420.9	413.0	383.9	393.4	397.7
Support	190.0	216.0	249.2	258.9	260.8	236.1	228.2	213.8	225.1	259.7
Administration	-	-	-	-	-	-	-	-	-	1.0
<u>Student Support Services</u>										
Certified	245.2	237.3	235.3	222.7	219.9	213.8	192.6	176.6	170.8	183.7
Support	120.8	115.1	120.7	112.6	98.2	85.9	73.6	66.6	64.4	76.7
Administration	6.9	6.9	7.0	7.0	6.0	5.0	4.0	4.0	3.9	3.0
<u>Instructional Staff Support</u>										
Certified	45.6	47.7	68.3	62.3	67.8	52.1	32.0	20.3	16.3	71.8
Support	43.4	45.8	48.1	45.9	47.0	47.8	45.5	43.6	43.6	32.8
Administration	3.0	3.0	3.0	4.0	3.8	2.9	3.0	3.0	3.0	2.0
<u>General Administration Support</u>										
Support	5.2	5.4	5.0	5.3	5.7	5.3	5.3	5.0	1.5	5.0
Administration	3.8	3.8	3.8	3.5	3.6	3.7	2.8	2.8	2.8	3.0
<u>School Administration</u>										
Certified	10.7	8.7	9.7	11.7	11.3	9.4	9.2	12.4	15.2	12.9
Support	119.5	119.4	121.1	122.4	120.3	110.2	103.8	103.8	103.1	104.4
Administration	109.8	108.3	113.2	112.4	109.5	103.7	97.3	88.6	83.7	89.3
<u>Business Support Services</u>										
Support										
General Business	20.5	19.2	20.3	17.7	16.8	16.9	16.4	15.0	12.3	16.3
Facilities	254.3	262.8	265.5	257.3	228.8	214.5	208.9	201.6	190.5	206.2
Transportation	164.4	174.6	187.7	185.1	173.1	165.6	167.6	170.1	169.0	176.7
Other Support	10.3	10.3	9.9	10.6	9.8	8.4	7.7	8.8	8.0	9.7
Administration	4.3	4.0	4.7	5.2	5.2	5.3	5.3	4.3	3.7	3.0
<u>Central Activities Support</u>										
Certified	5.1	5.1	5.2	4.8	4.6	5.0	4.5	4.2	4.5	5.3
Support	99.9	99.2	100.2	101.7	99.1	87.7	69.5	67.1	60.0	60.9
Administration	10.6	10.0	9.7	9.9	9.0	8.1	7.8	7.0	7.0	6.5
<u>Food Services</u>										
Support	95.7	103.6	109.4	107.9	101.5	101.2	100.5	102.1	97.8	103.0
Administration	1.0	0.9	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
<u>Community Services & Custody and Care of Children Services</u>										
Certified	-	-	-	-	-	-	0.4	0.4	0.5	0.5
Support	-	-	-	-	-	-	-	1.3	1.1	1.7
<u>Facilities Acquisition and Construction</u>										
Certified	4.8	4.8	5.0	5.0	5.0	4.2	1.0	-	-	-
Support	31.6	27.9	31.0	29.4	33.6	29.5	17.1	4.5	3.6	3.1
Administration	1.0	1.0	1.1	1.0	1.0	1.0	1.0	1.9	1.2	1.0
Total	3,837.1	3,871.0	4,037.5	4,064.9	3,980.5	3,803.2	3,491.4	3,268.8	3,105.4	3,493.7

	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).
Bachelor's Range	\$ 45,911	\$ 86,802	270	
Master's Range	49,845	94,215	2,269	
Average Teacher Salary		\$ 78,162		

Source: Beaverton School District records.

