



AGENDA

I. OPEN MEETING

- Chair Tom Colett
 - A. Call to Order
 - Board Chair Colett
 - B. Roll Call
 - Board Chair Colett
 - C. Land Acknowledgement
 - Board Chair Colett
 - D. Agenda Review
 - Board Chair Colett

II. SUPERINTENDENT'S REPORT

- Dr. Gustavo Balderas
 - A. School Spotlight
 - a. Beaverton High School Acapella Performance
 - Kelly Hefty, Director
 - B. Comments by the Superintendent
 - Dr. Gustavo Balderas

III. PUBLIC COMMENTS

- A. Comments by Employee Groups 3
 - Lindsay Ray - BEA, Kyrsti Sackman - OSEA
- B. Comments by Community Members 4

IV. CONSENT AGENDA

- Chair Tom Colett
 - A. Personnel 6
 - B. Board Meeting Minutes 7
 - C. Public Contract 11
 - D. Appoint Custodians of School Funds 21
 - E. Accept Annual Comprehensive Financial Report 22
 - F. Declare Surplus Property - NW 174th Ave. 193
 - G. Alternate Construction Contracting Procedure 195

V. REPORTS

- A. School Reports
 - Dr. Patrick Meigs, Ken Struckmeier
 - a. Cedar Mill Elementary School 200
 - Amy Chamberlain
 - b. Five Oaks Middle School 208
 - Kelly Laverne
 - B. Department Update: Technology 215
 - Steve Langford
 - C. Annual Comprehensive Financial Report
 - Mike Schofield, Rob Drake
 - D. Financial Update

| | |
|--|-----|
| Mike Schofield | |
| E. Local Option Levy Election Results | 400 |
| Kerry Delf | |
| VI. ITEMS FOR ACTION AT A FUTURE MEETING | |
| A. Boundary Adjustment: Findley & Bonny Slope Elementary | 401 |
| Dr. Carl Mead, Steven Sparks | |
| VII. ITEMS FOR ACTION AT THIS MEETING | |
| A. Declare Surplus Property | |
| Dr. Carl Mead, Steven Sparks | |
| a. Merle Davies Building | 422 |
| Dr. Carl Mead, Steven Sparks | |
| b. Portable Classroom | 423 |
| Dr. Carl Mead, Steven Sparks | |
| B. Appoint Bond Accountability Committee Members | 424 |
| Dr. Carl Mead, Josh Gamez | |
| C. Approve Metro Policy Advisory Council Nomination | 425 |
| Chair Tom Colett | |
| D. OSBA Board of Directors Election | 426 |
| Chair Tom Colett | |
| E. OSBA Legislative Priorities | 427 |
| Chair Tom Colett, Susan Greenberg | |
| VIII. BOARD COMMUNICATION | |
| A. Comments by Individual Board Members | |
| Board Members | |
| IX. CLOSE MEETING | |
| A. Closing Comments | |
| Board Chair Tom Colett, Dr. Gustavo Balderas | |
| B. Adjourn | |
| Board Chair Tom Colett | |

BSD School Board Meeting

December 12, 2022

Good evening Supt. Balderas, Board Chair Colett and members of the School Board.

For the record my name is Lindsay Ray and I am a high school math teacher currently serving as the president of the Beaverton Education Association.

Since this is the last school board meeting of 2022, and it is the time of year when we are looking back, I'd love to take this opportunity for a short reflection. I want to thank every educator in BSD, including our classified colleagues, for the incredible work done to rise to the challenge of engaging and empowering students over the past calendar year. I want to thank community members for their generosity and for working alongside us to support Beaverton students, staff, and schools, and I want to thank our students and families for being flexible, for showing up, and for standing with us as we all work toward a better tomorrow.

When we return in 2023, it is my sincere hope that we continue to focus on mental health. As I've mentioned here before, both students and staff are still struggling with the effects of the past few years and we need to address it in intentional and meaningful ways. Business as usual is not working, and we need to be thinking outside the box to come up creative ways to support students and staff in BSD.

I also look forward to the continued development of the BSD Strategic Plan in the new year. I'm eager for the district to have a true sense of direction aligned with goals that have been thoughtfully developed with a variety of stakeholders, so we are not in a continual reactive space. It will be nice to have a sense of grounding after years of what has felt like just trying to get through each school year.

As we look forward to the long winter break, I'll echo Superintendent Balderas's message to staff last week about the generosity of community partners who have donated meals and grocery cards to BSD families in need. That assistance is so vital to our community when schools are out of session. It is my sincere hope that we can all take time over the winter break to find moments of rest and reflection and to be with family and chosen family. This work is important but exhausting, and it is imperative that all of us (including students!) recognize the value of rest.



PUBLIC COMMENTS

Written comments were accepted by online form submission from 12:00 p.m. on Thursday, December 8, 2022, through 12:00 p.m. on Monday, December 12, 2022.

The following comments followed all of the posted guidelines listed on the form and below.

- One comment per person
- Comments are limited to 1,000 characters per person
- The Board will not hear charges or complaints against any District employee.

Kim De sully - Staff Member - Just need clarification on instructional time. Last year we had to use teacher in service time to meet requirements and it was okayed with the note that this should be fixed. This year we are one whole day less in instructional time with students. I'm hoping this will be addressed and fixed next year. Does not seem to be in the best interest of the students who are already behind.

Elizabeth R - Parent/guardian - As you know, our community is seeing very high numbers of people sick with RSV and flu, COVID-19 is still circulating, and Washington County Health and Human Services and OHA are urging everyone to wear a mask in indoor public spaces. I am sure you are aware that many sick kids are coming to school. Please consider requiring masking at BSD schools so in person school can continue and students and staff can stay as healthy as possible, stay in school, and not bring respiratory viruses home to vulnerable family members, especially when our medical facilities and staff are already overloaded. At the very least, please strongly recommend masking at school and send a standalone message strongly recommending masking to all families so that the information is not lost.

Allison B - Parent/guardian - Oregon Health Authority <https://content.govdelivery.com/accounts/ORDHS/bulletins/33c558b> and physicians throughout Oregon <https://www.opb.org/article/2022/12/09/overwhelmed-portland-hospitals-enter-crisis-standards-of-care/> and <https://www.oregonlive.com/opinion/2022/12/opinion-as-sick-kids-fill-icu-beds-oregonians-must-pull-together-again.html> are urging the public to wear masks indoors because of surging cases of influenza, RSV, and Covid. Yet, our schools are still doing things like having all-school assemblies, without a single mention of masks. Our children live in homes and communities with people who are vulnerable to poor outcomes of these illnesses, and we need to come together to protect one another. Please use your positions of power to help protect our kids, educators, communities, and healthcare workers by bringing back a short-term mask mandate when our children come back to school from the upcoming winter break. Even two weeks of masking would make a big difference.

Jessica O'Donnell - Parent/guardian - We respectfully request that you consider saving Merle Davies, a historical building in the center of Beaverton. Given that we have caused harm to communities of color

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

The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes.

in this city, we ask that you consider donating this space to organizations who will help build power and connection for historically excluded communities.

Evelyn Shoop - Parent/guardian - Dear BSD Leaders and School Board Members, We respectfully request that you consider saving Merle Davies, a historical building in the center of Beaverton. Given that we have caused harm to communities of color in this city, we ask that you consider donating this space to organizations who will help build power and connection for historically excluded communities. Thanks

Edward Kimmi - Other community member - Dear BSD board members, I am a resident of Beaverton and my kids have graduated from the Beaverton high school a few years back. I would ask you to consider saving the Merle Davis building since it is a part of the history of Beaverton and also it can serve the community in variety of ways. As you are well aware that BSD have seen an increased numbers of immigrant and refugee students. These students need a safe place where they can get the help they need to better assimilate into the new environment and their parents also need help navigating through the new system of society. I believe the location and its proximity to the Beaverton High School will serve these historically excluded communities where it can house the service organizations and after school programs for any person in need. Thank you.



PERSONNEL

BACKGROUND

A list of employees is being recommended by the Superintendent for personnel action.

RECOMMENDATION:

BE IT RESOLVED that the employees that are recommended herein for administrator and teacher elections, leaves of absence, and resignations/retirements/terminations be accepted by the School Board as submitted at this School Board meeting.

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

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DRAFT MEETING MINUTES—BUSINESS MEETING NOVEMBER 14, 2022

Board Members Present:

Tom Colett, Chair
Karen Pérez, Vice Chair
Susan Greenberg (attended virtually)
Eric Simpson
Sunita Garg
Ugonna Enyinnaya
Becky Tymchuk

Staff Present:

| | |
|----------------------|--|
| Dr. Gustavo Balderas | Superintendent |
| Dr. Heather Cordie | Deputy Superintendent for Teaching and Learning |
| Dr. Carl Mead | Deputy Superintendent for Operations and Support Services |
| Mike Schofield | Associate Superintendent for Business Services |
| Kerry Delf | Chief of Staff |
| Susan Rodriguez | Chief Human Resources Officer |
| Camellia Osterink | District Legal Counsel |
| Shellie Bailey-Shah | Public Communications Officer |
| Nicole Will | Executive Administrator for Elementary Schools |
| Ken Bell | Executive Administrator for High Schools and Option Programs |
| Annie Pleau | Principal of Sato Elementary School |
| Bjorn Page | Principal of Arts and Communication Magnet Academy (ACMA) |
| Steven Sparks | Administrator for Long Range Planning |
| Pat McCreery | Administrator for Equity and Inclusion |
| Dr. Tatiana Cevallos | Administrator for Equity and Inclusion |

The meeting was open to the public to attend in person or via live stream on YouTube.

I. OPEN MEETING

Chair Tom Colett called the meeting to order at 6:30 p.m. The board reviewed the agenda and did not change any items.

II. RECOGNITIONS

With an introduction by Karen Pérez, the Board recognized Westview High School sophomore Abigail Figueroa, who won the right for her school to perform Oregon's premiere of Disney's Frozen the Musical in March 2023.

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

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Introduced by Eric Simpson, the Board recognized Nicole Cereda, PE teacher at West Tualatin View Elementary School, who has been named the Elementary PE Teacher of the Year by the Oregon Society of Health and Physical Educators.

Chair Tom Colett shared and the Board recognized Becky Tymchuk, who was named the Oregon School Board Member of the Year and received her award at the OSBA Convention on November 12.

III. SUPERINTENDENT’S REPORT

The superintendent recognized Becky Tymchuk’s award as the Oregon School Board Member of the Year and thanked her for all her hard work. He said that we all as a collective need to speak to our legislators to encourage them to do what’s best for students. He shared his appreciation to voters for passing the local option levy renewal, and to the board members who chaired the advocacy campaign, Karen Pérez and Sunita Garg. He noted that fall season sports were ending and thanked coaches and parents for their dedication.

IV. PUBLIC COMMENTS

A. Comments by Employee Groups

BEA President Lindsay Ray and OSEA President Kyrsti Sackman provided comments to the Board.

B. Comments by Community Members

The board received 7 written public comments and 5 live public comments in person or virtually.

V. CONSENT AGENDA – Presenter: Chair Tom Colett

A. Personnel

BE IT RESOLVED that the employee(s) who are recommended herein for administrator and teacher elections, leaves of absence, and resignations/terminations are accepted by the School Board as submitted at this meeting.

B. Board Meeting Minutes

BE IT RESOLVED that the minutes of the October 17, 2022 School Board meeting and the October 17, 2022 and November 7, 2022 work sessions are hereby approved.

C. Grants

BE IT RESOLVED that the grant report hereby is approved as submitted.

D. Public Contracts

BE IT RESOLVED that the School Board authorize the Superintendent or designee to obligate the District for the public contract items as submitted at this meeting.

E. Student Investment Account

BE IT RESOLVED that the School Board was presented the report on the Student Investment Account for 2021–22. Members of the public had the opportunity to provide public comment on the report if desired.

Susan Greenberg moved to approve the Consent Agenda as submitted and Eric Simpson seconded. The motion passed 7:0.

VI. REPORTS

A. Financial Update – Presenter: Mike Schofield

Associate Superintendent Mike Schofield presented a monthly financial update to the Board for review and discussion. A detailed report is attached in BoardBook.

B. School Reports

a. Sato Elementary – Presenter: Annie Pleau, Nicole Will

b. ACMA – Presenter: Bjorn Page, Ken Bell

The principals of Sato Elementary School and Arts & Communication Magnet Academy shared reports about their schools, including some highlights and what they are currently working on, and answered questions from the board. Presentation slides and school data are attached in BoardBook.

C. *Local Option Levy Update* – Presenter: Kerry Delf, Shellie Bailey-Shah

Staff provided an update on the local option levy renewal measure that was on the November 8 election ballot. Board members expressed their appreciation to the public and the volunteers who supported the measure.

VII. ITEMS FOR ACTION AT A FUTURE MEETING

A. *Declare Surplus Property* – Presenter: Dr. Carl Mead, Steven Sparks

It is recommended that the School Board declare the Merle Davies building and certain portable classrooms as surplus property. The proposed declaration of surplus property is presented for initial consideration and will come before the Board for action at its next meeting in December.

B. *OSBA Board of Directors Election* – Presenter: Chair Tom Colett

At its next meeting, the Board will be asked to vote on two OSBA board positions:

1. OSBA Board Position 15 – Susan Greenberg, Beaverton 48J
2. OSBA Board Position 16 – Maureen Wolf, Northwest Regional ESD

Each member board has one vote in the regional election. On December 12 the board will vote as a body and staff will record the vote with OSBA.

C. *OSBA Legislative Priorities* – Presenter: Chair Tom Colett

At its next meeting, the Board will be asked to vote on the OSBA resolution to adopt the OSBA 2022–23 Legislative Priorities and Principles as recommended by the OSBA Legislative Policy Committee. The outcome of the Board's vote must be submitted to OSBA by December 15, 2022. The proposed legislative priorities are attached in BoardBook.

VIII. ITEMS FOR ACTION AT THIS MEETING

A. *School Board Electoral Zone Revision* – Presenter: Dr. Carl Mead, Steven Sparks

Oregon law and Beaverton School Board policy provide that in school districts that have established electoral zones, zones must be periodically adjusted following the federal census to rebalance the zone populations. The 2020 Census established that the population in the district has changed and the seven board zones had become imbalanced in population. The school board this year undertook a revision of board zones to rebalance the zones' population. The revision will affect only the geographic definition of zones from which board members will be elected. It will have no effect on the attendance boundaries for students to attend schools. Maps and more detailed information are attached in BoardBook.

Susan Greenberg moved, Eric Simpson seconded, and the board voted 7:0 to pass the motion approving the resolution: BE IT RESOLVED that the School Board adopt the proposed 2023 Board Member District Zones map for implementation in the next board member election in May 2023, as per Board Policy BBB.

B. *Appoint Equity Advisory Committee Members* – Presenter: Pat McCreery, Tatiana Cevallos, Kerry Delf

Susan Greenberg moved, Eric Simpson seconded, and the board voted 7:0 to appoint the recommended applicants to serve on the Educational Equity Advisory Committee in 2022-23:

| <u>Students</u> | <u>Parents/Families</u> | <u>Community</u> | <u>Staff</u> |
|-------------------------|-------------------------|------------------|-------------------|
| Adriana Acevedo | Sarah Hinton | Nora Mahmoud | Amna Abbas |
| Brooklyn Allen | Octavia Horne | Rachel Nelson | Vanessa Davalos |
| Christopher Mathews | Leialoha Ka'ula | Johne Sagisi | Victoria Henry |
| Natalie McWilliams | Alok Mehrotra | | Sarah Moreno |
| Daniela Chavez Portilla | Amy Powers | | Monique Singleton |
| Chloe Rodrigues | Brian Tosky | | |

C. *Appoint Budget Committee Members* – Presenter: Mike Schofield

Susan Greenberg moved, Eric Simpson seconded, and the board voted 7:0 to appoint the recommended applicants to the two vacant Budget Committee positions for terms ending June 30, 2025:

| | |
|-----------------|--------|
| Alok Mehrotra | Zone 4 |
| Dr. Lisa Shultz | Zone 7 |

IX. BOARD COMMUNICATION

A. *Comments by Individual Board Members*

Board members shared individual comments. Information shared included that Sunita Garg was elected to the OSBA Color Caucus. Volunteer AVID tutors are needed. Board members appreciated the Native American Heritage Month presentation and gift presented that evening.

X. CLOSE MEETING

Board Chair Tom Colett adjourned the meeting at 8:46 p.m.



**PUBLIC CONTRACTS – BOARD AUTHORIZATION OF
SUPERINTENDENT TO OBLIGATE THE DISTRICT**

BACKGROUND

On May 15, 2017, the Board adopted current policy language regarding Authority to Obligate the District (Board Policy DJ), which updates the School District’s Public Contracting Rules in accordance with State Recommended Model Rules. Appropriate bidding procedures and Public Contracting Rules have been complied with before recommending the attached contract for Board approval. The following authorization of contract, subject to available budget appropriations, is a routine Board action that appears under the consent grouping of the Board agenda.

RECOMMENDATION

The Superintendent recommends the Board approve the Superintendent or a designee to obligate the District for the public contract items listed in Attachment A.

ATTACHMENT A

| Contract Name | Recommended By | Contract Selection Process | Contractor/Vendor | Contract Amount | Contract Timeline | | Recommendation |
|--|----------------|---|--------------------------|--------------------|-------------------|---------|---|
| | | | | | Start | End | |
| SRHS HVAC Upgrades A/E Design Services | Aaron Boyle | RFP 21-0029 | KCL Engineering LLC | \$558,000.00 | 12/2022 | 09/2024 | Authorization to Award Project Work Authorization |
| New Generators – Fir Grove Elementary and Sexton Mountain Elementary | Aaron Boyle | ITB 22-0019 | Northeast Electric, LLC | \$605,486.00 | 12/2022 | 9/2023 | Authorization to Award Contract |
| Capital Center HVAC Building Systems Design | Aaron Boyle | RFP 21-0029 | KCL Engineering LLC | \$362,800.00 | 12/2022 | 9/2024 | Authorization to Award Project Work Authorization |
| Early Work Amendment to Construction Manager/General Contractor (CM/GC) for Five Oaks Roof/Seismic | Aaron Boyle | RFP 22-0004 | P. & C. Construction Co. | \$4,145,000.00 | 12/2022 | 9/2024 | Authorization to Execute Early Work Amendment |
| Southridge High School (SRHS) LED Stadium Light Retrofit Project | Joshua Gamez | Sorcewell Cooperative Contract #071619-CPL | Cooper Lighting, LLC | \$172,995.00 | 12/2022 | 4/2023 | Authorization to Award Contract |
| Renewable Fuel Services for School Buses | Craig Beaver | TriMet Cooperative Contract #RF220163LJ (Mobile R99 RHD Fuel) | Bretthauer Oil Company | NTE \$1,500,000.00 | 12/2022 | 6/2023 | Authorization to Award Contract |

| | | | | | | | |
|--|--------------|---|-----------------------------|-----------------|---------|--------|---------------------------------|
| Renewable Fuel Services for School Buses | Craig Beaver | Washington State Propane, Autogas (LPG), Parts and Service Master Contract Number 02318 (Cooperative) | Blue Star Gas – Seattle Co. | NTE \$1,000,000 | 12/2022 | 6/2023 | Authorization to Award Contract |
|--|--------------|---|-----------------------------|-----------------|---------|--------|---------------------------------|



PROJECT NAME: Southridge High School HVAC Upgrades – 9301 | Bond 2022 |

PROJECTTIMELINE: 6/2022–9/2024

PROJECT BUDGET: \$9,000,000.00

PROJECT SCOPE: Roof top unit replacement, Controls upgrade, Critical equipment repair

CONTRACT NAME: SRHS HVAC Upgrades A/E Design

RECOMMENDED BY: Aaron Boyle, Administrator for Facilities Development

SOLICITATION METHOD: Request for Proposals (RFP) 21-0029

CONTRACTTIMELINE: 12/2022–9/2024

CONTRACT AMOUNT: \$558,000.00

CONTRACT SCOPE: Complete SRHS HVAC Upgrades A/E Design Services

RECOMMENDATION: Authorization to Award a Project Work Authorization under Master Contract #21-0029D to KCL Engineering LLC

FUNDING SOURCE: 2022 Bond, Deferred Maintenance



PROJECT NAME: District-Wide Fire Alarm Resiliency

PROJECTTIMELINE: 9/2014–9/2023

PROJECT BUDGET: \$2,474,120.00

PROJECT SCOPE:

Part 1: Replace unsupported fire alarm panels district wide.

Part 2: Add generators and emergency circuits to schools that do not currently have them.