BEAVERTON SCHOOL DISTRICT
OPERATING STATISTICS
 LAST TEN FISCAL YEARS

Fiscal Year	Enrollment	ADMw	Operating Expenditures ^a (in thousands)	Cost per Student	% Change	Expenses ^b (in thousands)	Cost per Student	% Change	Cert. Staff ^c	Student-Certified Staff Teacher Ratio	% of Students Receiving Free or Reduced-Price Meals ^d
2021	39,711	49,141	\$ 524,347	\$ 13,204	6.86%	\$ 675,499	\$ 17,010	3.43%	2,539	15.64	25.77%
2020	41,374	48,843	511,254	12,357	-1.87	680,453	16,446	-4.14	2,523	16.40	33.14
2019	41,101	48,350	519,863	12,593	4.28	705,124	17,156	3.02	2,501	16.43	31.89
2018	41,016	48,493	495,318	12,076	8.29	683,035	16,653	-8.03	2,530	16.21	35.70
2017	40,912	48,743	456,235	11,152	5.98	740,820	18,108	13.47	2,515	16.27	34.50
2016	40,725	48,669	428,525	10,522	5.57	649,871	15,958	25.28	2,436	16.72	37.30
2015	39,910	45,797	397,793	9,967	9.87	508,348	12,737	14.36	2,222	17.96	39.25
2014	39,509	45,088	358,430	9,072	7.92	440,035	11,138	8.93	2,044	19.33	38.70
2013	39,427	44,796	331,435	8,406	-5.62	403,155	10,225	-4.21	1,921	20.53	39.37
2012	39,054	44,823	347,848	8,907	1.64	416,879	10,674	-0.47	2,250	17.36	40.58

^a Operating expenditures are all governmental fund expenditures less debt service and capital outlays.

^b Expenses include capital projects and debt service activity.

^c Includes classroom, music, physical education, special education teachers, and counselors.

^d In 2021, as a part of COVID-19 response, all students received free lunches. Percentage is based on student eligible to receive free or reduced priced meals based on normal guidelines.

Source: Beaverton School District records.

BEAVERTON SCHOOL DISTRICT
CAPITAL ASSET INFORMATION
 LAST TEN FISCAL YEARS

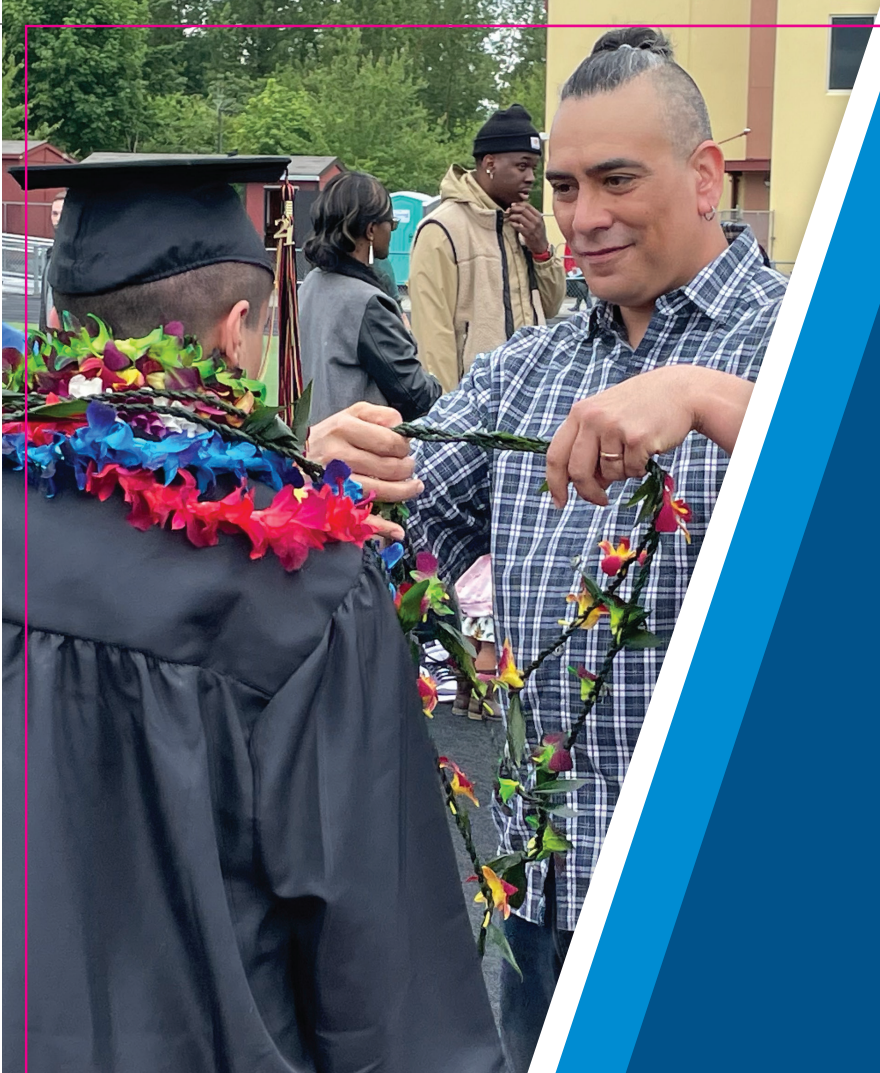
	Fiscal Year										Average Age of Buildings (in years)
	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	
<u>SCHOOLS</u>											
Elementary											
Buildings	34	34	34	34	33	33	33	33	33	33	50
Square feet ^a	2,214	2,214	2,214	2,173	2,040	2,012	2,012	2,012	2,012	2,012	
Capacity	21,438	22,757	22,795	22,609	21,417	21,377	21,312	21,189	21,207	21,207	
Enrollment ^b	16,147	18,129	18,193	18,326	18,073	18,345	17,919	17,987	17,952	17,917	
Percent used	75%	80%	80%	81%	84%	86%	84%	85%	85%	84%	
Middle											
Buildings	9	9	9	9	8	8	8	8	8	8	41
Square feet ^a	1,192	1,192	1,192	1,183	1,017	1,017	1,017	1,017	1,017	1,017	
Capacity	8,258	8,373	8,373	8,366	8,394	8,520	8,394	8,254	8,254	8,254	
Enrollment	7,015	7,656	7,663	7,623	9,356	9,200	9,067	8,870	8,842	8,734	
Percent used	85%	91%	92%	91%	111%	108%	108%	107%	107%	106%	
High											
Buildings	10	10	10	10	9	9	9	9	9	9	53
Square feet ^a	2,025	1,929	1,929	1,999	1,669	1,653	1,653	1,653	1,665	1,665	
Capacity	15,110	14,994	14,994	15,508	12,428	12,322	12,306	12,302	12,374	12,374	
Enrollment ^c	13,126	13,302	13,035	13,506	11,801	11,588	11,405	11,262	11,227	11,340	
Percent used	87%	89%	87%	87%	95%	94%	93%	92%	91%	92%	
Other											
Buildings	2	2	2	2	2	2	2	2	2	2	37
Square feet ^a	41	41	41	41	41	41	41	41	41	41	
<u>ADMINISTRATIVE</u>											
Buildings	1	1	1	1	1	1	1	1	1	1	50
Square feet ^a	36	36	36	36	36	36	36	36	36	36	
<u>TRANSPORTATION</u>											
Garages/Buildings	4	4	4	4	4	4	4	4	4	4	45
Buses	291	284	291	299	310	311	357	318	317	317	