Part 3: Refurbish generators and modify emergency circuits as necessary at schools that currently have them.

Part 4: Provide main electrical disconnects at schools where they are currently missing.

CONTRACT NAME: New Generators – Fir Grove Elementary and Sexton Mountain Elementary

RECOMMENDED BY: Aaron Boyle, Administrator for Facilities Development

SOLICITATION METHOD: Invitation to Bid (ITB) 22-0019

CONTRACTTIMELINE: 12/2022–9/2023

CONTRACT AMOUNT: \$605,486.00

CONTRACT SCOPE: Part 2: Add new 40 kW generators, automatic transfer switches and emergency power and lighting circuits to Fir Grove and Sexton Mountain Elementary Schools. Fir Grove to receive a new 800 amp main distribution panel, main breaker and transformer.

RECOMMENDATION: Authorization to Award a Contract to Northeast Electric, LLC

FUNDING SOURCE: 2014 Bond; Modernization, Renovation Projects; Physical Facility Improvements; District-Wide Fire Alarm Resiliency



PROJECT NAME: Capital Center HVAC Replacement

PROJECTTIMELINE: 12/2022–9/2024

PROJECT BUDGET: \$4,330,000.00

PROJECT SCOPE: The project scope is to replace all roof top units that are over 15 years old including but not limited to small standalone boiler/pumps, terminal units, coils, controls, and all appurtenances as necessary, design a complete JCI Metasys system for this site which includes tying in the cafeteria to the system, replace VAV controllers currently on the Trane system with JCI controllers, and completing the HVAC system on the east portion of the building. To be completed in the summer of 2024.

CONTRACT NAME: Capital Center HVAC Building Systems Design

RECOMMENDED BY: Aaron Boyle, Administrator for Facilities Development

SOLICITATION METHOD: Request for Proposals (RFP) 21-0029

CONTRACTTIMELINE: 12/2022–9/2024

CONTRACT AMOUNT: \$362,800.00

CONTRACT SCOPE: Provide complete Architectural/Engineering Consultant Services to replace the HVAC rooftop units on the west, tie-in the cafeteria portion of the building to the Metasys, addition of a HVAC system to the Nutrition Services zone of the building, completion of the east portion of the building.

RECOMMENDATION: Authorization to Award a Project Work Authorization under Master Contract #21-0029D to KCL Engineering LLC

FUNDING SOURCE: 2022 Bond; Deferred Maintenance



PROJECT NAME: Five Oaks Seismic

PROJECTTIMELINE: 9/2022-9-2024

PROJECT BUDGET: \$10,600,000

PROJECT SCOPE: Roof Replacement and Seismic Upgrade

CONTRACT NAME: Early Work Amendment to Construction Manager/General Contractor (CM/GC) for Five Oaks Roof/Seismic

RECOMMENDED BY: Aaron Boyle, Administrator for Facilities Development

SOLICITATION METHOD: Request for Proposals (RFP) 22-0004

CONTRACTTIMELINE: 9/2022–9/2024

CONTRACT AMOUNT: \$4,145,000

CONTRACT SCOPE: This is an early work amendment to the existing construction manager/general contractor contract (#2302746) for the roof resurfacing portion of the Five Oaks Middle School Seismic Upgrades project. This amendment will allow the contractor/sub-contractors to timely procure roof materials with long lead times. As per 3.3.1.3 of the AIA A133 contract, Early Work is permissible for important components of the Work to positively affect the Project. This amount includes \$20,000 of allowances to purchase Fire Sprinkler and HVAC scopes of work per the drawings and \$25,000 of allowances for long lead item submittals.

RECOMMENDATION: Authorization to execute an Early Work Amendment to Contract #2302746 with P. & C. Construction Co.

FUNDING SOURCE: 2022 Bond; Seismic Upgrades & Deferred Maintenance



PROJECT NAME: Southridge High School (SRHS) LED Stadium Light Retrofit Project

PROJECTTIMELINE: 1/2/23–4/30/23

PROJECT BUDGET: \$180,000

PROJECT SCOPE: Replace SRHS aging, failing and inefficient stadium HID lighting system with a new LED stadium light system similar to Westview Highschool’s new stadium light system. This project will save an estimated 65,000 kWh per year totaling over \$7,000 in electricity costs.

CONTRACT NAME: SRHS Stadium LED Light Retrofit Project

RECOMMENDED BY: Joshua Gamez, Chief Facilities Officer

SOLICITATION METHOD: Permissive Cooperative Procurement Authority via Sourcewell Contract #071619-CPL

CONTRACTTIMELINE: 12/2022–4/2023

CONTRACT AMOUNT: \$172,995.00

CONTRACT SCOPE: Turn-key project to remove existing light heads and cross arms on SRHS stadium light poles and replace with new cross arms and new LED light head units. Lights will be controlled by central hub controller installed in the press box. System will be on the BSD IT network and may be operated by user permitted cellphone or laptop. All labor and materials are covered including manlift to install system components. System will have complete 10-year warranty including parts, labor, and lift costs.

RECOMMENDATION: Authorization to Award Contract to Cooper Lighting, LLC

FUNDING SOURCE: Energy 244 fund reimbursed by the SB1149 program and Energy Trust of Oregon Incentives.



PROJECT NAME: Renewable Fuel Services for School Buses

PROJECTTIMELINE: 12/15/2022–06/30/2023

PROJECT BUDGET: \$1,500,000.00

PROJECT SCOPE: Purchase of Renewable Diesel Fuel (R99) for School Buses for the Purpose of Transporting Pupils Home to School per ORS 327.043 & IEP Requirements. Expenses are eligible for 70% Reimbursement from SSF.

CONTRACT NAME: Tri-County Metropolitan Transportation District of Oregon (TriMet) Cooperative Contract #RF220163LJ (Mobile R99 RHD Fuel)

RECOMMENDED BY: Craig Beaver, Administrator for Transportation Services

SOLICITATION METHOD: Permissive Cooperative Procurement Authority via TriMet Contract #RF220163LJ (Mobile R99 RHD Fuel)

CONTRACTTIMELINE: 12/2022–6/2023

CONTRACT AMOUNT: Not to Exceed \$1,500,000.00

CONTRACT SCOPE: Provide an energy source which is 100% renewable & sustainable, improves air quality, reduces harmful emissions, improves mileage & vehicle performance, and is compatible with all diesel engines.

RECOMMENDATION: Authorization to Award Contract to Bretthauer Oil Company

FUNDING SOURCE: General Fund



PROJECT NAME: Renewable Fuel Services for School Buses

PROJECTTIMELINE: 12/15/2022–06/30/2023

PROJECT BUDGET: \$1,000,000.00

PROJECT SCOPE: Purchase of Renewable Propane Fuel (rLPG) for School Buses for the Purpose of Transporting Pupils Home to School per ORS 327.043 & IEP Requirements. Expenses are eligible for 70% Reimbursement from SSF.

CONTRACT NAME: Washington State Propane, Autogas (LPG), Parts and Service Master Contract Number 02318 (Cooperative)

RECOMMENDED BY: Craig Beaver, Administrator for Transportation Services

SOLICITATION METHOD: Permissive Cooperative Procurement Authority via Washington State Propane, Autogas (LPG), Parts and Service Master Contract Number 02318 (Cooperative)

CONTRACTTIMELINE: 12/2022–6/2023

CONTRACT AMOUNT: Not to Exceed \$1,000,000.00

CONTRACT SCOPE: Provide an energy source which reduces carbon emissions, repurposes source materials which would otherwise terminate in a land fill and reduce carbon footprint versus traditional propane fuel.

RECOMMENDATION: Authorization to Award Contract to Blue Star Gas – Seattle Co.

FUNDING SOURCE: General Fund

APPOINTMENT OF CUSTODIANS OF SCHOOL DISTRICT FUNDS

BACKGROUND

The Business Office has filled the vacant position of Treasury Specialist. To comply with the requirements of Oregon Revised Statutes (ORS), the School Board of Beaverton School District shall designate custodians of school district funds.

ORS 328.441(1) governs the appointment of custodians of school funds for Oregon school districts. A custodian of school district funds receives, invests, and disburses school district funds.

RECOMMENDATION

It is recommended that the School Board approve the following resolution.

BE IT RESOLVED that, in accordance with the provisions of ORS 328.441, the School Board of Beaverton School District designates Superintendent Gustavo Balderas, Associate Superintendent for Business Services Michael Schofield, Finance Manager Jason Guchereau, and Treasury Specialist Erin Dalton as Custodians of School District Funds for the 2022-23 fiscal year.

BE IT FURTHER RESOLVED that, in accordance with the provisions of ORS 328.445, School District obligations may be paid by check bearing the original signature of any Custodian of School District Funds or the Custodian's facsimile signature. Alternatively, school district obligations may be paid by bank wire transfer.

ANNUAL COMPREHENSIVE FINANCIAL REPORT/AUDIT COMMITTEE PRESENTATION

BACKGROUND

The District Audit Committee met with the District's independent auditors in November to review the Annual Comprehensive Financial Report (ACFR) formerly known as Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2022. The Committee Chair, Rob Drake, will present the ACFR to the School Board tonight. Audit committees play an important role in the private sector, facilitating communication between management, the independent auditors and the Board of Directors. The Government Finance Officers Association (GFOA) recommends that every government, regardless of size, formally establish an audit committee or its equivalent.

The audit committee's primary responsibility is to oversee the financial reporting and disclosure process, including all aspects of the independent audit, from the selection of the auditor to the resolution of audit findings. The audit committee presents to the governing board and management an annual report of how the committee has discharged its duties and met its responsibilities.

Audit Committee Membership

Rob Drake, Citizen Member - Chair
Samiha Wahid, Citizen Member
Sunita Garg, School Board Member

Leigh Ahlgren, Citizen Member
Eric Simpson, School Board Member
Heidi Edwards, Budget Committee Member

District representation on Committee:

Michael Schofield, Associate Superintendent for Business Services
Jason Guchereau, Finance Manager

RECOMMENDATION

It is recommended that the School Board receive the Annual Comprehensive Financial Report as presented by the District Audit Committee.

BE IT RESOLVED that the School Board of Beaverton School District hereby receives the Annual Comprehensive Financial Report for the year ended June 30, 2022 now on file in Business Services.



WE
EXPECT
EXCELLENCE



WE
INNOVATE



WE
EMBRACE
EQUITY



WE
COLLABORATE

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR YEAR ENDED
JUNE 30, 2022

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

Beaverton School District
1260 NW Waterhouse Ave., Beaverton, Oregon 97006

www.beaverton.k12.or.us

BEAVERTON SCHOOL DISTRICT

Beaverton, Oregon

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:
Business Services Department

Gustavo Balderas
Superintendent of Schools

Michael Schofield
Associate Superintendent for Business Services

Jason Guchereau
Finance Manager



TABLE OF CONTENTS
BEAVERTON SCHOOL DISTRICT

INTRODUCTORY SECTION:

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

FINANCIAL SECTION:

| | |
|---|-----------|
| <i>Independent Auditor's Report</i> | 13 |
| <i>Management's Discussion and Analysis</i> | 19 |
| <i>Basic Financial Statements:</i> | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 31 |
| Statement of Activities | 32 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 33 |
| Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position | 34 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 35 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 36 |
| Statement of Net Position - Proprietary Funds - Internal Service Funds | 37 |
| Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds - Internal Service Funds | 38 |
| Statement of Cash Flows - Proprietary Funds - Internal Service Funds | 39 |
| Notes to Basic Financial Statements | 40 |
| <i>Required Supplementary Information:</i> | |
| Schedule of the Proportionate Share of the Net Pension Liability for PERS | 75 |
| Schedule of Contributions for PERS | 75 |
| Schedule of the Proportionate Share of the Net OPEB Liability for RHIA | 76 |
| Schedule of Contributions for RHIA | 76 |
| Schedule of Changes in the Total OPEB Liability - PHIS | 77 |
| Schedule of Total OPEB Liability and Related Ratios - PHIS | 77 |
| Reconciliation of Budgetary to Reporting Funds - Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (GAAP Basis) - General Fund | 78 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (GAAP Basis): | |
| General Fund | 79 |
| Grant Fund | 80 |
| <i>Other Supplementary Information:</i> | |
| <i>Major Governmental Funds:</i> | |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual: | |
| Debt Service Fund | 83 |
| Capital Projects Fund | 84 |
| Long-term Planning Fund | 87 |
| Reconciliation of Budgetary to Reporting Funds - Combining Balance Sheet - General Fund | 88 |

TABLE OF CONTENTS
BEAVERTON SCHOOL DISTRICT (Continued)

FINANCIAL SECTION (Continued):

Other Supplementary Information:

Nonmajor Governmental Funds:

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

Internal Service Funds:

| | |
|---|-----|
| Combining Statement of Net Position - Internal Service Funds | 99 |
| Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds | 100 |
| Combining Statement of Cash Flows - Internal Service Funds | 101 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual: | |
| Insurance Reserve Fund | 102 |
| Workers' Compensation Fund | 103 |

Other Financial Schedules:

| | |
|---|-----|
| Revenue Summary - All Funds | 107 |
| Expenditure Summaries: | |
| General Fund (100) | 108 |
| Special Revenue Funds (200) | 110 |
| Debt Service Funds (300) | 112 |
| Capital Projects Funds (400) | 113 |
| Internal Service Funds (600) | 115 |
| Supplemental Information as Required by the Oregon Department of Education | 117 |
| Supplemental Information as Required by Bond Disclosure Agreements: General Fund Adopted Budgets | 118 |

STATISTICAL SECTION:

| | |
|------------------------------------|-----|
| Statistical Section Overview | 119 |
|------------------------------------|-----|

Financial Trends:

| | |
|--|-----|
| Net Position by Component - Last Ten Fiscal Years Ended June 30 | 121 |
| Changes in Net Position - Last Ten Fiscal Years Ended June 30 | 122 |
| Fund Balances, Governmental Funds - Last Ten Fiscal Years Ended June 30 | 124 |
| Changes in Fund Balance and Debt Service Ratio - Last Ten Fiscal Years Ended June 30 | 125 |

Revenue Capacity:

| | |
|--|-----|
| Assessed Value and Real Market Value of Taxable Property - Last Ten Fiscal Years | 127 |
| Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years | 128 |
| Principal Property Taxpayers - Current and Nine Years Prior | 129 |
| Property Tax Levies and Collections - Last Ten Fiscal Years | 130 |

TABLE OF CONTENTS
BEAVERTON SCHOOL DISTRICT (Continued)

STATISTICAL SECTION (Continued):

Debt Capacity:

| | |
|--|-----|
| Outstanding Debt by Type - Last Ten Fiscal Years..... | 131 |
| Direct and Overlapping Governmental Activities Debt..... | 132 |
| Legal Debt Margin Information - Last Ten Fiscal Years..... | 133 |

Demographic and Economic Information:

| | |
|--|-----|
| Demographic and Economic Statistics - Last Ten Calendar Years..... | 134 |
| Principal Employers for the Portland Metro Area - Current and Nine Years Prior | 135 |

Operating Information:

| | |
|---|-----|
| Full-Time Equivalent District Employees by Type - Last Ten Fiscal Years | 136 |
| Operating Statistics - Last Ten Fiscal Years | 137 |
| Capital Asset Information - Last Ten Fiscal Years..... | 138 |

SINGLE AUDIT SECTION:

| | |
|--|-----|
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | 139 |
| Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance | 141 |
| Schedule of Expenditures of Federal Awards..... | 143 |
| Notes to Schedule of Expenditures of Federal Awards..... | 146 |
| Schedule of Findings and Questioned Costs | 148 |

COMPLIANCE SECTION:

Independent Auditor's Report Required by Oregon State Regulations

| | |
|--|-----|
| Independent Auditor's Report Required by Oregon State Regulations..... | 151 |
|--|-----|





INTRODUCTORY SECTION



Beaverton School District
1260 NW Waterhouse Avenue
Beaverton, Oregon 97006
503-356-4500



December 5, 2022

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

The Annual Comprehensive Financial Report of the Beaverton School District (“District”) for the fiscal year ended June 30, 2022 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, 2022 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, 2022. 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 Annual Comprehensive Financial Report (ACFR) 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 2021 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 independent auditor’s report.

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 39,376. 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 | 16,203 |
| Middle School Programs | 16 | 8,922 |
| High School Programs | 12 | 12,223 |
| Special Education Programs | - | 1,301 |
| Charter School Programs | 2 | 727 |
| Total Programs and Enrollment | <u>65</u> | <u>39,376</u> |

Remaining practically flat from an enrollment of 39,711 in fall of fiscal year 2013, the District has experienced a 0.1 percent decline 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 declining in enrollment due to the COVID-19 pandemic and demographic changes.

The District expects relatively flat to declining enrollment over the next few years with projected enrollment of 37,843 in 2025-26 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 93 languages and dialects. The District’s enrollment includes 56.7 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 134 principals, vice-principals and district administrators. The District employs 4,122 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.

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 2021-22 fiscal year. Arco Iris has completed its twelfth year of operations. The school educates 399 full-time students in grades K-8 and has renewed its charter through 2026-27. Hope Chinese has completed its tenth year of operations. The school educates 372 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, 2022, 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, 2022, 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.

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 18 percent of the total non-farm employment in the PVH-PMSA, while trade, transportation and utilities account for 18 percent, government jobs 7 percent, professional and business services 19 percent, education and health services 13 percent, and leisure and hospitality 7 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 2021, the PVH-PMSA unemployment rate was 5.3 percent, compared to the Oregon unemployment rate of 5.4 percent and to the nation's rate of 5.9 percent.

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 \$119.8 million, or 23.2 percent of total General Fund revenues. This is composed of two parts - \$10.1 million in committed long-term reserves and \$109.6 million in unassigned ending fund balance. 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, although the committed long-term reserves is less than 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.

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 2021-22 and into 2022-23. In May 2022, the voters passed a \$723 million bond measure for additional school remodels and capital construction projects based on the most recent facilities condition assessment. As the average age of the District's buildings is in excess of 40 years, the District will continue to utilize and update the facilities condition assessment to guide the future needs for the District.

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, 2021. This was the forty-first 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 annual comprehensive 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 Annual Comprehensive 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, 2021. The District has achieved this prestigious award for fortieth consecutive year.

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 Annual Comprehensive Financial Report continues to conform to these standards and will be submitting it to ASBO for review.

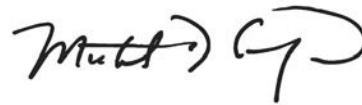
The preparation of the Annual Comprehensive Financial Report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted in and contributed to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



Gustavo Balderas
Superintendent of Schools



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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

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 Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.**

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

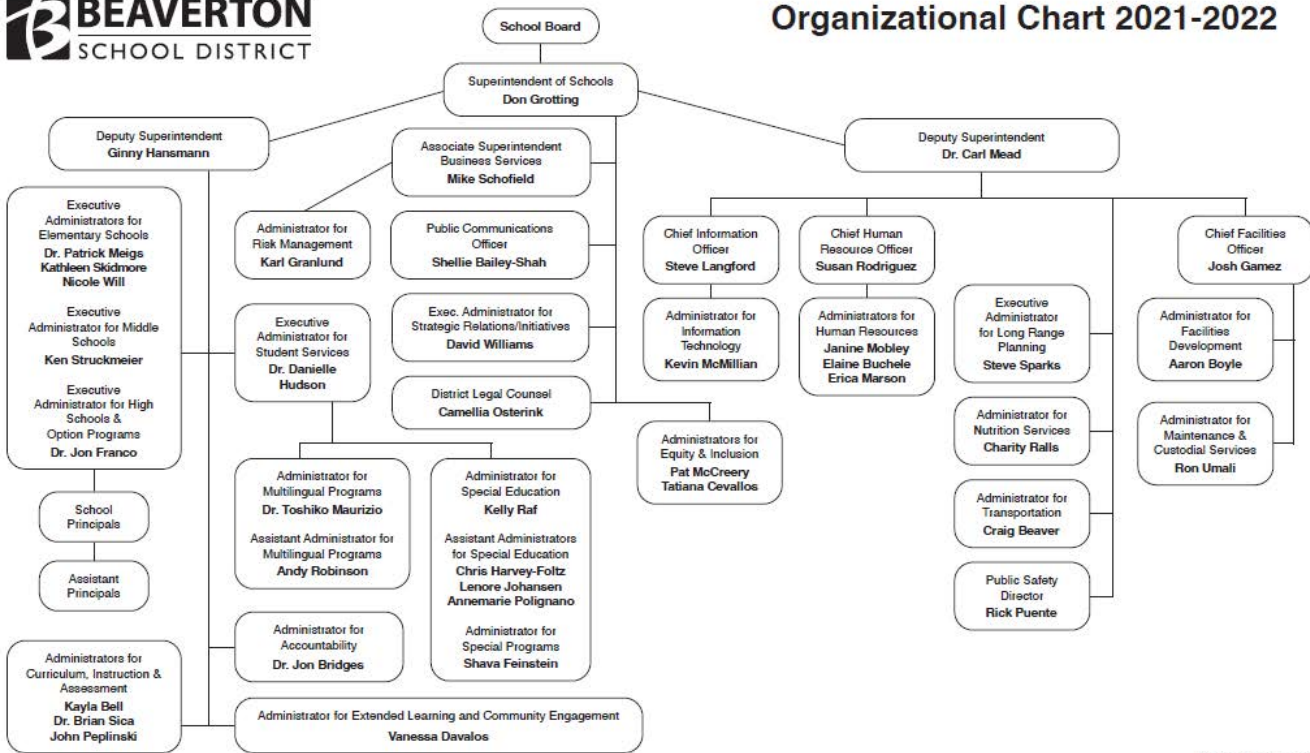


A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

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

David J. Lewis
Executive Director



(effective May 10, 2022)

Beaverton School District Appointed and Elected Officials as of June 30, 2022

Administrative Office:
1260 NW Waterhouse Avenue
Beaverton, OR 97006

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

School Board

| <u>Name and Title</u> | <u>Term Expires</u> |
|---------------------------|---------------------|
| Tom Colett, Chair | June 30, 2023 |
| Becky Tymchuk, Vice Chair | June 30, 2023 |
| Ugonna Enyinnaya | June 30, 2025 |
| Sunita Garg | June 30, 2025 |
| Susan Greenberg | June 30, 2025 |
| Karen Pérez | June 30, 2025 |
| Eric Simpson | June 30, 2023 |

The Board Members receive mail at the address below:

Beaverton School District
1260 NW Waterhouse Avenue
Beaverton, OR 97006

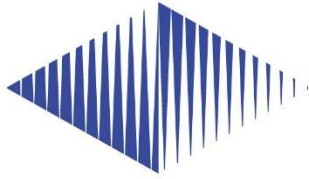




FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

475 Cottage Street NE, Suite 200, Salem, OR 97301
(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

INDEPENDENT AUDITOR'S REPORT

School Board
Beaverton School District
Beaverton, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in the notes to the financial statements, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 87 *Leases*, in the current period, which resulted in changes to the presentation of lease related activity. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and, 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.

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, and statistical

section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part 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.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reports on Other Legal and Regulatory Requirements


Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022 on our consideration of Beaverton School 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 December 5, 2022, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By: 
Larry E. Grant, A Shareholder
December 5, 2022



MANAGEMENT'S DISCUSSION AND ANALYSIS



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

As management of the 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, 2022. 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. 87, *Leases* (GASB No. 87), Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* (GASB No. 89), and Statement No. 98, *The Annual Comprehensive Financial Report* (GASB No. 98). The District has also implemented the immediate portions of Statement No. 99, *Omnibus 2022* (GASB No. 99) and the remaining 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 2021-22. The District restated prior year net position and prior year fund balances as a result of the implementation of GASB No. 87 but anticipates no financial impact as a result of implementing the other statements. Additional information can be found in Note 18 and Note 20 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 \$39.8 million (net position). This is an increase of \$77.9 million from the restated net position for 2021.
- The District's governmental funds report combined ending fund balance of \$210.2 million, an increase of \$14.2 million from the prior year after restatement. Approximately 52.2 percent of this total amount, \$109.6 million, was unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable, restricted or committed: \$67.8 million for use on capital projects, \$7.0 million for debt service and the balance of \$25.7 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 \$119.8 million, or about 23.2 percent of total General Fund revenue.
- Total cost of all the District's programs was \$634.9 million for the fiscal year, a decrease of \$38.1 million (5.7 percent) from the prior year.
- The District's total outstanding long-term debt and leases decreased by \$54.2 million (5.5 percent) during the 2021-22 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)

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

notes to the basic financial statements. This report also contains supplementary information intended to provide additional details to support the basic financial statements themselves.

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

The Statement of Net Position. 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 eight individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

for the General, Grant, Debt Service, and Capital Projects Funds, all of which are considered to be major funds. The General Fund has two types of subfunds included as a separate presentation, which can be found following the notes to the basic financial statements. Data from the other four of the governmental funds are combined into a single, aggregated 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 - 96.

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 - 72 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information (RSI)* including budget to actual presentations for required major funds. This information can be found on pages 75 - 80 of this report. *Other Supplementary Information*, presented on pages 83 - 118, 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 \$39.8 million at June 30, 2022.

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles and equipment, represent 77.4 percent of total assets. The remaining assets consist mainly of cash and investments, grants and property taxes receivable.

The District's largest liability (87.2 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 and leases due in more than one year. Other liabilities, representing about 12.8 percent of the District's total liabilities, consist principally of the debt and obligations due within one year, leases due within one year, payables on accounts, and accrued salaries and benefits.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

Most of the District's net position (\$373.1 million) reflects its investment in capital assets (e.g., land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding and unspent bond proceeds. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

The District's restricted net position (\$5.5 million) reflects resources that are subject to external restrictions on how they may be used. The remaining balance in net position (negative \$418.4 million) is unrestricted.

The breakdown of the Beaverton School District Net Position for Governmental Activities, after GASB 87 restatement, is as follows:

| Governmental Activities | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|---|-------------------------|------------------------|----------------------------------|
| Capital assets | \$ 1,055,861,375 | \$ 1,067,726,362 | \$ 11,864,987 |
| Current and other assets | 281,371,126 | 312,303,356 | 30,932,230 |
| Total assets | <u>1,337,232,501</u> | <u>1,380,029,718</u> | <u>42,797,217</u> |
| Deferred outflows of resources | 240,565,943 | 188,169,195 | (52,396,748) |
| Total assets and deferred outflows of resources | <u>1,577,798,444</u> | <u>1,568,198,913</u> | <u>(9,599,531)</u> |
| Long-term liabilities | 1,505,955,486 | 1,168,924,322 | (337,031,164) |
| Other liabilities | 167,111,467 | 171,251,193 | 4,139,726 |
| Total liabilities | <u>1,673,066,953</u> | <u>1,340,175,515</u> | <u>(332,891,438)</u> |
| Deferred inflows of resources | 22,485,531 | 267,854,455 | 245,368,924 |
| Total liabilities and deferred inflows of resources | <u>1,695,552,484</u> | <u>1,608,029,970</u> | <u>(87,522,514)</u> |
| Net position: | | | |
| Net investment in capital assets | 363,941,382 | 373,102,823 | 9,161,441 |
| Restricted | 4,913,660 | 5,505,500 | 591,840 |
| Unrestricted | (486,609,082) | (418,439,380) | 68,169,702 |
| Total net position | <u>\$ (117,754,040)</u> | <u>\$ (39,831,057)</u> | <u>\$ 77,922,983</u> |

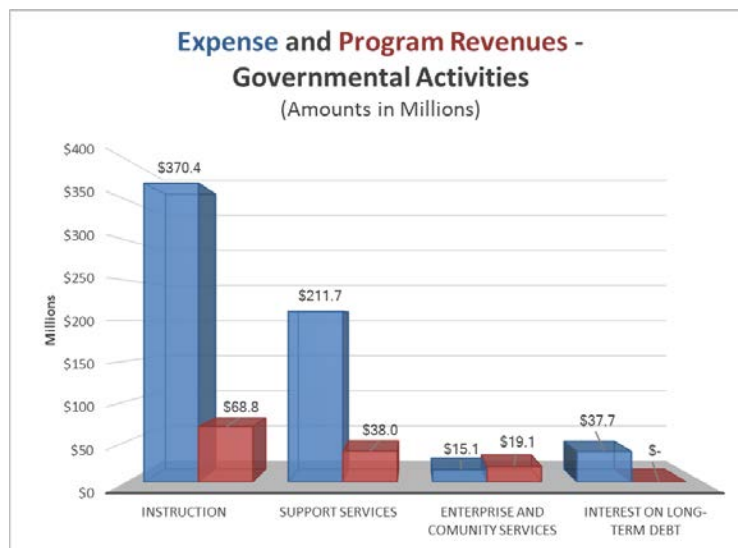
The District's overall financial position changed as indicated by an increase of \$77.9 million in net position. Unrestricted net position increased by \$68.2 million due mainly to the change in PERS due to improved asset performance and changes in assumptions, resulting in a lower PERS net pension liability offset partially by an increase in the PERS deferred inflows amortizing those changes over the next few years. At the same time, the District's investment in capital assets, net of related debt, increased by \$9.2 million due principally to the continued implementation of the construction bond and payment of related debt during the year.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

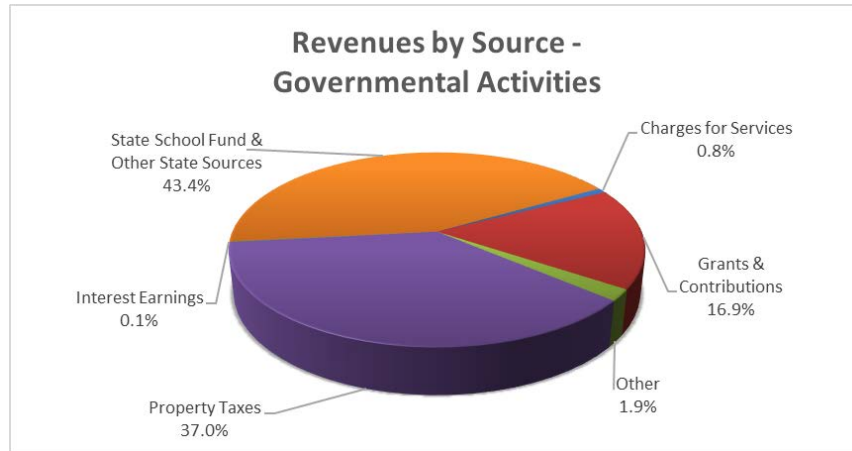
Governmental activities. During the 2021-22 fiscal year, the District's net position increased by \$77.9 million from the restated net position. Additional information related to the GASB 87 restatement can be found in Note 20.

The key elements in this change, after adjustments for GASB 87 restatement, are the following:

| Governmental Activities | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|-------------------------------------|-------------------------|------------------------|----------------------------------|
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 2,259,955 | \$ 5,751,716 | \$ 3,491,761 |
| Operating grants and contributions | 63,896,255 | 118,995,924 | 55,099,669 |
| Capital grants and contributions | 312,280 | 1,180,349 | 868,069 |
| General revenues: | | | |
| Property taxes | 218,010,788 | 226,254,042 | 8,243,254 |
| Local option taxes | 35,807,436 | 37,407,459 | 1,600,023 |
| Construction excise tax | 2,780,732 | 2,110,725 | (670,007) |
| State school fund | 285,817,276 | 287,550,313 | 1,733,037 |
| Other state and local sources | 20,633,367 | 21,463,764 | 830,397 |
| Earnings on investments | 1,028,129 | 706,117 | (322,012) |
| Miscellaneous | 6,578,415 | 11,389,711 | 4,811,296 |
| Total revenues | <u>637,124,633</u> | <u>712,810,120</u> | <u>75,685,487</u> |
| Expenses: | | | |
| Instruction | 396,664,903 | 370,421,973 | (26,242,930) |
| Support services | 217,707,283 | 211,675,873 | (6,031,410) |
| Enterprise and community services | 15,813,062 | 15,079,040 | (734,022) |
| Interest on long-term debt | 42,847,357 | 37,710,251 | (5,137,106) |
| Total expenses | <u>673,032,605</u> | <u>634,887,137</u> | <u>(38,145,468)</u> |
| Increase (decrease) in net position | (35,907,972) | 77,922,983 | 113,830,955 |
| Net position – July 1 (as restated) | (81,846,068) | (117,754,040) | (35,907,972) |
| Net position – June 30 | <u>\$ (117,754,040)</u> | <u>\$ (39,831,057)</u> | <u>\$ 77,922,983</u> |



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**



- Program revenues increased by \$59.5 million in 2021-22 as a combination of an increase of \$3.5 million in charges for services and an increase of \$55.1 million in operating grants and contributions.
- General revenues increased by \$16.2 million in 2021-22 largely due to increases from local property taxes while the State School Fund remained steady even with lower enrollment.

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, 2022, the District's governmental funds reported combined ending fund balances of \$210.2 million, an increase of \$14.2 million in comparison with the prior year after restatement. Approximately \$100.5 million (47.8 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 \$109.6 million (52.2 percent) of the ending fund balances are unassigned and available for spending at the District's discretion. Of the fund balance, \$67.8 million (32.3 percent) is designated for capital projects, as authorized by voters and the Board, and an additional \$7.0 million (3.4 percent) is dedicated for debt service obligations.

General Fund. The General Fund is the chief operating fund of the District. As of June 30, 2022, committed fund balance was \$10.1 million to fund long-term planning needs and a stability fund. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. At the end of the fiscal year, the General Fund balance was 23.2 percent of General Fund revenues. The fund balance increased by \$26.5 million, as revenues continue to outpace expenditures partially due to the short-term state and federal resources received through the Grant Fund related to the COVID-19 response. Revenues also increased for the year due to the implementation of services to other funds charge of a 2% of salaries in all funds to establish a PERS reserve for future rate increases.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

Grant Fund. The Grant Fund has zero fund balance, consistent with prior years. Both revenues and expenditures increased by \$46.6 million from the prior year due to an increase in utilization of federal grants as part of the COVID-19 response.

Debt Service Fund. The Debt Service Fund has a total fund balance of \$7.0 million, all of which is set aside for the payment of debt service. The fund balance increased from \$3.9 million due to larger increases in local property taxes than forecasted.

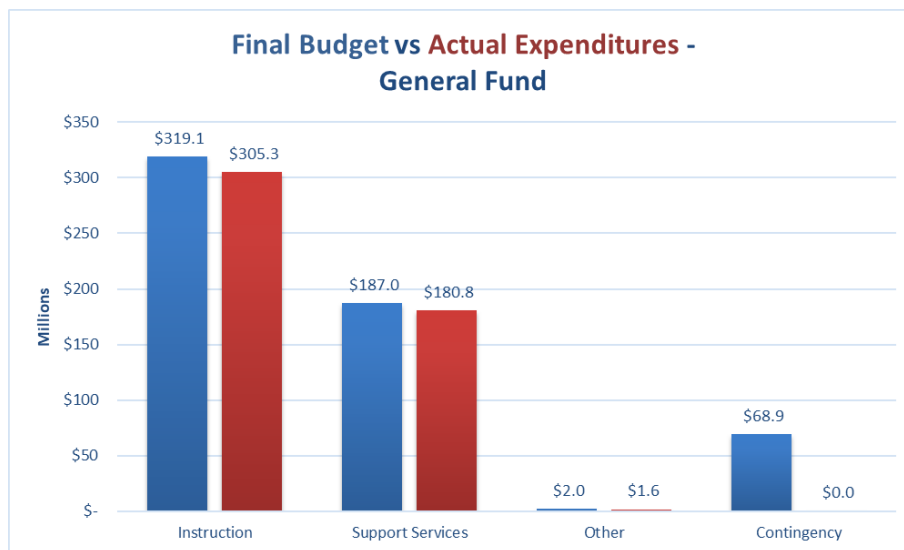
Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$67.8 million, all of which is dedicated for ongoing capital projects. Capital expenditures reflect costs incurred as part of the Long-Range Facilities Plan. All of the Capital Projects Fund balance is restricted or committed for capital improvements and repairs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. During the year, there was one supplemental budget that was adopted for 2021-22.

Final budget compared to actual results. The most significant differences between estimated revenue and actual revenue were State Sources. State Sources were estimated to be \$286.9 million and actual revenue was \$294.6 million, a difference of \$7.7 million. The District forecasted lower enrollment but received additional State School Fund revenue due to the lower enrollment across the state resulting in a larger than expected per pupil funding amount.

The most significant difference between estimated expenditures and actual expenditures was Instruction and Support Services. Estimated Instruction expenditures were \$319.1 million compared to the actual expenditures of \$305.3 million. Estimated Support Services expenditure was \$187.0 million compared to the actual expenditure of \$180.8 million. The budget estimates were determined with estimates for the effects of returning to in-person instruction that did not match actuals. The District also was affected by the tight labor market that left many positions open for extended periods of time.



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, leased assets, and construction in progress. As of June 30, 2022, the District had approximately \$1,067.7 million invested in capital assets, net of depreciation, as shown in the following table:

| Capital Asset | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|--|-------------------------|-------------------------|----------------------------------|
| Land | \$ 71,493,501 | \$ 71,493,501 | \$ - |
| Buildings and improvements | 923,934,000 | 933,380,370 | 9,446,370 |
| Vehicles and equipment | 25,078,655 | 23,537,218 | (1,541,437) |
| Leased vehicles and equipment | 1,090,713 | 1,030,887 | (59,826) |
| Construction in progress | 34,264,506 | 38,284,386 | 4,019,880 |
| Total capital assets, net of related accumulated depreciation | <u>\$ 1,055,861,375</u> | <u>\$ 1,067,726,362</u> | <u>\$ 11,864,987</u> |

Additional information regarding the District's capital assets can be found in Note 6 on page 51 of this report.

Long-term debt. At the end of the current fiscal year, the District had a total long-term debt outstanding of \$923.6 million outstanding. The debt consisted of general obligation bonds, full faith and credit obligation bonds, pension obligation bonds, equipment financing, 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 \$5.0 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 Note 9 on pages 52 - 56 of this report.

| Long-Term Debt Type | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|-----------------------------------|-----------------------|-----------------------|----------------------------------|
| General obligation bonds | \$ 763,195,265 | \$ 713,350,265 | \$ (49,845,000) |
| Pension obligation bonds | 162,825,000 | 146,725,000 | (16,100,000) |
| Full faith and credit obligations | 15,305,000 | 30,448,277 | 15,143,277 |
| Unamortized premium | 36,425,702 | 29,575,741 | (6,849,961) |
| Equipment financing | - | 3,523,064 | 3,523,064 |
| Total long-term debt | <u>\$ 977,750,967</u> | <u>\$ 923,622,347</u> | <u>\$ (54,128,620)</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 2021-22 decreased from 2020-21 by 335, a decrease of 0.8 percent. The District expects to have declining ADM in 2022-23 but will continue to receive funding based on the 2021-22 ADM.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT’S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

The 2021-22 budget was based on a K-12 state funding level of \$9.3 billion for the 2021-23 biennium. It includes a local option levy that was renewed in May 2018 that will continue through June 2023. This local option provides 286 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 III have provided additional grant funds to respond to this situation.

In June 2022, the Board adopted the District budget for the fiscal year 2022-23. The adopted budget for the General Fund for the year ending June 30, 2023, is \$622.8 million. This is an increase of \$42.4 million from the 2021-22 adopted budget. This budget was adopted with estimates assuming declining enrollment and the continued financial impacts of the ESSER supports in an in-person learning model for the entire year.

The Board has set a 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, and the District has created a PERS Reserve account that will set aside funds to address the anticipated rate increase for in the future.

REQUESTS FOR INFORMATION

This financial report is designed to present the users (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 1260 NW Waterhouse Avenue, Beaverton, Oregon 97006.