^a Square feet in thousands.

^b Elementary enrollment included all K-8.

^c High school enrollment includes all 6-12 and options schools, and excludes Early College.

Source: Adopted Budget 2021-22 and District Facilities



SINGLE AUDIT SECTION



Single Audit Section



WE
EXPECT
EXCELLENCE



WE
INNOVATE



WE
EMBRACE
EQUITY



WE
COLLABORATE



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

School Board
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, 2021, 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 19, 2021.

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 19, 2021



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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 (the 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, 2021. 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, 2021.

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.

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 19, 2021

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

Program Title	Federal CFDA Number	Pass Through Entity Number	Period Covered	Grant Amount	2020-21 Revenue and Expenditures
U.S. Department of Education					
Direct:					
Indian Education Grants to Local Education Agencies	84.060A	S060A192500	07/01/19 - 06/30/21	\$ 23,025	\$ 9,874
Indian Education Grants to Local Education Agencies	84.060A	S060A202500	07/01/20 - 06/30/22	29,377	16,224
Total Indian Education Grants to Local Education Agencies					<u>26,098</u>
Total Direct					<u>26,098</u>
Passed through Oregon Department of Education:					
Title I					
Title I Grants to Local Educational Agencies	84.010	50345	07/01/18 - 09/30/21	6,276,391	110,283
Title I Grants to Local Educational Agencies	84.010	53219	07/01/19 - 09/30/21	5,686,517	1,572,720
Title I Grants to Local Educational Agencies	84.010	54321	07/01/19 - 09/30/21	44,750	17,701
Title I Grants to Local Educational Agencies	84.010	52070	09/01/18 - 09/30/20	43,679	31,980
Title I Grants to Local Educational Agencies	84.010	58214	07/01/20 - 09/30/21	6,324,406	4,381,579
Total Title I					<u>6,114,263</u>
Migrant Education					
Migrant Education State Grant Program	84.011	49205	07/01/18 - 09/30/21	504,322	27,373
Migrant Education State Grant Program	84.011	57308	03/14/20 - 09/30/21	112,621	74,283
Migrant Education State Grant Program	84.011	58929	07/01/20 - 09/30/22	660,669	421,353
Migrant Education State Grant Program	84.011	52832	07/01/19 - 09/30/20	33,957	2,805
Migrant Education State Grant Program	84.011	58911	07/01/20 - 09/30/22	31,822	5,488
Migrant Education State Grant Program	84.011	61764	07/01/20 - 09/30/21	6,000	5,980
Migrant Education State Grant Program	84.011	66103	07/01/20 - 07/01/22	160,538	5,789
Migrant Education State Grant Program	84.011	52835	07/01/19 - 09/30/21	575,553	83,845
Total Migrant Education Program					<u>626,916</u>
Supporting Effective Instruction					
Supporting Effective Instruction State Grants	84.367	53481	07/01/19 - 09/30/21	913,135	198,949
Supporting Effective Instruction State Grants	84.367	58712	07/01/20 - 09/30/21	1,013,500	562,166
Supporting Effective Instruction State Grants	84.367	49258	07/01/18 - 09/30/21	948,642	128,766
Total Supporting Effective Instruction					<u>889,881</u>
English Language Acquisition					
English Language Acquisition State Grants	84.365	53402	07/01/19 - 09/30/22	626,773	229,920
English Language Acquisition State Grants	84.365	58454	07/01/20 - 09/30/22	695,939	59,168
Total English Language Acquisition					<u>289,088</u>
Career and Technical Education					
Career and Technical Education - Basic Grants to States	84.048	52483	07/01/19 - 09/30/20	296,085	65,767
Career and Technical Education - Basic Grants to States	84.048	57578	07/01/20 - 09/30/21	326,872	256,809
Total Career and Technical Education					<u>322,576</u>
COVID 19 - Education Stabilization Fund					
COVID 19 - Education Stabilization Fund (ESSER)	84.425D	57761	03/13/20 - 09/30/22	4,681,997	4,557,129
COVID 19 - Education Stabilization Fund (ESSER)	84.425D	64531	03/13/20 - 09/30/23	20,656,919	758,859
COVID 19 - Education Stabilization Fund (GEER ESSER)	84.425C	60879	07/01/20 - 05/30/21	626,598	626,598