BASIC FINANCIAL STATEMENTS



BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

| | |
|--|------------------------|
| ASSETS: | |
| Cash and investments | \$ 242,292,182 |
| Receivables | 61,370,332 |
| Inventories | 782,432 |
| OPEB net asset - RHIA | 7,858,410 |
| Capital assets not being depreciated | 109,777,888 |
| Capital assets, net of accumulated depreciation / amortization | 957,948,474 |
| TOTAL ASSETS | <u>1,380,029,718</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | |
| Deferred amount on refunding | 27,941,783 |
| PERS deferred outflows | 155,399,251 |
| OPEB deferred outflows | 4,828,161 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>188,169,195</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>1,568,198,913</u> |
| LIABILITIES: | |
| Accounts payable | 13,145,178 |
| Accrued salaries and benefits | 50,501,168 |
| Compensated absences | 6,280,635 |
| Accrued interest payable | 17,726,041 |
| Unearned revenue | 12,800,061 |
| Accrued claims losses | 4,140,000 |
| Other accrued liabilities | 705,652 |
| Non-current liabilities | |
| Due within one year: | |
| Leases payable | 455,443 |
| Bonds, notes, and equipment financing | 65,497,015 |
| Due in more than one year: | |
| Leases payable | 488,959 |
| Bonds, notes, and equipment financing | 858,125,332 |
| PERS net pension liability | 284,738,427 |
| OPEB total liability - PHIS | 25,571,604 |
| TOTAL LIABILITIES | <u>1,340,175,515</u> |
| DEFERRED INFLOWS OF RESOURCES: | |
| Lease deferred inflows | 2,373,931 |
| PERS deferred inflows | 253,212,277 |
| OPEB deferred inflows | 12,268,247 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>267,854,455</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>1,608,029,970</u> |
| NET POSITION: | |
| Net investment in capital assets | 373,102,823 |
| Restricted for student body & special programs | 5,052,084 |
| Restricted for scholarships | 453,416 |
| Unrestricted | (418,439,380) |
| TOTAL NET POSITION | <u>\$ (39,831,057)</u> |

BEAVERTON SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Change in Net Position |
|--|------------------|-------------------------|---------------------------------------|--|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 270,132,377 | \$ 4,598,960 | \$ 30,398,478 | \$ - | \$ (235,134,939) |
| Special programs | 94,507,464 | - | 27,974,992 | - | (66,532,472) |
| Summer school programs | 5,782,132 | - | 5,803,705 | - | 21,573 |
| Total instruction | 370,421,973 | 4,598,960 | 64,177,175 | - | (301,645,838) |
| Support Services: | | | | | |
| Student support services | 59,059,795 | - | 18,585,220 | - | (40,474,575) |
| Instructional staff support | 17,218,227 | - | 4,364,628 | - | (12,853,599) |
| General administration support | 2,500,741 | - | - | - | (2,500,741) |
| School administration | 37,832,998 | - | 319,392 | - | (37,513,606) |
| Business support services | 68,887,798 | 1,021,684 | 12,225,585 | 1,180,349 | (54,460,180) |
| Central activities support | 26,176,314 | - | 328,943 | - | (25,847,371) |
| Total support services | 211,675,873 | 1,021,684 | 35,823,768 | 1,180,349 | (173,650,072) |
| Enterprise and Community Services: | | | | | |
| Food services | 14,940,601 | 131,072 | 18,853,536 | - | 4,044,007 |
| Community services | 138,439 | - | 141,445 | - | 3,006 |
| Total enterprise and community services: | 15,079,040 | 131,072 | 18,994,981 | - | 4,047,013 |
| Interest on long-term debt | 37,710,251 | - | - | - | (37,710,251) |
| Total governmental activities | \$ 634,887,137 | \$ 5,751,716 | \$ 118,995,924 | \$ 1,180,349 | (508,959,148) |

| | |
|---|-----------------|
| General revenues: | |
| Property taxes levied for general purposes | 156,112,692 |
| Local option taxes levied for general purposes | 37,407,459 |
| Property taxes levied for debt service | 70,141,350 |
| Construction excise tax | 2,110,725 |
| State school fund - general support | 287,550,313 |
| Common school fund | 4,613,181 |
| Unrestricted state and local sources | 16,850,583 |
| Earnings on investments | 706,117 |
| Gains on sale of capital assets | 79,088 |
| Miscellaneous | 11,310,623 |
| Total general revenues | 586,882,131 |
| CHANGE IN NET POSITION | 77,922,983 |
| NET POSITION, July 1, 2021 as originally reported | (118,976,141) |
| Restatement (see Note 20) | 1,222,101 |
| NET POSITION, July 1, 2021 as restated | (117,754,040) |
| NET POSITION, June 30, 2022 | \$ (39,831,057) |

BEAVERTON SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

| | General Fund | Grant Fund | Debt Service Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total |
|--|-----------------------|----------------------|-------------------------|--------------------------|-----------------------------------|-----------------------|
| ASSETS | | | | | | |
| Pooled cash and investments | \$ 141,029,160 | \$ - | \$ 4,833,069 | \$ 71,359,219 | \$ 13,307,040 | \$ 230,528,488 |
| Cash with fiscal agent | - | - | 59,860 | 300,000 | - | 359,860 |
| Receivables | 4,769,423 | 42,106,247 | 165,597 | 274,231 | 6,465,114 | 53,780,612 |
| Property taxes receivable | 2,817,305 | - | 1,014,394 | - | - | 3,831,699 |
| Lease revenue receivable | 2,847,176 | - | - | 725,545 | - | 3,572,721 |
| Due from other funds | 24,446,697 | - | 1,789,138 | - | - | 26,235,835 |
| Inventories | - | - | - | - | 782,432 | 782,432 |
| TOTAL ASSETS | \$ 175,909,761 | \$ 42,106,247 | \$ 7,862,058 | \$ 72,658,995 | \$ 20,554,586 | \$ 319,091,647 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ 5,456,549 | \$ 2,838,166 | \$ - | \$ 3,944,837 | \$ 605,146 | \$ 12,844,698 |
| Accrued salaries and benefits | 44,381,580 | 4,980,427 | - | 71,467 | 1,059,732 | 50,493,206 |
| Due to other funds | 2,178,139 | 24,370,595 | - | 4,461 | 71,030 | 26,624,225 |
| Unearned revenue | - | 9,917,059 | - | - | 2,883,002 | 12,800,061 |
| Other liabilities | 16,099 | - | - | 303,359 | 386,194 | 705,652 |
| TOTAL LIABILITIES | 52,032,367 | 42,106,247 | - | 4,324,124 | 5,005,104 | 103,467,842 |
| Deferred Inflows of Resources: | | | | | | |
| Unavailable revenue - property taxes | 2,265,469 | - | 814,987 | - | - | 3,080,456 |
| Unavailable revenue - leases | 1,838,480 | - | - | 535,451 | - | 2,373,931 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 4,103,949 | - | 814,987 | 535,451 | - | 5,454,387 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 56,136,316 | 42,106,247 | 814,987 | 4,859,575 | 5,005,104 | 108,922,229 |
| Fund Balances: | | | | | | |
| Nonspendable | | | | | | |
| Nutrition Services Fund - Inventories | - | - | - | - | 782,432 | 782,432 |
| Restricted | | | | | | |
| Debt Service Fund | - | - | 3,849,042 | - | - | 3,849,042 |
| Capital Projects Fund | - | - | - | 55,276,427 | - | 55,276,427 |
| Student Body & Special Purpose Fund | - | - | - | - | 5,052,084 | 5,052,084 |
| Scholarships Fund | - | - | - | - | 453,416 | 453,416 |
| Committed | | | | | | |
| Debt Service Fund | - | - | 3,198,029 | - | - | 3,198,029 |
| Capital Projects Fund | - | - | - | 12,522,993 | - | 12,522,993 |
| Categorical Fund | - | - | - | - | 4,564,663 | 4,564,663 |
| Nutrition Services Fund | - | - | - | - | 4,696,887 | 4,696,887 |
| Long-term Planning Fund | 10,128,224 | - | - | - | - | 10,128,224 |
| Unassigned | 109,645,221 | - | - | - | - | 109,645,221 |
| TOTAL FUND BALANCES | 119,773,445 | - | 7,047,071 | 67,799,420 | 15,549,482 | 210,169,418 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 175,909,761 | \$ 42,106,247 | \$ 7,862,058 | \$ 72,658,995 | \$ 20,554,586 | \$ 319,091,647 |

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2022

| | | |
|---|----------------------|------------------------|
| TOTAL FUND BALANCES | | \$ 210,169,418 |
| Capital assets are not financial resources and therefore are not reported in the governmental funds: | | |
| Cost | \$ 1,471,907,640 | |
| Accumulated depreciation | <u>(404,181,278)</u> | 1,067,726,362 |
| 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. | | |
| | | 3,080,456 |
| 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. | | |
| | | 7,529,082 |
| 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. | | |
| | | (6,280,635) |
| Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt, notes, and leases is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of: | | |
| Accrued interest payable | (17,726,041) | |
| Bonds, notes, equipment financing, and unamortized premium | (923,622,347) | |
| Leases payable | <u>(944,402)</u> | (942,292,790) |
| 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 | (284,738,427) | |
| PERS deferred outflow of resources | 155,399,251 | |
| PERS deferred inflows of resources | <u>(253,212,277)</u> | (382,551,453) |
| 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. | | |
| | | 27,941,783 |
| 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 | 7,858,410 | |
| Total OPEB liability | (25,571,604) | |
| OPEB deferred outflow of resources | 4,828,161 | |
| OPEB deferred inflows of resources | <u>(12,268,247)</u> | (25,153,280) |
| TOTAL NET POSITION | | <u>\$ (39,831,057)</u> |

BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

| | General Fund | Grant Fund | Debt Service Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total |
|--|-----------------------|-------------------|-------------------------|--------------------------|-----------------------------------|-----------------------|
| REVENUES: | | | | | | |
| Property taxes | \$ 156,178,822 | \$ - | \$ 70,141,349 | \$ - | \$ - | \$ 226,320,171 |
| Local option levy | 37,407,459 | - | - | - | - | 37,407,459 |
| Construction excise tax | - | - | - | 2,110,725 | - | 2,110,725 |
| Intermediate sources | 14,126,181 | 263,207 | 59,766 | - | - | 14,449,154 |
| State sources | 294,630,756 | 51,725,684 | - | - | 2,059,077 | 348,415,517 |
| Federal sources | - | 43,559,613 | - | - | 18,742,943 | 62,302,556 |
| Charges for services | 1,443,096 | - | - | - | 3,938,172 | 5,381,268 |
| Rentals | 622,330 | - | - | 388,344 | - | 1,010,674 |
| Investment earnings | 420,695 | - | 124,813 | 132,280 | 14,763 | 692,551 |
| Contributions and donations | 15,594 | 430,844 | - | 141,418 | 1,614,693 | 2,202,549 |
| Services to other funds | 6,264,665 | - | 25,255,961 | - | - | 31,520,626 |
| Recovery of prior years' expenditures | 16,447 | 1,985 | - | 3,422,761 | 23,731 | 3,464,924 |
| Other | 4,384,940 | - | - | 768,083 | 3,509,089 | 8,662,112 |
| Total revenues | 515,510,985 | 95,981,333 | 95,581,889 | 6,963,611 | 29,902,468 | 743,940,286 |
| EXPENDITURES: | | | | | | |
| Current | | | | | | |
| Instruction | 305,341,377 | 61,916,185 | - | - | 6,911,087 | 374,168,649 |
| Support services | 180,785,653 | 28,740,860 | - | 633,690 | 2,371,453 | 212,531,656 |
| Enterprise and community services | - | 176,532 | - | - | 15,096,490 | 15,273,022 |
| Debt Service | | | | | | |
| Principal | 1,536,842 | - | 67,001,723 | - | - | 68,538,565 |
| Interest | 62,799 | - | 27,148,765 | - | - | 27,211,564 |
| Capital Outlay | | | | | | |
| Facilities acquisition and construction | 11,944 | 5,147,756 | - | 44,724,054 | 352,458 | 50,236,212 |
| Total expenditures | 487,738,615 | 95,981,333 | 94,150,488 | 45,357,744 | 24,731,488 | 747,959,668 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 27,772,370 | - | 1,431,401 | (38,394,133) | 5,170,980 | (4,019,382) |
| OTHER FINANCING SOURCES (USES): | | | | | | |
| Sale of or compensation for loss of capital assets | - | - | - | 79,088 | - | 79,088 |
| Transfers in | - | - | 1,731,699 | - | 2,797,635 | 4,529,334 |
| Transfers out | (6,215,572) | - | - | (1,209,289) | (131,685) | (7,556,546) |
| Issuance of equipment financing | 4,697,408 | - | - | - | - | 4,697,408 |
| Issuance of lease payables | 253,309 | - | - | - | - | 253,309 |
| Issuance of debt | - | - | - | 16,200,000 | - | 16,200,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,264,855) | - | 1,731,699 | 15,069,799 | 2,665,950 | 18,202,593 |
| NET CHANGE IN FUND BALANCES | 26,507,515 | - | 3,163,100 | (23,324,334) | 7,836,930 | 14,183,211 |
| FUND BALANCE, July 1, 2021* | 93,265,930 | - | 3,883,971 | 91,123,754 | 7,712,552 | 195,986,207 |
| FUND BALANCE, June 30, 2022 | \$ 119,773,445 | \$ - | \$ 7,047,071 | \$ 67,799,420 | \$ 15,549,482 | \$ 210,169,418 |

* The July 1, 2021 Governmental Fund and Capital Projects Fund total fund balance was restated due to the implementation of GASB 87.
See Footnote 20.

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, 2022

NET CHANGE IN FUND BALANCES \$ 14,183,211

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

| | | |
|--|---------------------|------------|
| Net additions to capital assets | \$ 48,765,746 | |
| Less current year depreciation expense | <u>(36,900,759)</u> | 11,864,987 |

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

| | | |
|--|----------------------|------------|
| Net change in PERS net pension liability / asset | 287,137,607 | |
| Net change in deferred outflow of resources | (35,578,013) | |
| Net change in deferred inflow of resources | <u>(240,346,276)</u> | 11,213,318 |

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

| | | |
|-----------------------------|------------------|------------|
| Debt issued | (16,200,000) | |
| Debt principal repaid | 67,001,723 | |
| Amortization expense | 6,849,961 | |
| Lease issued | (4,950,717) | |
| Lease debt principal repaid | <u>1,536,842</u> | 54,237,809 |

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. (16,630,553)

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. (718,095)

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. (66,130)

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. 2,651,504

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. (200,374)

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

| | | |
|---|--------------------|------------------|
| Net change in OPEB liability / asset | 6,268,811 | |
| Net change in deferred outflow of resources | (188,182) | |
| Net change in deferred inflow of resources | <u>(4,693,323)</u> | <u>1,387,306</u> |

CHANGE IN NET POSITION \$ 77,922,983

BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
JUNE 30, 2022

ASSETS

Current assets:

| | |
|-----------------------------|----------------|
| Pooled cash and investments | \$ 11,403,834 |
| Receivables | 185,300 |
| Due from other funds | <u>388,582</u> |

| | |
|---------------------|--------------------------|
| TOTAL ASSETS | <u>11,977,716</u> |
|---------------------|--------------------------|

LIABILITIES

Current liabilities:

| | |
|-------------------------------|------------|
| Accounts payable | 300,480 |
| Accrued claims losses | 4,140,000 |
| Accrued salaries and benefits | 7,962 |
| Due to other funds | <u>192</u> |

| | |
|--------------------------|-------------------------|
| TOTAL LIABILITIES | <u>4,448,634</u> |
|--------------------------|-------------------------|

NET POSITION

| | |
|--------------|------------------|
| Unrestricted | <u>7,529,082</u> |
|--------------|------------------|

| | |
|---------------------------|----------------------------|
| TOTAL NET POSITION | <u>\$ 7,529,082</u> |
|---------------------------|----------------------------|

BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | |
|---------------------------------------|----------------------------|
| OPERATING REVENUES: | |
| Services to other funds | \$ 5,631,828 |
| Recovery of prior years' expenditures | 299,046 |
| Other | <u>64,891</u> |
| TOTAL OPERATING REVENUES | <u>5,995,765</u> |
| OPERATING EXPENSES: | |
| Losses and claims | 1,569,164 |
| Insurance premiums and assessments | 2,707,465 |
| Salaries and benefits | 1,323,511 |
| Services, supplies and materials | <u>784,898</u> |
| TOTAL OPERATING EXPENSES | <u>6,385,038</u> |
| OPERATING INCOME (LOSS) | (389,273) |
| NONOPERATING REVENUE: | |
| Investment earnings | <u>13,565</u> |
| TOTAL NONOPERATING REVENUES | <u>13,565</u> |
| INCOME (LOSS) BEFORE TRANSFERS | (375,708) |
| TRANSFERS: | |
| Transfers in | <u>3,027,212</u> |
| TOTAL TRANSFERS | <u>3,027,212</u> |
| CHANGE IN NET POSITION | 2,651,504 |
| NET POSITION, July 1, 2021 | <u>4,877,578</u> |
| NET POSITION, June 30, 2022 | <u><u>\$ 7,529,082</u></u> |

BEAVERTON SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | |
|---|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Received from interfund services provided | \$ 5,265,999 |
| Received from recovery of prior years' expenditures | 299,046 |
| Paid for goods and services | (3,507,141) |
| Paid to claimants | (1,605,390) |
| Paid to employees | <u>(1,323,511)</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | (870,997) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | |
| Transfer from other funds | <u>3,027,212</u> |
| NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES | 3,027,212 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Interest received | <u>13,565</u> |
| NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES | <u>13,565</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 2,169,780 |
| CASH AND CASH EQUIVALENTS, July 1, 2021 | <u>9,234,054</u> |
| CASH AND CASH EQUIVALENTS, June 30, 2022 | <u>\$ 11,403,834</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | |
| Operating income (loss) | \$ (389,273) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | |
| Changes in assets and liabilities | |
| Receivables | 288,852 |
| Due from other funds | (43,476) |
| Accounts payable | (14,778) |
| Accrued salaries and benefits | (36,226) |
| Due to other funds | (3,170) |
| Other liabilities | <u>(672,926)</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>\$ (870,997)</u> |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

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, 2022

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, 2022

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 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, 2022, no allowance for doubtful accounts is considered necessary.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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 assets 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 assets 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 two sources: property taxes and leases. The statement of net position reports one type related to leases, 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, 2022

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, 2022, the total of these District contributions was \$1,056,276.

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, 2022

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 of \$55.3 million.

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. The District has a nonspendable fund balance in Nutrition Services Fund associated with inventories.

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. The District has a restricted fund balance in the Debt Service Fund for the payment of debt obligations, a restricted balance in the Capital Projects Fund for the payment of capital construction associated with bond measures, a restricted balance in the Student Body & Special Purpose Fund for the payment of those special programs, and a restricted balance in the Scholarship Fund for the issuance of future scholarship payments based on the scholarship agreements established.

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. The District has a committed fund balance in the

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

Debt Service Fund for the payment of debt obligations, a committed fund balance in the Capital Projects Fund for future capital construction and projects, a committed fund balance in the Categorical Fund for the replacement of equipment and vehicles, a committed fund balance in the Nutrition Services Fund for the future nutrition services operations, and a committed fund balance in the Long-term Planning Fund for the reserves for future year expenses.

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. 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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

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

Supplemental budgets less than 10 percent of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10 percent of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, there was one supplemental budget with additional appropriations adopted for 2021-22. 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, 2022:

| | | |
|------------------------|----|-----------------------|
| Cash with fiscal agent | \$ | 359,860 |
| Petty cash | | 4,273 |
| Deposits with banks | | 11,342,247 |
| Investments | | 230,585,802 |
| | | <u>\$ 242,292,182</u> |

Cash and investments are shown on the basic financial statements Statement of Net Position as \$242,292,182.

At year-end, the District's deposits with various financial institutions had a bank value of \$12,973,904 and a book value of \$11,342,247. 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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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 Depository 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, 2022, \$12,723,904 of the District’s bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution’s agent, but not in the District’s name.

As of June 30, 2022 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 | \$ 154,407,064 | 0.225 | 67.0% |
| U.S. Agency securities | 39,340,277 | 0.181 | 17.1% |
| Corporate indebtedness | 14,841,300 | 0.384 | 6.4% |
| Local Government Investment Pool (LGIP) | 21,997,161 | 0.003 | 9.5% |
| | <u>\$ 230,585,802</u> | <u>0.207</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 | 100.0% | 18 months for operating funds, 3 years for capital project funds |
| U.S. Agency securities | 100.0% | 18 months for operating funds, 3 years for capital project funds |
| State and local government obligations | 30.0% | 18 months for operating funds, 3 years for capital project funds |
| Certificate of deposits | 50.0% | 18 months |
| Repurchase agreements | 25.0% | 30 days |
| Bankers' acceptances | 25.0% | 6 months |
| Corporate indebtedness | 35.0% | 18 months |
| Bank deposits and savings accounts | 10.0% | N/A |
| Local Government Investment Pool (LGIP) | 100.0% | 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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, 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, 2022, 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 | \$ 154,407,064 |
| U.S. Agency securities | Aaa/AAA | 19,385,677 |
| | Not Rated | 19,954,600 |
| Total U.S. Agency securities | | 39,340,277 |
| Corporate indebtedness | Aaa/AAA | 14,841,300 |
| Local Government Investment Pool (LGIP) | Not Rated | 21,997,161 |
| Total investments | | \$ 230,585,802 |

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, 2022, more than 5 percent of the District’s portfolio was invested in Federal Agricultural Mortgage Discount Notes, Federal Home Loan Bank Discount Notes, and Toyota Capital Corp Notes. These investments were 8.7%, 8.4%, and 6.4% of the District’s total investments respectively.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2022 is as follows:

| | Due to Other Funds | Due from Other Funds |
|--------------------------|-----------------------|-------------------------|
| General Fund | \$ 2,178,139 | \$ 24,446,697 |
| Grant Fund | 24,370,595 | - |
| Debt Service Fund | - | 1,789,138 |
| Capital Projects Fund | 4,461 | - |
| Other Governmental Funds | 71,030 | - |
| Internal Service Funds | 192 | 388,582 |
| Total | <u>\$ 26,624,417</u> | <u>\$ 26,624,417</u> |

There is a \$24,370,595 interfund balance in the General Fund to fund reimbursable expenditures in the Grant Fund. The remaining \$2,633,543 interfund balances between funds are the result of payroll accruals

Interfund transfers for the year ended June 30, 2022 are as follows:

| | Transfer in | Transfer out |
|--------------------------|---------------------|---------------------|
| General Fund | \$ - | \$ 6,215,572 |
| Debt Service Fund | 1,731,699 | - |
| Capital Projects Fund | - | 1,209,289 |
| Other Governmental Funds | 2,797,635 | 131,685 |
| Internal Service Fund | 3,027,212 | - |
| Total | <u>\$ 7,556,546</u> | <u>\$ 7,556,546</u> |

Transfers were made from the Capital Projects Funds to the Debt Service Fund totaling \$1,209,289, from the General Fund to the Debt Service Fund totaling \$393,249, and from the Equipment Replacement Fund to the Debt Service Fund totaling \$129,161 to pay principal and interest payments on the full faith and credit obligations. The General Fund also transferred \$3,027,212 into the Insurance Reserve Fund to support the internal service fund and transferred \$2,795,111 into the Equipment Replacement Fund to fund future equipment purchases. Transfers were also made from the Food Service Fund to the Special Purpose Fund totaling \$2,524 for volunteer donations.

5. RECEIVABLES

Receivables are comprised of the following as of June 30, 2022:

| Account | General Fund | Grant Fund | Debt Service Fund | Capital Projects Fund | Other Governmental Funds | Internal Service Funds | Total |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------------|--------------------------------|------------------------------|----------------------|
| Receivables: | | | | | | | |
| Intergovernmental receivable | \$ 3,339,484 | \$ - | \$ 165,095 | \$ 92,124 | \$ - | \$ - | \$ 3,596,703 |
| Grants receivable | - | 42,106,247 | - | - | 3,509,340 | - | 45,615,587 |
| Interest receivable | 169,979 | - | - | - | - | - | 169,979 |
| Other receivable | 1,259,960 | - | 502 | 182,107 | 2,955,774 | 185,300 | 4,583,643 |
| Total receivables | <u>4,769,423</u> | <u>42,106,247</u> | <u>165,597</u> | <u>274,231</u> | <u>6,465,114</u> | <u>185,300</u> | <u>53,965,912</u> |
| Property taxes receivable | 2,817,305 | - | 1,014,394 | - | - | - | 3,831,699 |
| Lease revenue receivable | 2,847,176 | - | - | 725,545 | - | - | 3,572,721 |
| | <u>\$ 10,433,904</u> | <u>\$ 42,106,247</u> | <u>\$ 1,179,991</u> | <u>\$ 999,776</u> | <u>\$ 6,465,114</u> | <u>\$ 185,300</u> | <u>\$ 61,370,332</u> |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

6. CAPITAL ASSETS

Capital assets activity for the year was as follows:

| | Balance June 30, 2021 | Additions | Reductions | Balance June 30, 2022 |
|---|--------------------------|---------------|-----------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 71,493,501 | \$ - | \$ - | \$ 71,493,501 |
| Construction in progress | 34,264,506 | 32,467,563 | (28,447,682) | 38,284,387 |
| Total capital assets not being depreciated | 105,758,007 | 32,467,563 | (28,447,682) | 109,777,888 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 1,261,844,195 | 41,552,399 | - | 1,303,396,594 |
| Vehicles and equipment | 54,930,968 | 2,940,058 | (1,362,829) | 56,508,197 |
| Leased vehicles and equipment | 1,968,824 | 256,137 | - | 2,224,961 |
| Total capital assets being depreciated | 1,318,743,987 | 44,748,594 | (1,362,829) | 1,362,129,752 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (337,910,195) | (32,106,030) | - | (370,016,225) |
| Vehicles and equipment | (29,852,313) | (4,478,765) | 1,360,099 | (32,970,979) |
| Leased vehicles and equipment | (878,111) | (315,963) | - | (1,194,074) |
| Total accumulated depreciation | (368,640,619) | (36,900,758) | 1,360,099 | (404,181,278) |
| Total capital assets being depreciated, net | 950,103,368 | 7,847,836 | (2,730) | 957,948,474 |
| Total capital assets, net | \$ 1,055,861,375 | \$ 40,315,399 | \$ (28,450,412) | \$ 1,067,726,362 |

(Note: Due to GASB 87, the June 30, 2021 "Leased vehicles and equipment" is separated out from the "Vehicles and equipment" shown in previous years.)

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

| | |
|--------------------------------|----------------------|
| Regular programs | \$ 17,877,766 |
| Special programs | 5,871,660 |
| Summer school programs | 293,827 |
| Student support services | 3,942,030 |
| Instructional staff support | 970,563 |
| General administration support | 144,926 |
| School administration | 2,603,776 |
| Business support services | 3,113,951 |
| Central activities support | 1,516,493 |
| Food services | 564,116 |
| Community services | 1,650 |
| | <u>\$ 36,900,758</u> |

7. LEASE RECEIVABLES

Lease Terms

Cell Tower Leases

The District has entered into multiple long-term leases as the lessor of land for cell tower usage. Accounting for these leases is recognized in the General Fund. The first was entered into in 1997 and expired in 2002, providing for 5 extensions of 5-years each, with lease rental increasing annually based on the percentage increase of the Consumer Price Index capped at 4.0%. It was subsequently amended in 2017 to extend the lease for a total of 11 extensions with final expiration in 2057. The second was entered into in 2000 and expired in 2005, providing for 4 extensions of 5-years each, with lease rental increasing annually based on the percentage increase of the Consumer Price Index capped at 4.0%. It was subsequently amended in 2017 to extend the lease for a total of 10 extensions with final expiration in 2055. The third was entered into in 2004 and expired in 2009, providing for 4

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

extensions of 5-years each, with lease rental increasing with each extension by 15.0%. It was subsequently amended in 2014 to expand the area involved in the lease as well as the monthly rental amount for the remainder of the lease.

Parking Space Leases

The District entered into a lease agreement as the lessor of parking spaces in 2008. This lease had an initial period of through 2020, with a renewal option through 2025. The lease rental amount increased at the renewal. Accounting for this lease is recognized in the Capital Projects Fund.

Tenant Leases

The District purchased a new administration office in October 2021. As part of the building purchase, two tenant leases were assumed by the District. Each lease has a set monthly rental schedule and have renewal terms after their most recent amendment that expire in June 2024. Accounting for this lease is recognized in the Capital Projects Fund.

Lease Revenues

| Inflows of Resources | General Fund | Capital Projects Fund | Total |
|----------------------|------------------|-----------------------|-------------------|
| Lease Revenue | \$ 51,913 | \$ 228,809 | \$ 280,722 |
| Interest Revenue | 33,325 | 16,941 | 50,266 |
| Total Revenue | <u>\$ 85,238</u> | <u>\$ 245,750</u> | <u>\$ 330,988</u> |

8. LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2022 is as follows:

| | Balance June 30, 2021 | Additions | Reductions | Balance June 30, 2022 | Due Within One Year |
|--|--------------------------|----------------------|-----------------------|--------------------------|------------------------|
| Governmental activities: | | | | | |
| General obligation bonds | \$ 763,195,265 | \$ - | \$ 49,845,000 | \$ 713,350,265 | \$ 40,165,000 |
| Pension obligation bonds | 162,825,000 | - | 16,100,000 | 146,725,000 | 17,490,000 |
| Full faith & credit obligations | 15,305,000 | 16,200,000 | 1,056,723 | 30,448,277 | 1,370,432 |
| Unamortized premium | 36,425,702 | - | 6,849,961 | 29,575,741 | 5,297,239 |
| Equipment financing | - | 4,697,408 | 1,174,344 | 3,523,064 | 1,174,344 |
| Total bonds and equipment financing, net | 977,750,967 | 20,897,408 | 75,026,028 | 923,622,347 | 65,497,015 |
| Lease payables | 1,053,591 | 253,309 | 362,498 | 944,402 | 455,443 |
| Net pension liability | 571,876,034 | - | 287,137,607 | 284,738,427 | - |
| OPEB total liability | 29,189,791 | 2,961,712 | 6,579,899 | 25,571,604 | - |
| | <u>\$ 1,579,870,383</u> | <u>\$ 24,112,429</u> | <u>\$ 369,106,032</u> | <u>\$ 1,234,876,780</u> | <u>\$ 65,952,458</u> |

9. 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

These bonds generally are issued as 20-year serial bonds or 30-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, 2022 was \$5.0 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, Series 2003 Bonds, and obtain a savings in total debt service requirement. Interest rates on the bonds range from 2.0% to 5.0%, 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.

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 1.8% to 4.0%. 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 0.9% to 2.2%. Interest on the Series 2014B Bonds range from 2.0% to 5.0%. 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 1.5% to 3.2%. 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 3.6% to 4.1%. 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 5.0%. 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 5.0%. 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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 0.4% to 2.1% 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.

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 4.1% to 4.8%.

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 0.4% to 4.1%.

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 2.0% to 4.0% with a final maturity date of June 1, 2036.

On November 30, 2021, the District entered into a full faith and credit financing obligation of \$16,200,000 in two parts. Part A for \$9,200,000 has annual principal payments and semi-annual interest payments of 1.8% through final maturity on June 1, 2036. Part B for \$7,000,000 has semi-annual interest payments of 0.8% and a principal payment at final maturity of June 1, 2024.

Equipment Financing

In June 2021, the District entered into a 0% financing purchase agreement in for the acquisition of \$4.7 million of teacher computers. This financing arrangement commenced in 2021-22 with the delivery of the computers. Payments are made annually with final payment in July 2024.

Debt Defeased

On June 30, 2020, the District issued \$432,745,000 in General Obligation Bonds with interest rates ranging between 0.4% and 2.1%. The District issued the bonds to advance refund \$71,060,000 of the outstanding Series

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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, 2022, the outstanding principal of the defeased bonds is \$298,310,000.

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.

Debt Activity

The following is a summary of long-term debt transactions of governmental activities for the year ended June 30, 2022:

| Issue Date | Original Issue | Principal Outstanding on June 30, 2021 | Additions | Reductions | Principal Outstanding on June 30, 2022 | Interest Rates |
|--|----------------|--|----------------------|----------------------|--|----------------|
| General obligation bonds: | | | | | | |
| August 25, 2011 | \$ 42,175,000 | \$ 7,710,000 | \$ - | \$ 3,755,000 | \$ 3,955,000 | 2.0 - 5.0% |
| December 11, 2012 | 126,325,000 | 12,575,000 | - | 12,575,000 | - | 1.8 - 4.0% |
| August 7, 2014 | 361,755,000 | 33,685,000 | - | 15,835,000 | 17,850,000 | 2.0 - 5.0% |
| May 11, 2017 | 38,990,000 | 32,315,000 | - | 3,305,000 | 29,010,000 | 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 | 418,050,000 | - | 14,375,000 | 403,675,000 | 0.4 - 2.1% |
| | | <u>763,195,265</u> | <u>-</u> | <u>49,845,000</u> | <u>713,350,265</u> | |
| Limited tax pension obligation bonds: | | | | | | |
| June 21, 2005 | 189,935,000 | 105,985,000 | - | 12,395,000 | 93,590,000 | 4.1 - 4.8% |
| February 26, 2015 | 79,220,000 | 56,840,000 | - | 3,705,000 | 53,135,000 | 0.4 - 4.1% |
| | | <u>162,825,000</u> | <u>-</u> | <u>16,100,000</u> | <u>146,725,000</u> | |
| Full faith and credit obligation bonds: | | | | | | |
| April 27, 2016 | 16,260,000 | 15,305,000 | - | 775,000 | 14,530,000 | 2.0 - 4.0% |
| November 30, 2021 | 9,200,000 | - | 9,200,000 | 281,723 | 8,918,277 | 1.8% |
| November 30, 2021 | 7,000,000 | - | 7,000,000 | - | 7,000,000 | 0.8% |
| | | <u>15,305,000</u> | <u>16,200,000</u> | <u>1,056,723</u> | <u>30,448,277</u> | |
| Equipment financing | 4,697,408 | - | 4,697,408 | 1,174,344 | 3,523,064 | 0.0% |
| Total bonds and equipment financing: | | <u>941,325,265</u> | <u>20,897,408</u> | <u>68,176,067</u> | <u>894,046,606</u> | |
| Unamortized premium | | 36,425,702 | - | 6,849,961 | 29,575,741 | |
| Total | | <u>\$ 977,750,967</u> | <u>\$ 20,897,408</u> | <u>\$ 75,026,028</u> | <u>\$ 923,622,347</u> | |

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 and equipment financing are made by the General Fund and Capital Projects Fund. Federal arbitrage restrictions apply to substantially all debt.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

Future Debt Maturities

Future debt maturities are as follows:

| Fiscal Year Ending June 30, | Principal | Interest | Total |
|--------------------------------|-----------------------|-----------------------|-------------------------|
| 2023 | \$ 60,199,776 | \$ 24,908,878 | \$ 85,108,654 |
| 2024 | 70,957,979 | 23,601,843 | 94,559,822 |
| 2025 | 68,360,281 | 21,690,238 | 90,050,519 |
| 2026 | 71,440,209 | 20,066,126 | 91,506,335 |
| 2027 | 76,567,494 | 17,665,997 | 94,233,491 |
| 2028-2032 | 286,102,730 | 98,214,957 | 384,317,687 |
| 2033-2037 | 260,418,137 | 57,617,915 | 318,036,052 |
| | <u>\$ 894,046,606</u> | <u>\$ 263,765,954</u> | <u>\$ 1,157,812,560</u> |

10. LEASE PAYABLES

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 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 fifth set of vehicles were delivered in 2021-22 with a total cost of approximately \$253,000 and were capitalized over the life of the lease. The lease obligations were paid from the General Fund. The total net lease assets at June 30, 2022 were \$1,030,887.

Future lease obligations are as follows:

| Fiscal Year Ending June 30, | Principal | Interest | Total |
|--------------------------------|-------------------|-------------------|---------------------|
| 2023 | \$ 455,443 | \$ 53,540 | \$ 508,983 |
| 2024 | 229,849 | 28,132 | 257,981 |
| 2025 | 108,833 | 14,076 | 122,909 |
| 2026 | 62,850 | 8,235 | 71,085 |
| 2027 | 87,427 | 4,771 | 92,198 |
| | <u>\$ 944,402</u> | <u>\$ 108,754</u> | <u>\$ 1,053,156</u> |

11. 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.

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:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits – Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

Disability Benefits – A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member’s salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement – Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. 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, 2019 actuarial valuation, which became effective July 1, 2021. 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, 2022 were approximately \$48,743,000 excluding amounts to fund employer specific liabilities. Approximately \$25,217,000 was charged for the year ended June 30, 2022 as PERS benefits expenditures to be used for bond payments as they become due. These contributions occur in all governmental funds that have salary expenditures, which typically are the General Fund, Grant Fund, Capital Projects Fund, and the Nutrition Services Fund. Approximately (\$11,213,000) was recognized as employer pension expense during the reporting period.

At June 30, 2022, the District reported a net pension liability of \$284,738,427 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to a measurement date of June 30, 2021. 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, 2021, the District’s proportion was 2.38 percent, which was a decrease of approximately 0.24 percent from its proportion measured as of June 30, 2020.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | Deferred Outflow of Resources | Deferred (Inflow) of Resources | Net |
|---|----------------------------------|-----------------------------------|------------------------|
| Differences between expected and actual experience | \$ 26,653,378 | \$ - | |
| Changes of assumptions | 71,278,602 | (749,364) | |
| Net difference between projected and actual earnings on investments | - | (210,789,652) | |
| Changes in proportionate share | 6,539,482 | (33,710,194) | |
| Differences between employer contributions and employer's proportionate share of system contributions | 2,185,114 | (7,963,067) | |
| Subtotal - Amortized Deferrals | 106,656,576 | (253,212,277) | \$ (146,555,701) |
| District contributions subsequent to measurement date | 48,742,675 | - | 48,742,675 |
| Total deferred outflow (inflow) of resources | <u>\$ 155,399,251</u> | <u>\$ (253,212,277)</u> | <u>\$ (97,813,026)</u> |

The \$48,742,675 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 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 |
|--------------------------------|-------------------------|
| 2023 | \$ (23,857,936) |
| 2024 | (29,364,172) |
| 2025 | (38,413,572) |
| 2026 | (58,474,851) |
| 2027 | 3,554,830 |
| Total | <u>\$ (146,555,701)</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 1, 2022, 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, 2021 through June 30, 2023, 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 22 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

Actuarial Methods and Assumptions:

| | |
|-----------------------------------|--|
| Valuation date | December 31, 2019 |
| Measurement date | June 30, 2021 |
| Experience Study | 2018, published July 2019 |
| Actuarial assumptions: | |
| Inflation rate | 2.4 percent (previously 2.5 percent) |
| Long-term expected rate of return | 6.9 percent (previously 7.2 percent) |
| Discount rate | 6.9 percent (previously 7.2 percent) |
| Projected salary increases | 3.4 percent (previously 3.5 percent) |
| Cost of living adjustments (COLA) | Blend of 2.0% COLA and graded COLA (1.3% / 0.2%) in accordance with <i>Moro</i> decision; blend based on service. |
| 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 Employee, 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> |

(Source: June 30, 2021 Oregon PERS Annual Comprehensive 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 6.9 percent for the Defined Benefit Pension Plan, a reduction from 7.2 percent in the prior fiscal year. 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 67 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

- 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 100.0% 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, 2021 PERS Annual Comprehensive Financial Report; page 70)

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 – 5.0% | 0.0% |
| Risk Parity | 0.0 – 2.5% | 2.5% |
| Total | | 100.0 % |

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; page 104)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 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, 2021 Oregon PERS Annual Comprehensive Financial Report; page 70)

| Asset Class | Target Allocation | Annual Arithmetic Return | 20-Year Annualized Geometric Mean | Annual Standard Deviation |
|-------------------------------------|-------------------|--------------------------|-----------------------------------|---------------------------|
| Global Equity | 30.6% | 7.1% | 5.9% | 17.1% |
| Private Equity | 25.5 | 11.4 | 7.7 | 30.0 |
| Core Fixed Income | 23.8 | 2.8 | 2.7 | 3.9 |
| Real Estate | 12.3 | 6.3 | 5.7 | 12.0 |
| Master Limited Partnerships | 0.8 | 7.7 | 5.7 | 21.3 |
| Infrastructure | 1.5 | 7.2 | 6.3 | 15.0 |
| Commodities | 0.6 | 4.7 | 3.1 | 18.9 |
| Hedge Fund of Funds - Multistrategy | 1.3 | 5.4 | 5.1 | 8.5 |
| Hedge Fund Equity - Hedge | 0.6 | 5.9 | 5.3 | 11.1 |
| Hedge Fund - Macro | 5.6 | 5.3 | 5.1 | 7.9 |
| US Cash | (2.5) | 1.8 | 1.8 | 1.2 |
| Assumed Inflation - Mean | | | 2.4% | 1.7% |

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; Table 31; page 74)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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 6.9 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

| | Decrease 1% 5.9% | Current Rate 6.9% | Increase 1% 7.9% |
|---|---------------------|----------------------|---------------------|
| District's proportionate share of the net pension liability / (asset) | \$ 559,158,158 | \$ 284,738,427 | \$ 55,148,714 |

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, 2022.

12. 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:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | Postemployment Health Insurance Subsidy | Postemployment Health Insurance Account | Net |
|-------------------------------------|---|---|---------------|
| Total OPEB Liability | \$ 25,571,604 | \$ - | \$ 25,571,604 |
| Total OPEB Asset | - | 7,858,410 | 7,858,410 |
| OPEB Deferred Outflows of Resources | 4,276,946 | 551,215 | 4,828,161 |
| OPEB Deferred Inflows of Resources | 10,063,954 | 2,204,293 | 12,268,247 |
| OPEB Expense | (245,454) | (1,141,852) | (1,387,306) |

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, 2021, the date of the most recent valuation, there were 5,010 active and 160 retired members in the plan.

Total OPEB Liability

The District’s total OPEB liability of \$25,571,604 was determined by an actuarial valuation as of July 1, 2021, adjusted to a measurement date of June 30, 2022.