& 84.425D					
Total COVID 19 - Education Stabilization Fund					<u>5,942,586</u>
Special Education Cluster					
Special Education Grants to States	84.027	53755	07/01/19 - 09/30/21	6,754,982	435,657
Special Education Grants to States	84.027	N/A	07/01/20 - 09/30/21	4,000	4,000
Special Education Grants to States	84.027	54714	07/01/19 - 09/30/21	9,891	1,044
Special Education Grants to States	84.027	60613	07/01/20 - 09/30/22	5,906,834	3,572,269
Special Education Grants to States	84.027	61413	07/01/20 - 09/30/21	255,726	13,348
Special Education Grants to States	84.027	56600	07/01/19 - 09/30/21	107,164	106,927
Total Special Education					<u>4,133,245</u>

See additional information in the Notes to Schedule of Expenditures of Federal Awards.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

Program Title	Federal CFDA Number	Pass Through Entity Number	Period Covered	Grant Amount	2020-21 Revenue and Expenditures
U.S. Department of Education (continued)					
Passed through Oregon Department of Education (continued)					
Special Education Cluster (continued)					
Special Education Preschool Grants	84.173	53919	07/01/19 - 09/30/21	\$ 25,167	\$ 2,889
Total Special Education Preschool					2,889
Total Special Education Cluster (IDEA)					4,136,134
Student Support and Academic Enrichment Program					
Student Support and Academic Enrichment Program	84.424	58531	07/01/20 - 09/30/21	418,797	272,669
Student Support and Academic Enrichment Program	84.424	54471	07/01/19 - 09/30/21	468,596	168,737
Student Support and Academic Enrichment Program	84.424	50674	07/01/18 - 09/30/21	443,558	1,989
Total Student Support and Academic Enrichment Program					443,395
Twenty-First Century Community Learning Centers					
Twenty-First Century Community Learning Centers	84.287	49085	07/01/18 - 09/30/21	499,936	24,339
Twenty-First Century Community Learning Centers	84.287	61139	07/01/20 - 09/31/21	499,936	272,764
Twenty-First Century Community Learning Centers	84.287	54255	07/01/19 - 09/30/21	499,936	111,443
Total Twenty-First Century Community Learning Centers					408,546
Total Passed through Oregon Department of Education:					19,173,385
Total U.S. Department of Education					19,199,483
U.S. Department of Health & Human Services					
Passed through Administration for Children and Families					
CCDF Cluster					
Child Care and Development Block Grant	93.575	160246	07/01/19 - 06/30/21	254,640	43,943
Total CCDF Cluster					43,943
Total U.S. Department of Health & Human Services					43,943
U.S. Department of Agriculture					
Passed through Oregon Department of Education:					
Child Nutrition Cluster					
School Breakfast Program	10.553	N/A	07/01/20 - 06/30/21	99,523	99,523
National School Lunch Program	10.555	N/A	07/01/20 - 06/30/21	422,636	422,636
National School Lunch Program Commodities	10.555	N/A	07/01/20 - 06/30/21	801,224	801,224
National School Lunch Program Equipment Assistance	10.579	64723	10/01/19 - 09/30/21	5,061	4,235
Summer Food Service Program for Children	10.559	N/A	07/01/20 - 06/30/21	7,034,492	7,034,492
Summer Food Service Program for Children Commodities	10.559	N/A	07/01/20 - 06/30/21	1,547	1,547
Total Child Nutrition Cluster					8,363,657
Child and Adult Care Food Program	10.558	3402006	07/01/19 - 09/30/21	3,231	417
Child and Adult Care Food Program	10.558	3402006	07/01/19 - 09/30/21	2,102	2,102
Child and Adult Care Food Program	10.558	N/A	07/01/20 - 06/30/21	2,944,209	2,944,209
Total Child and Adult Food Care Program					2,946,728
Fresh Fruits and Vegetable Program	10.582	61204	10/01/20 - 09/30/21	36,900	30,202
Fresh Fruits and Vegetable Program	10.582	61273	10/01/20 - 09/30/21	27,850	17,454
Fresh Fruits and Vegetable Program	10.582	61272	10/01/20 - 09/30/21	31,100	19,374
Total Fresh Fruits and Vegetable Program					67,030
Total U.S. Department of Agriculture					11,377,415
U.S. Department of Transportation					
Passed through Metro					
Federal Transit Cluster					
Federal Transit - Formula Grants (Urbanized Area)	20.507	936204	07/01/19 - 07/31/22	150,000	39,290
Total Federal Transit Cluster					39,290

See additional information in the Notes to Schedule of Expenditures of Federal Awards.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

Program Title	Federal CFDA Number	Pass Through Entity Number	Period Covered	Grant Amount	2020-21 Revenue and Expenditures
U.S. Department of Transportation (continued)					
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	\$ 82,090	\$ 22,497
Highway Planning and Construction	20.205	21HU1025	10/01/20 - 09/30/22	243,719	64,546
Total Highway Planning and Construction Cluster					<u>87,043</u>
Total U.S. Department of Transportation					<u>126,333</u>
U.S. Department of Homeland Security					
Passed through Oregon Military Department					
Office of Emergency Management					
Homeland Security Grant Program					
Disaster Grants - Public Assistance	97.036	PA-10-OR-4499- PW-00170	03/28/20 - 05/27/21	114,994	114,994
Total U.S. Department of Homeland Security					<u>114,994</u>
U.S. Department of Treasury					
Passed through Washington County					
COVID 19 - Coronavirus Relief Fund	21.019	20-1803 / 20-2168	08/01/20 - 12/30/20	4,765,995	4,765,995
Total U.S. Department of Treasury					<u>4,765,995</u>
National Endowment for the Humanities					
Passed through State of Oregon					
COVID 19 - State Library COVID Mini-Grants	45.310	COVID-19	06/10/20 - 08/31/20	15,000	14,998
Total National Endowment for the Humanities					<u>14,998</u>
Total Federal Awards					<u>\$ 35,643,161</u>

See additional information in the Notes to Schedule of Expenditures of Federal Awards.

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2021

PURPOSE OF THE SCHEDULE

The accompanying Schedule of Expenditures of Federal Awards (the "Schedule") includes the federal award activity of the District under programs of the federal government for the year ended June 30, 2021. 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, 2021.

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2021

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, which is at the time eligible expenditures are incurred. Unreimbursed expenditures due from grantors agencies are reflected in the basic financial statements as receivables, while grant monies received prior to the occurrence of qualifying expenditures are recorded as unearned revenue. Donated commodities are valued at their estimated fair value.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED JUNE 30, 2021

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>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
10.553, 10.555, 10.559 & 10.579	Child Nutrition Cluster
10.558	Child and Adult Care Food Program (CACFP)
21.019	Coronavirus Relief Fund
84.425	Education Stabilization Fund

Dollar threshold used to distinguish between type A and type B programs:	\$1,069,295
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Auditee qualified as low-risk auditee?	Yes
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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

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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, 2021, and have issued our report thereon dated November 19, 2021.

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.

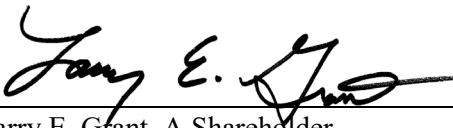
Internal Control

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 19, 2021