Actuarial assumptions and other inputs

The total OPEB liability measured as of June 30, 2021 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, 2020 |
| Measurement date | June 30, 2021 |
| Inflation | 2.4 percent (previously 2.5 percent) |
| Projected salary growth | 2.8 percent |
| Discount rate | 2.16 percent (previously 2.21 percent) |
| Withdrawal, retirement, and mortality rates | December 31, 2020 Oregon PERS valuation |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | |
|--------------------------|---|
| Election and lapse rates | 40.0% of eligible employees 44.0% spouse coverage 3.0% 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 – Blend 80.0% Teachers and 20.0% General, no set back • Female Beneficiary – General, no set back • Female Member – Teachers, no set back Disabled Retiree – Pub-2010 Disabled Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex 2017 Social Security Data Scale <ul style="list-style-type: none"> • Male Member – Non-Safety, set forward 24 months • Female Member – Non-Safety, set forward 12 months Non-Annuitant – Pub-2010 Employee, Sex Distinct, headcount-weighted, Generational Projection with Unisex 2017 Social Security Data Scale <ul style="list-style-type: none"> • Male Member – 125.0% of same table and set back as Healthy Annuitant assumption • Female member – 100.0% of same table and set back as Healthy Annuitant assumption |
| Disability | Percentage of the 1985 Class 1 Rates: 25.0% with a 0.2% 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, 2022 reporting date is 2.16%, 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 decrease 1.6% in the first year, 5.3% in the second year, 5.1% in the third year. Over the subsequent 50 years, the trend is assumed to gradually decrease to an ultimate rate of 3.8% in 2074 and beyond. 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 healthcare reform legislation, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will not increase in the first year and then increase by the lesser of the medical trend described above and 4.0% per year thereafter.

Changes in the Total OPEB Liability

| | Increase (Decrease) Total OPEB Liability |
|--|---|
| Balance as of June 30, 2021 | \$ 29,189,791 |
| Changes for the year: | |
| Service cost | 1,879,152 |
| Interest on total OPEB liability | 671,193 |
| Effect of economic/demographic gains or losses | 411,367 |
| Effect of assumptions changes or inputs | (5,175,805) |
| Benefit payments | (1,404,094) |
| Balance as of June 30, 2022 | <u>\$ 25,571,604</u> |

The effects of assumptions changes or inputs reflect a change in the discount rate from 2.21% to 2.16%. It also reflects the changes to expected claims and premiums and health care cost trends, assumptions about mortality, retirement and disability rates, and general inflation from 2.5% to 2.4% consistent with the Oregon PERS December 31, 2020 Actuarial Valuation. It also reflects changes based on plan experience to future retirement coverage.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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% 1.2% | Current Rate 2.2% | Increase 1% 3.2% |
|---------------------------------------|----------------------|----------------------|----------------------|
| District's net OPEB liability (asset) | <u>\$ 27,707,019</u> | <u>\$ 25,571,604</u> | <u>\$ 23,575,904</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 liability would be if it were calculated using a health care cost trend rates that are 1-percentage-point lower (4.3% adjusting to 2.8%) or 1-percentage-point higher (6.3% adjusting to 4.8%) than the current trend rates:

| | Decrease 1.0% | Current Trend Rate | Increase 1.0% |
|---------------------------------------|----------------------|-----------------------|----------------------|
| District's net OPEB liability (asset) | <u>\$ 22,680,679</u> | <u>\$ 25,571,604</u> | <u>\$ 29,007,739</u> |

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

For the year ended June 30, 2022, the District recognized an OPEB expense of (\$245,454) related to the PHIS OPEB. At June 30, 2022, 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 | \$ 567,963 | \$ - | |
| Changes of assumptions | 2,303,469 | (10,063,954) | |
| Subtotal - Amortized Deferrals | 2,871,432 | (10,063,954) | \$ (7,192,522) |
| District contributions subsequent to measurement date | 1,405,514 | - | 1,405,514 |
| Total deferred outflow (inflow) of resources | <u>\$ 4,276,946</u> | <u>\$ (10,063,954)</u> | <u>\$ (5,787,008)</u> |

The \$1,405,514 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 |
|--------------------------------|-----------------------|
| 2023 | \$ (1,390,285) |
| 2024 | (1,390,285) |
| 2025 | (1,390,285) |
| 2026 | (1,221,755) |
| 2027 | (1,082,181) |
| Thereafter | (717,731) |
| Total | <u>\$ (7,192,522)</u> |

Retirement Health Insurance Account (RHIA)

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

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

Contributions - Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost 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 0.1% of Tier 1 and Tier 2 payroll and 0.0% of OPSRP of annual covered payroll. These contributions occur in all governmental funds that have salary expenditures, which typically are the General Fund, Grant Fund, Capital Projects Fund, and the Nutrition Services Fund. 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, 2022, 2021, and 2020 were approximately \$54,000, \$71,000, and \$67,000 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, 2022, the District reported an asset of \$7,858,410 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019, 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 2.3%, changed from 2.6% for the prior measurement date.

For the year ended June 30, 2022, the District recognized OPEB expense reduction of (\$1,141,852) related to the RHIA OPEB. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | Deferred Outflow of Resources | Deferred (Inflow) of Resources | Net |
|---|-------------------------------------|--------------------------------------|----------------|
| Differences between expected and actual experience | \$ - | \$ (218,635) | |
| Changes of assumptions | 154,623 | (116,904) | |
| Net difference between projected and actual earnings on investments | - | (1,867,574) | |
| Changes in proportionate share | 342,258 | (1,180) | |
| Subtotal - Amortized Deferrals | 496,881 | (2,204,293) | \$ (1,707,412) |
| District contributions subsequent to measurement date | 54,334 | - | 54,334 |
| Total deferred outflow (inflow) of resources | \$ 551,215 | \$ (2,204,293) | \$ (1,653,078) |

The \$54,334 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 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 |
|--------------------------------|----------------|
| 2023 | \$ (449,424) |
| 2024 | (241,675) |
| 2025 | (426,372) |
| 2026 | (589,941) |
| Total | \$ (1,707,412) |

Actuarial assumptions and other inputs

The net OPEB liability measured as of June 30, 2021 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, 2019 |
| Measurement date | June 30, 2021 |
| Experience Study | 2018, published July 24, 2019 |
| Actuarial assumptions: | |
| Actuarial cost method | Entry Age Normal |
| Inflation rate | 2.4 percent (previously 2.5 percent) |
| Long-term expected rate of return | 6.9 percent (previously 7.2 percent) |
| Discount rate | 6.9 percent (previously 7.2 percent) |
| Projected salary increases | 3.4 percent (previously 3.5 percent) |
| Retiree healthcare participation | Healthy retirees: 32.0%; Disabled retirees: 20.0% |
| 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, 2021 Oregon PERS Annual Comprehensive Financial Report; Table 28; page 73)

Discount Rate

The discount rate used to measure the net OPEB liability at June 30, 2021 was 6.9 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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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 June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see the breakdown in Footnote 11.

(Source: June 30, 2021 Oregon PERS Annual Comprehensive 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 (5.9%) or 1-percentage-point higher (7.9%) than the current discount rate:

| | Decrease 1% 5.9% | Current Rate 6.9% | Increase 1% 7.9% |
|--|---------------------|----------------------|---------------------|
| District's proportionate share of net OPEB liability (asset) | \$ (6,949,610) | \$ (7,858,410) | \$ (8,634,743) |

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 \$7,858,410. 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.

13. 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, 2022, all of which are considered due within one year, as follows:

| | Balance June 30, 2021 | Additions | Reductions | Balance June 30, 2022 |
|----------------------|--------------------------|--------------|----------------|--------------------------|
| Compensated Absences | \$ 6,080,261 | \$ 6,535,581 | \$ (6,335,207) | \$ 6,280,635 |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

14. 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 – \$500,000 per claim

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 but did not exceed insurance coverage for the years ended June 30, 2021 or June 30, 2022. 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:

| | 2022 | 2021 | 2020 |
|---|---------------------|---------------------|---------------------|
| Accrued claims losses, July 1 | \$ 4,140,000 | \$ 3,162,000 | \$ 3,152,000 |
| Incurred claims, including an estimate of claims incurred but not reported (IBNR) | 1,569,164 | 3,340,195 | 2,654,796 |
| Claims payments | (1,569,164) | (2,362,195) | (2,644,796) |
| Accrued claim losses, June 30 | <u>\$ 4,140,000</u> | <u>\$ 4,140,000</u> | <u>\$ 3,162,000</u> |

15. 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 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 2021-22, the District had estimated ADM_w of 46,702 and an extended ADM_w of 46,997. The Statewide estimated ADM_w is 679,044. For 2020-21, the District had a finalized ADM_w of 46,997 and an extended ADM_w of 48,840 within the Statewide

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

ADMw of 708,938. The COVID-19 pandemic caused the reduction in the District ADMw as well as the state ADMw, and the ultimate effect of this on the District's future operations is not yet determinable.

16. TAX ABATEMENTS

Washington County Tax Abatements

The District's property tax revenues were reduced by approximately \$504,000 under agreements entered into by Washington County for the fiscal year ended June 30, 2022.

17. COMMITMENTS AND CONTINGENCIES

The District is committed under various accepted bid agreements and contracts for approximately \$38.6 million for goods, services, and construction of facilities.

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.

18. NEW ACCOUNTING STANDARDS IMPLEMENTED

For the fiscal year ended June 30, 2022, the District implemented the following new accounting standards:

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.

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.

GASB Statement No. 98 "*The Annual Comprehensive Financial Report.*" This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*.

For the fiscal year ended June 30, 2022, 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.

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

For the fiscal year ended June 30, 2022, the District partially implemented the following new accounting standards that had multiple implementation dates:

GASB Statement No. 99 *“Omnibus 2022.”* This Statement clarifies requirements and accounting related to use of LIBOR, SNAP distribution, nonmonetary transactions, pledges of future revenues, terminology updates, derivative instruments, and requirements related to leases and PPPs. These aspects were implemented in the current fiscal year. This Statement also clarifies requirements related to SBITA, which is effective for fiscal years beginning after June 15, 2022. This Statement also clarifies the requirements related to financial guarantees, which is effective for fiscal years beginning after June 15, 2023.

19. 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. 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. 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. 100 *“Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62.”* This Statement provides guidance and accounting related to accounting changes and error corrections. This Statement is effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101 *“Subscription-Based Information Technology Arrangements.”* This Statement provides for accounting and financial reporting for compensated absences, including the definition of leave and guidance for measuring the liability for leave that has not been used. The Statement is effective for fiscal years beginning after December 15, 2023.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

20. RESTATEMENT OF PRIOR YEAR NET POSITION

The District had previously entered into lease arrangements as the lessor that were recorded as revenue as the lease payments were earned. Per GASB 87, these lease arrangements are treated as receivable and deferred revenue. Additional details on these leases are in Footnote 7. A restatement of the prior year net position was required to record these leases that had previously been entered into.

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

| | |
|---|-------------------------|
| Net Position - July 1, 2021, as originally reported | \$ (118,976,141) |
| Addition of Lease Receivable | 3,266,707 |
| Addition of Lease Deferred Inflows | <u>(2,044,606)</u> |
| Net Position - July 1, 2021, as restated | <u>\$ (117,754,040)</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, 2021 as originally reported | \$ 92,270,888 | \$ 3,883,971 | \$ 90,896,695 | \$ 7,712,552 | \$ 194,764,106 |
| Addition of Lease Receivable | 2,899,089 | - | 367,618 | - | 3,266,707 |
| Addition of Lease Deferred Inflows | <u>(1,904,047)</u> | - | <u>(140,559)</u> | - | <u>(2,044,606)</u> |
| Fund Balance - July 1, 2021 as restated | <u>\$ 93,265,930</u> | <u>\$ 3,883,971</u> | <u>\$ 91,123,754</u> | <u>\$ 7,712,552</u> | <u>\$ 195,986,207</u> |

REQUIRED SUPPLEMENTARY INFORMATION



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS
JUNE 30, 2022

| 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 |
|------------------------|--|---|------------------------------|---|---|
| 2022 ⁷ | 2.38% | \$ 284,738,427 | \$ 288,434,472 | 98.7% | 87.6% |
| 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, 2022

| 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 |
|------------------------|--------------------------------------|--|---------------------------------------|-----------------|--|
| 2022 | \$ 48,742,675 | \$ 48,742,675 | \$ - | \$ 329,524,511 | 14.8% |
| 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.

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%.

⁷ The June 30, 2022 NPL reflects assumption changes reducing the inflation rate from 2.50% to 2.40%, the long-term expected rate of return from 7.20% to 6.90%, the discount rate from 7.20% to 6.90% and the projected salary increases from 3.50% to 3.40%.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA
JUNE 30, 2022

| 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 |
|------------------------|---|--|------------------------------|---|--|
| 2022 | 2.29% | \$ (7,858,410) | \$ 288,434,472 | -2.7% | 183.9% |
| 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, 2022

| 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 |
|------------------------|--------------------------------------|---|---------------------------------------|-----------------|---|
| 2022 | \$ 54,334 | \$ 54,334 | \$ - | \$ 329,524,511 | 0.0% |
| 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, 2022

(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 |
|------------------------|--------------|----------|----------------------------|---|--|---------------------|--|
| 2022 | \$ 1,879 | \$ 671 | \$ - | \$ 411 | \$ (5,175) | \$ (1,404) | \$ (3,618) |
| 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, 2022

(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 |
|------------------------|--------------------------------------|----------------------------------|--------------------------------|---|--|---------------|
| 2022 | \$ 29,190 | \$ (3,618) | \$ 25,572 | \$ 288,435 | 8.9% | 2.16% |
| 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, 2022

| | Budgetary Funds | | Total (reported as General Fund) |
|--|-----------------------|-----------------------|--|
| | General Fund | Long-Term Planning | |
| REVENUES: | | | |
| Property taxes | \$ 156,178,822 | \$ - | \$ 156,178,822 |
| Local option levy | 37,407,459 | - | 37,407,459 |
| Intermediate sources | 14,126,181 | - | 14,126,181 |
| State sources | 294,630,756 | - | 294,630,756 |
| Charges for services | 1,443,096 | - | 1,443,096 |
| Rentals | 622,330 | - | 622,330 |
| Investment earnings | 412,582 | 8,113 | 420,695 |
| Contributions and donations | 15,594 | - | 15,594 |
| Services to other funds | - | 6,264,665 | 6,264,665 |
| Recovery of prior years' expenditures | 16,447 | - | 16,447 |
| Other | 4,384,940 | - | 4,384,940 |
| TOTAL REVENUES | 509,238,207 | 6,272,778 | 515,510,985 |
| EXPENDITURES: | | | |
| Current: | | | |
| Instruction | 305,341,377 | - | 305,341,377 |
| Support services | 180,785,653 | - | 180,785,653 |
| Facilities acquisition and construction | 11,944 | - | 11,944 |
| Debt service: | | | |
| Principal | 1,536,842 | - | 1,536,842 |
| Interest | 62,799 | - | 62,799 |
| TOTAL EXPENDITURES | 487,738,615 | - | 487,738,615 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 21,499,592 | 6,272,778 | 27,772,370 |
| OTHER FINANCING SOURCES (USES): | | | |
| Transfers out | (3,426,461) | (2,789,111) | (6,215,572) |
| Issuance of equipment financing | 4,697,408 | - | 4,697,408 |
| Issuance of lease payables | 253,309 | - | 253,309 |
| TOTAL OTHER FINANCING SOURCES (USES) | 1,524,256 | (2,789,111) | (1,264,855) |
| NET CHANGE IN FUND BALANCES | 23,023,848 | 3,483,667 | 26,507,515 |
| FUND BALANCE, July 1, 2021 as originally reported | 85,626,331 | 6,644,557 | 92,270,888 |
| Restatement (see Note 20) | 995,042 | - | 995,042 |
| FUND BALANCE, July 1, 2021 as restated | 86,621,373 | 6,644,557 | 93,265,930 |
| FUND BALANCE, June 30, 2022 | \$ 109,645,221 | \$ 10,128,224 | \$ 119,773,445 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(GAAP BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|---------------------|---------------------|-----------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 155,000,000 | \$ 155,000,000 | \$ 156,178,822 | \$ 1,178,822 |
| Local option levy | 36,400,000 | 36,400,000 | 37,407,459 | 1,007,459 |
| Intermediate sources | 11,736,500 | 11,736,500 | 14,126,181 | 2,389,681 |
| State sources | 286,904,003 | 286,904,003 | 294,630,756 | 7,726,753 |
| Charges for services | 2,235,100 | 2,235,100 | 1,443,096 | (792,004) |
| Rentals | 720,000 | 720,000 | 622,330 | (97,670) |
| Investment earnings | 650,000 | 650,000 | 412,582 | (237,418) |
| Contributions and donations | - | - | 15,594 | 15,594 |
| Recovery of prior years' expenditures | 50,000 | 50,000 | 16,447 | (33,553) |
| Other | 3,585,000 | 3,585,000 | 4,384,940 | 799,940 |
| Total revenues | 497,280,603 | 497,280,603 | 509,238,207 | 11,957,604 |
| EXPENDITURES: | | | | |
| Instruction | 319,122,087 | 319,122,087 | 305,341,377 | 13,780,710 |
| Support services | 186,996,851 | 186,996,851 | 180,785,653 | 6,211,198 |
| Enterprise and community services | 250,000 | 250,000 | - | 250,000 |
| Facilities acquisition and construction | 100,000 | 100,000 | 11,944 | 88,056 |
| Debt service: | | | | |
| Principal | 1,634,352 | 1,634,352 | 1,536,842 | 97,510 |
| Interest | 20,000 | 20,000 | 62,799 | (42,799) |
| Contingencies | 69,271,509 | 68,878,260 | - | 68,878,260 |
| Total expenditures | 577,394,799 | 577,001,550 | 487,738,615 | 89,262,935 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (80,114,196) | (79,720,947) | 21,499,592 | 101,220,539 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (3,033,212) | (3,426,461) | (3,426,461) | - |
| Issuance of equipment financing | 4,697,408 | 4,697,408 | 4,697,408 | - |
| Issuance of lease payables | 450,000 | 450,000 | 253,309 | (196,691) |
| TOTAL OTHER FINANCING SOURCES (USES) | 2,114,196 | 1,720,947 | 1,524,256 | (196,691) |
| NET CHANGE IN FUND BALANCE | (78,000,000) | (78,000,000) | 23,023,848 | 101,023,848 |
| FUND BALANCE, July 1, 2021 as originally reported | 78,000,000 | 78,000,000 | 85,626,331 | 7,626,331 |
| Restatement (see Note 20) | - | - | 995,042 | 995,042 |
| FUND BALANCE, July 1, 2021 as restated | 78,000,000 | 78,000,000 | 86,621,373 | 8,621,373 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 109,645,221 | \$ 109,645,221 |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|-------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Intermediate sources | \$ 737,769 | \$ 737,769 | \$ 263,207 | \$ (474,562) |
| State sources | 59,651,290 | 59,651,290 | 51,725,684 | (7,925,606) |
| Federal sources | 117,210,561 | 117,210,561 | 43,559,613 | (73,650,948) |
| Contributions and donations | 2,703,565 | 2,703,565 | 430,844 | (2,272,721) |
| Recovery of prior years' expenditures | - | - | 1,985 | 1,985 |
| Total revenues | 180,303,185 | 180,303,185 | 95,981,333 | (84,321,852) |
| EXPENDITURES: | | | | |
| Instruction | 84,214,689 | 84,214,689 | 61,916,185 | 22,298,504 |
| Support services | 64,181,086 | 64,181,086 | 28,740,860 | 35,440,226 |
| Enterprise and community services | 5,287,027 | 5,287,027 | 176,532 | 5,110,495 |
| Facilities acquisition and construction | 26,620,383 | 26,620,383 | 5,147,756 | 21,472,627 |
| Total expenditures | 180,303,185 | 180,303,185 | 95,981,333 | 84,321,852 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - |
| NET CHANGE IN FUND BALANCE | - | - | - | - |
| FUND BALANCE, July 1, 2021 | - | - | - | - |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ - | \$ - |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 68,382,830 | \$ 68,382,830 | \$ 70,141,349 | \$ 1,758,519 |
| Intermediate sources | - | - | 59,766 | 59,766 |
| Investment earnings | 150,000 | 150,000 | 124,813 | (25,187) |
| Services to other funds | 22,985,970 | 22,985,970 | 25,255,961 | 2,269,991 |
| | <u>91,518,800</u> | <u>91,518,800</u> | <u>95,581,889</u> | <u>4,063,089</u> |
| EXPENDITURES: | | | | |
| Debt service: | | | | |
| Principal | 66,720,000 | 67,001,723 | 67,001,723 | - |
| Interest | 27,037,250 | 27,148,776 | 27,148,765 | 11 |
| | <u>93,757,250</u> | <u>94,150,499</u> | <u>94,150,488</u> | <u>11</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(2,238,450)</u> | <u>(2,631,699)</u> | <u>1,431,401</u> | <u>4,063,100</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 1,338,450 | 1,731,699 | 1,731,699 | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>1,338,450</u> | <u>1,731,699</u> | <u>1,731,699</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | (900,000) | (900,000) | 3,163,100 | 4,063,100 |
| FUND BALANCE, July 1, 2021 | <u>900,000</u> | <u>900,000</u> | <u>3,883,971</u> | <u>2,983,971</u> |
| FUND BALANCE, June 30, 2022 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 7,047,071</u> | <u>\$ 7,047,071</u> |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|---------------------|---------------------|----------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Construction excise tax | \$ 3,225,000 | \$ 3,225,000 | \$ 2,110,725 | \$ (1,114,275) |
| Rentals | 90,000 | 90,000 | 388,344 | 298,344 |
| Investment earnings | 2,131,000 | 2,131,000 | 132,280 | (1,998,720) |
| Contributions and donations | 700,000 | 700,000 | 141,418 | (558,582) |
| Recovery of prior years' expenditures | 2,300,000 | 2,300,000 | 3,422,761 | 1,122,761 |
| Other | 600,000 | 600,000 | 768,083 | 168,083 |
| Total revenues | 9,046,000 | 9,046,000 | 6,963,611 | (2,082,389) |
| EXPENDITURES: | | | | |
| Support services | 3,013,157 | 3,013,157 | 633,690 | 2,379,467 |
| Facilities acquisition and construction | 97,676,054 | 97,676,054 | 44,724,054 | 52,952,000 |
| Total expenditures | 100,689,211 | 100,689,211 | 45,357,744 | 55,331,467 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (91,643,211) | (91,643,211) | (38,394,133) | 53,249,078 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Sale of or compensation for loss of capital assets | 300,000 | 300,000 | 79,088 | (220,912) |
| Transfers out | (1,209,289) | (1,209,289) | (1,209,289) | - |
| Issuance of debt | - | - | 16,200,000 | 16,200,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | (909,289) | (909,289) | 15,069,799 | 15,979,088 |
| NET CHANGE IN FUND BALANCE | (92,552,500) | (92,552,500) | (23,324,334) | 69,228,166 |
| FUND BALANCE, July 1, 2021 as originally reported | 92,552,500 | 92,552,500 | 90,896,695 | (1,655,805) |
| Restatement (see Note 20) | - | - | 227,059 | 227,059 |
| FUND BALANCE, July 1, 2021 as restated | 92,552,500 | 92,552,500 | 91,123,754 | (1,428,746) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 67,799,420 | \$ 67,799,420 |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|----------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ - | \$ - | \$ 8,113 | \$ 8,113 |
| Services to other funds | 6,450,000 | 6,450,000 | 6,264,665 | (185,335) |
| Total revenues | 6,450,000 | 6,450,000 | 6,272,778 | (177,222) |
| EXPENDITURES: | | | | |
| Contingencies | 10,273,243 | 10,273,243 | - | 10,273,243 |
| Total expenditures | 10,273,243 | 10,273,243 | - | 10,273,243 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (3,823,243) | (3,823,243) | 6,272,778 | 10,096,021 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (3,187,000) | (3,187,000) | (2,789,111) | 397,889 |
| TOTAL OTHER FINANCING SOURCES (USES) | (3,187,000) | (3,187,000) | (2,789,111) | 397,889 |
| NET CHANGE IN FUND BALANCE | (7,010,243) | (7,010,243) | 3,483,667 | 10,493,910 |
| FUND BALANCE, July 1, 2021 | 7,010,243 | 7,010,243 | 6,644,557 | (365,686) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 10,128,224 | \$ 10,128,224 |

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF BUDGETARY TO REPORTING FUNDS - COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2022

| | Budgetary Funds | | Total (reported as General Fund) |
|--|-----------------------|-----------------------|--|
| | General Fund | Long-Term Planning | |
| ASSETS | | | |
| Equity in pooled cash and investments | \$ 131,356,759 | \$ 9,672,401 | \$ 141,029,160 |
| Receivables | 4,769,423 | - | 4,769,423 |
| Property taxes receivable | 2,817,305 | - | 2,817,305 |
| Lease rental receivable | 2,847,176 | - | 2,847,176 |
| Due from other funds | 23,990,874 | 455,823 | 24,446,697 |
| TOTAL ASSETS | \$ 165,781,537 | \$ 10,128,224 | \$ 175,909,761 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ 5,456,549 | \$ - | \$ 5,456,549 |
| Accrued salaries and benefits | 44,381,580 | - | 44,381,580 |
| Due to other funds | 2,178,139 | - | 2,178,139 |
| Other liabilities | 16,099 | - | 16,099 |
| TOTAL LIABILITIES | 52,032,367 | - | 52,032,367 |
| Deferred Inflows of Resources: | | | |
| Unavailable revenue - property taxes | 2,265,469 | - | 2,265,469 |
| Unavailable revenue - leases | 1,838,480 | - | 1,838,480 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 4,103,949 | - | 4,103,949 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 56,136,316 | - | 56,136,316 |
| Fund Balances: | | | |
| Committed | - | 10,128,224 | 10,128,224 |
| Unassigned | 109,645,221 | - | 109,645,221 |
| TOTAL FUND BALANCES | 109,645,221 | 10,128,224 | 119,773,445 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 165,781,537 | \$ 10,128,224 | \$ 175,909,761 |

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.

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, 2022

| | Special Revenue Funds | | | | Total |
|--|-----------------------------------|---------------------|-------------------|-----------------------|----------------------|
| | Student Body & Special Purpose | Categorical | Scholarships | Nutrition Services | |
| ASSETS | | | | | |
| Equity in pooled cash and investments | \$ 2,684,834 | \$ 7,492,566 | \$ 454,416 | \$ 2,675,224 | \$ 13,307,040 |
| Receivables | 2,927,045 | 2,110 | - | 3,535,959 | 6,465,114 |
| Inventories | - | - | - | 782,432 | 782,432 |
| TOTAL ASSETS | <u>\$ 5,611,879</u> | <u>\$ 7,494,676</u> | <u>\$ 454,416</u> | <u>\$ 6,993,615</u> | <u>\$ 20,554,586</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 400,291 | \$ 47,011 | \$ 1,000 | \$ 156,844 | \$ 605,146 |
| Accrued salaries and benefits | 136,118 | - | - | 923,614 | 1,059,732 |
| Due to other funds | 10,412 | - | - | 60,618 | 71,030 |
| Unearned revenue | - | 2,883,002 | - | - | 2,883,002 |
| Other liabilities | 12,974 | - | - | 373,220 | 386,194 |
| TOTAL LIABILITIES | <u>559,795</u> | <u>2,930,013</u> | <u>1,000</u> | <u>1,514,296</u> | <u>5,005,104</u> |
| Fund Balances: | | | | | |
| Nonspendable | - | - | - | 782,432 | 782,432 |
| Restricted | 5,052,084 | - | 453,416 | - | 5,505,500 |
| Committed | - | 4,564,663 | - | 4,696,887 | 9,261,550 |
| TOTAL FUND BALANCES | <u>5,052,084</u> | <u>4,564,663</u> | <u>453,416</u> | <u>5,479,319</u> | <u>15,549,482</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 5,611,879</u> | <u>\$ 7,494,676</u> | <u>\$ 454,416</u> | <u>\$ 6,993,615</u> | <u>\$ 20,554,586</u> |

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

| | Special Revenue Funds | | | | Total |
|--|-----------------------------------|---------------------|-------------------|-----------------------|----------------------|
| | Student Body & Special Purpose | Categorical | Scholarships | Nutrition Services | |
| REVENUES: | | | | | |
| State sources | \$ 67,268 | \$ 1,818,782 | \$ - | \$ 173,027 | \$ 2,059,077 |
| Federal sources | - | - | - | 18,742,943 | 18,742,943 |
| Charges for services | 3,549,190 | 257,910 | - | 131,072 | 3,938,172 |
| Investment earnings | 3,854 | 10,365 | 544 | - | 14,763 |
| Contributions and donations | 1,539,184 | - | 74,059 | 1,450 | 1,614,693 |
| Recovery of prior years' expenditures | 22,186 | - | - | 1,545 | 23,731 |
| Other | 3,079,498 | 428,516 | - | 1,075 | 3,509,089 |
| Total revenues | 8,261,180 | 2,515,573 | 74,603 | 19,051,112 | 29,902,468 |
| EXPENDITURES: | | | | | |
| Instruction | 6,882,091 | 28,996 | - | - | 6,911,087 |
| Support services | 733,712 | 1,625,137 | - | 12,604 | 2,371,453 |
| Enterprise and community services | 14,873 | - | 56,744 | 15,024,873 | 15,096,490 |
| Facilities, acquisition and construction | 56,523 | 295,935 | - | - | 352,458 |
| Total expenditures | 7,687,199 | 1,950,068 | 56,744 | 15,037,477 | 24,731,488 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 573,981 | 565,505 | 17,859 | 4,013,635 | 5,170,980 |
| OTHER FINANCING SOURCES (USES): | | | | | |
| Transfers in | - | 2,795,111 | 2,524 | - | 2,797,635 |
| Transfers out | (2,524) | (129,161) | - | - | (131,685) |
| TOTAL OTHER FINANCING SOURCES (USES) | (2,524) | 2,665,950 | 2,524 | - | 2,665,950 |
| NET CHANGE IN FUND BALANCES | 571,457 | 3,231,455 | 20,383 | 4,013,635 | 7,836,930 |
| FUND BALANCE, July 1, 2021 | 4,480,627 | 1,333,208 | 433,033 | 1,465,684 | 7,712,552 |
| FUND BALANCE, June 30, 2022 | \$ 5,052,084 | \$ 4,564,663 | \$ 453,416 | \$ 5,479,319 | \$ 15,549,482 |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| State sources | \$ - | \$ - | \$ 67,268 | \$ 67,268 |
| Charges for services | 3,700,000 | 3,700,000 | 3,549,190 | (150,810) |
| Investment earnings | - | - | 3,854 | 3,854 |
| Contributions and donations | 4,500,000 | 4,500,000 | 1,539,184 | (2,960,816) |
| Recovery of prior years' expenditures | - | - | 22,186 | 22,186 |
| Other | 500,000 | 500,000 | 3,079,498 | 2,579,498 |
| Total revenues | 8,700,000 | 8,700,000 | 8,261,180 | (438,820) |
| EXPENDITURES: | | | | |
| Instruction | 10,802,753 | 10,802,753 | 6,882,091 | 3,920,662 |
| Support services | 1,282,247 | 1,282,247 | 733,712 | 548,535 |
| Enterprise and community services | 350,000 | 350,000 | 14,873 | 335,127 |
| Facilities acquisition and construction | 2,000,000 | 2,000,000 | 56,523 | 1,943,477 |
| Total expenditures | 14,435,000 | 14,435,000 | 7,687,199 | 6,747,801 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (5,735,000) | (5,735,000) | 573,981 | 6,308,981 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (15,000) | (15,000) | (2,524) | 12,476 |
| TOTAL OTHER FINANCING SOURCES (USES) | (15,000) | (15,000) | (2,524) | 12,476 |
| NET CHANGE IN FUND BALANCE | (5,750,000) | (5,750,000) | 571,457 | 6,321,457 |
| FUND BALANCE, July 1, 2021 | 5,750,000 | 5,750,000 | 4,480,627 | (1,269,373) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 5,052,084 | \$ 5,052,084 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CATEGORICAL FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| State sources | \$ 2,829,161 | \$ 2,829,161 | \$ 1,818,782 | \$ (1,010,379) |
| Charges for services | 325,000 | 325,000 | 257,910 | (67,090) |
| Investment earnings | 25,000 | 25,000 | 10,365 | (14,635) |
| Contributions and donations | 400,000 | 400,000 | - | (400,000) |
| Other | 25,000 | 25,000 | 428,516 | 403,516 |
| Total revenues | 3,604,161 | 3,604,161 | 2,515,573 | (1,088,588) |
| EXPENDITURES: | | | | |
| Instruction | 118,477 | 118,477 | 28,996 | 89,481 |
| Support services | 5,528,523 | 5,528,523 | 1,625,137 | 3,903,386 |
| Facilities acquisition and construction | 2,525,000 | 2,525,000 | 295,935 | 2,229,065 |
| Total expenditures | 8,172,000 | 8,172,000 | 1,950,068 | 6,221,932 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (4,567,839) | (4,567,839) | 565,505 | 5,133,344 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 3,197,000 | 3,197,000 | 2,795,111 | (401,889) |
| Transfers out | (129,161) | (129,161) | (129,161) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | 3,067,839 | 3,067,839 | 2,665,950 | (401,889) |
| NET CHANGE IN FUND BALANCE | (1,500,000) | (1,500,000) | 3,231,455 | 4,731,455 |
| FUND BALANCE, July 1, 2021 | 1,500,000 | 1,500,000 | 1,333,208 | (166,792) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 4,564,663 | \$ 4,564,663 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SCHOLARSHIPS FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|-----------|-----------|------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ - | \$ - | \$ 544 | \$ 544 |
| Contributions and donations | 100,000 | 100,000 | 74,059 | (25,941) |
| Total revenues | 100,000 | 100,000 | 74,603 | (25,397) |
| EXPENDITURES: | | | | |
| Enterprise and community services | 515,000 | 515,000 | 56,744 | 458,256 |
| Total expenditures | 515,000 | 515,000 | 56,744 | 458,256 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (415,000) | (415,000) | 17,859 | 432,859 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 15,000 | 15,000 | 2,524 | (12,476) |
| TOTAL OTHER FINANCING SOURCES (USES) | 15,000 | 15,000 | 2,524 | (12,476) |
| NET CHANGE IN FUND BALANCE | (400,000) | (400,000) | 20,383 | 420,383 |
| FUND BALANCE, July 1, 2021 | 400,000 | 400,000 | 433,033 | 33,033 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 453,416 | \$ 453,416 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NUTRITION SERVICES FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|-------------------|-------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| State sources | \$ 307,900 | \$ 307,900 | \$ 173,027 | \$ (134,873) |
| Federal sources | 11,337,292 | 11,337,292 | 18,742,943 | 7,405,651 |
| Charges for services | 5,792,967 | 5,792,967 | 131,072 | (5,661,895) |
| Investment earnings | 8,000 | 8,000 | - | (8,000) |
| Contributions and donations | - | - | 1,450 | 1,450 |
| Recovery of prior years' expenditures | - | - | 1,545 | 1,545 |
| Other | 5,000 | 5,000 | 1,075 | (3,925) |
| Total revenues | 17,451,159 | 17,451,159 | 19,051,112 | 1,599,953 |
| EXPENDITURES: | | | | |
| Support services | 20,883 | 20,883 | 12,604 | 8,279 |
| Enterprise and community services | 17,426,276 | 17,426,276 | 15,024,873 | 2,401,403 |
| Total expenditures | 17,447,159 | 17,447,159 | 15,037,477 | 2,409,682 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 4,000 | 4,000 | 4,013,635 | 4,009,635 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (4,000) | (4,000) | - | 4,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | (4,000) | (4,000) | - | 4,000 |
| NET CHANGE IN FUND BALANCE | - | - | 4,013,635 | 4,013,635 |
| FUND BALANCE, July 1, 2021 | - | - | 1,465,684 | 1,465,684 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 5,479,319 | \$ 5,479,319 |

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, 2022

| | Insurance Reserve | Workers' Compensation | Total |
|-------------------------------|----------------------|--------------------------|---------------------|
| ASSETS | | | |
| Current assets: | | | |
| Pooled cash and investments | \$ 6,027,606 | \$ 5,376,228 | \$ 11,403,834 |
| Receivables | 185,300 | - | 185,300 |
| Due from other funds | 174,872 | 213,710 | 388,582 |
| TOTAL ASSETS | 6,387,778 | 5,589,938 | 11,977,716 |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | 295,651 | 4,829 | 300,480 |
| Accrued claims losses | 2,375,000 | 1,765,000 | 4,140,000 |
| Accrued salaries and benefits | - | 7,962 | 7,962 |
| Due to other funds | - | 192 | 192 |
| TOTAL LIABILITIES | 2,670,651 | 1,777,983 | 4,448,634 |
| NET POSITION | | | |
| Unrestricted | 3,717,127 | 3,811,955 | 7,529,082 |
| TOTAL NET POSITION | \$ 3,717,127 | \$ 3,811,955 | \$ 7,529,082 |

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | Insurance Reserve | Workers' Compensation | Total |
|---------------------------------------|----------------------|--------------------------|---------------------|
| OPERATING REVENUES: | | | |
| Services to other funds | \$ 2,670,041 | \$ 2,961,787 | \$ 5,631,828 |
| Recovery of prior years' expenditures | 272,782 | 26,264 | 299,046 |
| Other | 64,891 | - | 64,891 |
| TOTAL OPERATING REVENUES | 3,007,714 | 2,988,051 | 5,995,765 |
| OPERATING EXPENSES: | | | |
| Losses and claims | 393,395 | 1,175,769 | 1,569,164 |
| Insurance premiums and assessments | 2,595,226 | 112,239 | 2,707,465 |
| Salaries and benefits | 776,737 | 546,774 | 1,323,511 |
| Services, supplies and materials | 617,099 | 167,799 | 784,898 |
| TOTAL OPERATING EXPENSES | 4,382,457 | 2,002,581 | 6,385,038 |
| OPERATING INCOME (LOSS) | (1,374,743) | 985,470 | (389,273) |
| NONOPERATING REVENUE: | | | |
| Investment earnings | 7,349 | 6,216 | 13,565 |
| TOTAL NONOPERATING REVENUES | 7,349 | 6,216 | 13,565 |
| INCOME (LOSS) BEFORE TRANSFERS | (1,367,394) | 991,686 | (375,708) |
| TRANSFERS: | | | |
| Transfers in | 3,027,212 | - | 3,027,212 |
| TOTAL TRANSFERS | 3,027,212 | - | 3,027,212 |
| CHANGE IN NET POSITION | 1,659,818 | 991,686 | 2,651,504 |
| NET POSITION, July 1, 2021 | 2,057,309 | 2,820,269 | 4,877,578 |
| NET POSITION, June 30, 2022 | \$ 3,717,127 | \$ 3,811,955 | \$ 7,529,082 |

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | Insurance Reserve | Workers' Compensation | Total |
|---|-----------------------|--------------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Received from interfund services provided | \$ 2,284,550 | \$ 2,981,449 | \$ 5,265,999 |
| Received from recovery of prior years' expenditures | 272,782 | 26,264 | 299,046 |
| Paid for goods and services | (3,200,290) | (306,851) | (3,507,141) |
| Paid to claimants | (435,345) | (1,170,045) | (1,605,390) |
| Paid to employees | (776,737) | (546,774) | (1,323,511) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | (1,855,040) | 984,043 | (870,997) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | |
| Transfer from other funds | 3,027,212 | - | 3,027,212 |
| NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES | 3,027,212 | - | 3,027,212 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Interest received | 7,349 | 6,216 | 13,565 |
| NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES | 7,349 | 6,216 | 13,565 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 1,179,521 | 990,259 | 2,169,780 |
| CASH AND CASH EQUIVALENTS, July 1, 2021 | 4,848,085 | 4,385,969 | 9,234,054 |
| CASH AND CASH EQUIVALENTS, June 30, 2022 | \$ 6,027,606 | \$ 5,376,228 | \$ 11,403,834 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | |
| Operating income (loss) | \$ (1,374,743) | \$ 985,470 | \$ (389,273) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Changes in assets and liabilities | | | |
| Receivables | 252,210 | 36,642 | 288,852 |
| Due from other funds | (26,330) | (17,146) | (43,476) |
| Accounts payable | 12,035 | (26,813) | (14,778) |
| Accrued salaries and benefits | (41,950) | 5,724 | (36,226) |
| Due to other funds | (3,336) | 166 | (3,170) |
| Other liabilities | (672,926) | - | (672,926) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | \$ (1,855,040) | \$ 984,043 | \$ (870,997) |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INSURANCE RESERVE FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ 15,000 | \$ 15,000 | \$ 7,349 | \$ (7,651) |
| Services to other funds | 2,656,057 | 2,656,057 | 2,670,041 | 13,984 |
| Recovery of prior years' expenditures | - | - | 272,782 | 272,782 |
| Other | 155,000 | 155,000 | 64,891 | (90,109) |
| Total revenues | 2,826,057 | 2,826,057 | 3,015,063 | 189,006 |
| EXPENDITURES: | | | | |
| Support services | 6,506,129 | 6,506,129 | 4,382,457 | 2,123,672 |
| Facilities acquisition and construction | 160,308 | 160,308 | - | 160,308 |
| Contingencies | 1,086,832 | 1,086,832 | - | 1,086,832 |
| Total expenditures | 7,753,269 | 7,753,269 | 4,382,457 | 3,370,812 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (4,927,212) | (4,927,212) | (1,367,394) | 3,559,818 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 3,027,212 | 3,027,212 | 3,027,212 | - |
| TOTAL OTHER FINANCING SOURCES (USES) | 3,027,212 | 3,027,212 | 3,027,212 | - |
| NET CHANGE IN FUND BALANCE | (1,900,000) | (1,900,000) | 1,659,818 | 3,559,818 |
| FUND BALANCE, July 1, 2021 | 1,900,000 | 1,900,000 | 2,057,309 | 157,309 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 3,717,127 | \$ 3,717,127 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WORKERS' COMPENSATION FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ 15,000 | \$ 15,000 | \$ 6,216 | \$ (8,784) |
| Services to other funds | 2,872,188 | 2,872,188 | 2,961,787 | 89,599 |
| Recovery of prior years' expenditures | 50,000 | 50,000 | 26,264 | (23,736) |
| Total revenues | 2,937,188 | 2,937,188 | 2,994,267 | 57,079 |
| EXPENDITURES: | | | | |
| Support services | 3,510,584 | 3,510,584 | 2,002,581 | 1,508,003 |
| Contingencies | 1,926,604 | 1,926,604 | - | 1,926,604 |
| Total expenditures | 5,437,188 | 5,437,188 | 2,002,581 | 3,434,607 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (2,500,000) | (2,500,000) | 991,686 | 3,491,686 |
| NET CHANGE IN FUND BALANCE | (2,500,000) | (2,500,000) | 991,686 | 3,491,686 |
| FUND BALANCE, July 1, 2021 | 2,500,000 | 2,500,000 | 2,820,269 | 320,269 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 3,811,955 | \$ 3,811,955 |



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, 2022

| | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 600 | Total |
|--|-----------------------|-----------------------|----------------------|----------------------|---------------------|-----------------------|
| Local Sources | | | | | | |
| 1111 Current year taxes | \$ 154,786,218 | \$ - | \$ 69,456,365 | \$ - | \$ - | \$ 224,242,583 |
| 1112 Prior year taxes | 1,366,758 | - | 675,622 | - | - | 2,042,380 |
| 1114 Payments in lieu of property taxes | 25,846 | - | 9,363 | - | - | 35,209 |
| 1121 Current year local option levy | 37,084,670 | - | - | - | - | 37,084,670 |
| 1122 Prior year local option levy | 322,789 | - | - | - | - | 322,789 |
| 1130 Construction excise tax | - | - | - | 2,110,725 | - | 2,110,725 |
| 1311 Tuition from individuals | 29,700 | - | - | - | - | 29,700 |
| 1312 Tuition from other districts within the state | 197,428 | - | - | - | - | 197,428 |
| 1330 Summer school tuition | 187,700 | - | - | - | - | 187,700 |
| 1411 Transportation fees from individuals | 11,010 | - | - | - | - | 11,010 |
| 1500 Earnings on investments | 412,582 | 22,877 | 124,813 | 132,280 | 13,565 | 706,117 |
| 1600 Food service | - | 131,072 | - | - | - | 131,072 |
| 1700 Extracurricular activities | 1,017,258 | 3,807,100 | - | - | - | 4,824,358 |
| 1910 Rentals | 622,330 | - | - | 388,344 | - | 1,010,674 |
| 1920 Contributions & Donations | 15,594 | 2,045,537 | - | 141,418 | - | 2,202,549 |
| 1950 Textbook sales | - | 26,556 | - | - | - | 26,556 |
| 1960 Recovery of prior years' expenditures | 16,447 | 25,718 | - | 3,422,761 | 299,045 | 3,763,971 |
| 1970 Services to other funds | - | 6,264,665 | 25,255,961 | - | 5,631,828 | 37,152,454 |
| 1980 Fees charged to grants | 2,570,648 | - | - | - | - | 2,570,648 |
| 1990 Miscellaneous | 1,814,292 | 3,482,530 | - | 768,084 | 64,892 | 6,129,798 |
| Total Local Sources | 200,481,270 | 15,806,055 | 95,522,124 | 6,963,612 | 6,009,330 | 324,782,391 |
| Intermediate Sources | | | | | | |
| 2101 County school fund | 1,108,531 | - | - | - | - | 1,108,531 |
| 2102 ESD apportionment | 11,595,012 | - | - | - | - | 11,595,012 |
| 2104 ESD apportionment - preschool | 417,100 | - | - | - | - | 417,100 |
| 2199 Other intermediate sources | 1,005,539 | - | 59,765 | - | - | 1,065,304 |
| 2200 Restricted revenue | - | 263,207 | - | - | - | 263,207 |
| Total Intermediate Sources | 14,126,182 | 263,207 | 59,765 | - | - | 14,449,154 |
| State Sources | | | | | | |
| 3101 State school fund | 287,550,313 | - | - | - | - | 287,550,313 |
| 3102 State school fund match | - | 124,744 | - | - | - | 124,744 |
| 3103 Common school fund | 4,613,181 | - | - | - | - | 4,613,181 |
| 3199 Other unrestricted grants-in-aid | 2,467,262 | 72,630 | - | - | - | 2,539,892 |
| 3222 State school fund - transportation equip | - | 1,746,152 | - | - | - | 1,746,152 |
| 3299 Other restricted grants-in-aid | - | 51,841,235 | - | - | - | 51,841,235 |
| Total State Sources | 294,630,756 | 53,784,761 | - | - | - | 348,415,517 |
| Federal Sources | | | | | | |
| 4200 Unrestricted through state | - | 33,953 | - | - | - | 33,953 |
| 4300 Restricted direct from federal | - | 140,816 | - | - | - | 140,816 |
| 4500 Restricted through state | - | 60,862,879 | - | - | - | 60,862,879 |
| 4700 Federal grants | - | 69,401 | - | - | - | 69,401 |
| 4910 Commodities | - | 1,195,507 | - | - | - | 1,195,507 |
| Total Federal Sources | - | 62,302,556 | - | - | - | 62,302,556 |
| Other Sources | | | | | | |
| 5110 Proceeds from the sale of bonds | - | - | - | 16,200,000 | - | 16,200,000 |
| 5160 Proceeds from leases | 4,950,717 | - | - | - | - | 4,950,717 |
| 5200 Transfers in | - | 2,797,635 | 1,731,699 | - | 3,027,212 | 7,556,546 |
| 5300 Sale/compensation for loss of capital assets | - | - | - | 79,088 | - | 79,088 |
| Total Other Sources | 4,950,717 | 2,797,635 | 1,731,699 | 16,279,088 | 3,027,212 | 28,786,351 |
| TOTAL REVENUES | \$ 514,188,925 | \$ 134,954,214 | \$ 97,313,588 | \$ 23,242,700 | \$ 9,036,542 | \$ 778,735,969 |

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

| | Object 100 | Object 200 | Object 300 | Object 400 |
|--|-----------------------|-----------------------|----------------------|----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ 64,059,836 | \$ 37,626,809 | \$ 799,209 | \$ 3,959,034 |
| 1120 Middle school programs | 30,667,643 | 16,987,220 | 382,537 | 1,975,515 |
| 1130 High school programs | 47,734,683 | 25,956,289 | 1,523,271 | 2,901,823 |
| 1140 Pre-kindergarten programs | 1,159,603 | 819,774 | - | 43,081 |
| 1210 Talented and gifted programs | 233,362 | 94,078 | 1,403 | 70,535 |
| 1220 Restrictive programs | 13,579,041 | 10,365,036 | 938,759 | 99,597 |
| 1250 Resource rooms | 8,103,002 | 4,719,591 | 406 | 15,699 |
| 1280 Alternative education | 1,834,872 | 1,025,291 | 7,721,745 | 83,574 |
| 1290 Designated programs | 12,148,876 | 7,070,321 | 141,716 | 217,128 |
| 1410 Summer school - elementary school | 268 | 89 | - | - |
| 1430 Summer school - high school | 42,000 | 15,044 | - | 21,094 |
| 1490 Other summer school | 414 | 139 | - | - |
| Total Instruction | 179,563,600 | 104,679,681 | 11,509,046 | 9,387,080 |
| Support Services | | | | |
| 2110 Attendance and social work services | 3,226,585 | 2,596,233 | 410,802 | 64,409 |
| 2120 Guidance services | 10,926,212 | 6,585,107 | 3,048 | 22,166 |
| 2130 Health services | 795,734 | 542,907 | 96,860 | 48,962 |
| 2140 Psychological services | 2,410,001 | 1,303,466 | 568 | 43,225 |
| 2150 Speech pathology and audiology services | 4,267,891 | 2,441,505 | 148,885 | 51,898 |
| 2160 Other student treatment services | 259,858 | 147,913 | 2,733 | 37,033 |
| 2190 Service direction - student support services | 3,109,909 | 1,796,059 | 280,415 | 128,391 |
| 2210 Improvement of instruction services | 1,702,444 | 922,651 | 6,398 | 5,713 |
| 2220 Educational media services | 3,407,620 | 2,638,692 | 2,452 | 554,532 |
| 2230 Assessment and testing | 52,173 | 42,315 | 432 | 229,879 |
| 2240 Instructional staff development | 1,479,629 | 1,120,408 | 569,304 | 165,392 |
| 2310 Board of education services | - | - | 410,500 | 6,264 |
| 2320 Executive administration services | 1,271,513 | 681,660 | 67,361 | 26,094 |
| 2410 Office of the principal services | 21,265,693 | 13,464,561 | 72,630 | 452,835 |
| 2490 Other support services - school administration | 1,781,413 | 1,021,328 | 51,739 | 148,493 |
| 2510 Direction of business support services | 311,035 | 151,993 | 839 | 3,427 |
| 2520 Fiscal services | 1,576,890 | 925,513 | 131,991 | 68,916 |
| 2540 Operation and maintenance of plant services | 15,271,959 | 10,357,699 | 11,316,053 | 2,588,441 |
| 2550 Student transportation services | 9,568,800 | 8,223,604 | 625,491 | 1,968,741 |
| 2570 Internal services | 664,475 | 422,981 | 324,379 | 27,498 |
| 2620 Planning and development services | 388,595 | 216,361 | 496,255 | 13,377 |
| 2630 Information services | 643,277 | 390,041 | 10,681 | 19,406 |
| 2640 Staff services | 2,311,100 | 1,496,148 | 296,358 | 170,437 |
| 2660 Technology services | 5,739,366 | 3,494,554 | 1,361,318 | 1,900,477 |
| Total Support Services | 92,432,172 | 60,983,699 | 16,687,492 | 8,746,006 |
| Facilities acquisition and construction | | | | |
| 4150 Building acquisition, construction and improvement services | - | - | - | - |
| Total facilities acquisition and construction | - | - | - | - |
| Other Uses | | | | |
| 5110 Debt Service | - | - | - | - |
| 5200 Transfers of funds | - | - | - | - |
| Total Other Uses | - | - | - | - |
| TOTAL EXPENDITURES | \$ 271,995,772 | \$ 165,663,380 | \$ 28,196,538 | \$ 18,133,086 |

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2022

| | Object 500 | Object 600 | Object 700 | Total |
|--|-------------------|---------------------|---------------------|-----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ - | \$ 1,253 | \$ - | \$ 106,446,141 |
| 1120 Middle school programs | 5,645 | 4,023 | - | 50,022,583 |
| 1130 High school programs | 13,865 | 73,099 | - | 78,203,030 |
| 1140 Pre-kindergarten programs | - | - | - | 2,022,458 |
| 1210 Talented and gifted programs | - | - | - | 399,378 |
| 1220 Restrictive programs | - | 40 | - | 24,982,473 |
| 1250 Resource rooms | - | - | - | 12,838,698 |
| 1280 Alternative education | - | 2,200 | - | 10,667,682 |
| 1290 Designated programs | - | 101,846 | - | 19,679,887 |
| 1410 Summer school - elementary school | - | - | - | 357 |
| 1430 Summer school - high school | - | - | - | 78,138 |
| 1490 Other summer school | - | - | - | 553 |
| | <u>19,510</u> | <u>182,461</u> | <u>-</u> | <u>305,341,378</u> |
| Total Instruction | | | | |
| | <u>19,510</u> | <u>182,461</u> | <u>-</u> | <u>305,341,378</u> |
| Support Services | | | | |
| 2110 Attendance and social work services | 51,788 | 790 | - | 6,350,607 |
| 2120 Guidance services | - | 1,100 | - | 17,537,633 |
| 2130 Health services | - | - | - | 1,484,463 |
| 2140 Psychological services | - | - | - | 3,757,260 |
| 2150 Speech pathology and audiology services | - | - | - | 6,910,179 |
| 2160 Other student treatment services | 7,495 | - | - | 455,032 |
| 2190 Service direction - student support services | - | 71,199 | - | 5,385,973 |
| 2210 Improvement of instruction services | - | 84,829 | - | 2,722,035 |
| 2220 Educational media services | - | 100 | - | 6,603,396 |
| 2230 Assessment and testing | - | - | - | 324,799 |
| 2240 Instructional staff development | - | 88,968 | - | 3,423,701 |
| 2310 Board of education services | - | 22,140 | - | 438,904 |
| 2320 Executive administration services | - | 30,467 | - | 2,077,095 |
| 2410 Office of the principal services | - | 15,966 | - | 35,271,685 |
| 2490 Other support services - school administration | - | 4,937 | - | 3,007,910 |
| 2510 Direction of business support services | - | 1,189 | - | 468,483 |
| 2520 Fiscal services | - | 264,986 | - | 2,968,296 |
| 2540 Operation and maintenance of plant services | 821,177 | 42,565 | - | 40,397,894 |
| 2550 Student transportation services | 10,652 | 402,654 | - | 20,799,942 |
| 2570 Internal services | - | 3,649 | - | 1,442,982 |
| 2620 Planning and development services | - | 358 | - | 1,114,946 |
| 2630 Information services | - | 2,104 | - | 1,065,509 |
| 2640 Staff services | - | 2,225 | - | 4,276,268 |
| 2660 Technology services | - | 4,945 | - | 12,500,660 |
| | <u>891,112</u> | <u>1,045,171</u> | <u>-</u> | <u>180,785,652</u> |
| Total Support Services | | | | |
| | <u>891,112</u> | <u>1,045,171</u> | <u>-</u> | <u>180,785,652</u> |
| Facilities acquisition and construction | | | | |
| 4150 Building acquisition, construction and improvement services | 11,944 | - | - | 11,944 |
| | <u>11,944</u> | <u>-</u> | <u>-</u> | <u>11,944</u> |
| Total facilities acquisition and construction | | | | |
| | <u>11,944</u> | <u>-</u> | <u>-</u> | <u>11,944</u> |
| Other Uses | | | | |
| 5110 Debt Service | - | 1,599,641 | - | 1,599,641 |
| 5200 Transfers of funds | - | - | 3,426,461 | 3,426,461 |
| | <u>-</u> | <u>1,599,641</u> | <u>3,426,461</u> | <u>5,026,102</u> |
| Total Other Uses | | | | |
| | <u>-</u> | <u>1,599,641</u> | <u>3,426,461</u> | <u>5,026,102</u> |
| TOTAL EXPENDITURES | | | | |
| | <u>\$ 922,566</u> | <u>\$ 2,827,273</u> | <u>\$ 3,426,461</u> | <u>\$ 491,165,076</u> |

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

| | Object 100 | Object 200 | Object 300 | Object 400 |
|--|----------------------|----------------------|---------------------|----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ 8,526,299 | \$ 4,566,301 | \$ 415,272 | \$ 2,560,858 |
| 1120 Middle school programs | 2,678,114 | 1,305,739 | 1,319,566 | 469,303 |
| 1130 High school programs | 4,592,930 | 2,197,194 | 1,248,775 | 3,374,284 |
| 1140 Pre-kindergarten programs | 226,231 | 168,056 | 20,000 | 28,032 |
| 1210 Programs for talented & gifted | 2,000 | 738 | - | - |
| 1220 Restrictive programs | 1,633,510 | 887,352 | 250 | 18,925 |
| 1250 Resource rooms | 1,811,067 | 970,805 | - | - |
| 1270 Educationally disadvantaged | 3,450,942 | 2,138,387 | 183,535 | 535,127 |
| 1280 Alternative education | 118,417 | 58,718 | 36,002 | 15,498 |
| 1290 Designated programs | 9,522,417 | 5,336,545 | 332,891 | 932,972 |
| 1410 Summer school - elementary school | 1,081,461 | 340,946 | 6,248 | 123,991 |
| 1420 Summer school - middle school | 494,538 | 164,581 | 400 | 39,121 |
| 1430 Summer School - high school | 561,545 | 193,597 | 246,886 | 576,485 |
| 1490 Other summer school | 443,656 | 155,030 | 1,042,267 | 333,072 |
| Total Instruction | 35,143,127 | 18,483,989 | 4,852,092 | 9,007,668 |
| Support Services | | | | |
| 2110 Attendance and social work services | 5,058,585 | 3,051,495 | 49,434 | 32,877 |
| 2120 Guidance services | 719,600 | 339,810 | 262,968 | 41,365 |
| 2130 Health services | 1,721,530 | 921,428 | 13,080 | 1,945 |
| 2140 Psychological services | 1,150,607 | 731,860 | - | - |
| 2150 Speech pathology and audiology services | 674,325 | 348,953 | 75,074 | 3,500 |
| 2160 Other student treatment services | 4,000 | 1,346 | 1,559,152 | - |
| 2190 Service direction - student support services | 877,567 | 417,271 | 270 | 531,162 |
| 2210 Improvement of instruction services | 1,016,780 | 506,045 | 146,805 | 13,538 |
| 2220 Educational media services | 125,984 | 66,861 | 81,204 | 488,295 |
| 2240 Instructional staff development | 882,518 | 427,148 | 681,009 | 40,751 |
| 2410 Office of the principal services | 85,427 | 49,648 | 16,502 | 105,808 |
| 2490 Other support services - school administration | 119,234 | 69,523 | - | - |
| 2520 Fiscal services | 8,110 | 4,348 | - | - |
| 2540 Operation and maintenance of plant services | 209,422 | 117,681 | 397,566 | 735,161 |
| 2550 Student transportation services | 100,889 | 34,323 | 5,027 | 19,203 |
| 2570 Internal services | - | - | 2,324 | 146 |
| 2620 Planning and development services | - | - | 18,600 | - |
| 2630 Information services | - | - | - | 8,488 |
| 2640 Staff services | 416,535 | 228,099 | 8,671 | 8,213 |
| 2660 Technology services | 38,581 | 21,400 | 22,345 | 506,064 |
| Total Support Services | 13,209,694 | 7,337,239 | 3,340,031 | 2,536,516 |
| Enterprise and Community Services | | | | |
| 3110 Service area direction | 982,515 | 590,738 | 47,946 | 1,197,056 |
| 3120 Food preparation and dispensing services | 4,002,472 | 3,165,943 | 67,017 | 4,909,805 |
| 3140 Food services - summer school | 52,503 | 17,485 | 699 | 98,285 |
| 3190 Other food services | 77 | 26 | - | - |
| 3390 Other community services | 14,745 | 4,903 | 84,588 | 34,636 |
| Total Enterprise and Community Services | 5,052,312 | 3,779,095 | 200,250 | 6,239,782 |
| Facilities Acquisition and Construction | | | | |
| 4150 Building acquisition, construction and improvement services | 21,011 | 10,450 | 118,080 | 73,520 |
| Total Facilities Acquisition and Construction | 21,011 | 10,450 | 118,080 | 73,520 |
| Other Uses | | | | |
| 5200 Transfers of funds | - | - | - | - |
| Total Other Uses | - | - | - | - |
| TOTAL EXPENDITURES | \$ 53,426,144 | \$ 29,610,773 | \$ 8,510,453 | \$ 17,857,486 |

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2022

| | Object 500 | Object 600 | Object 700 | Total |
|--|---------------------|---------------------|---------------------|-----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ 5,000 | \$ - | \$ 969,830 | \$ 17,043,560 |
| 1120 Middle school programs | - | 2,716 | - | 5,775,438 |
| 1130 High school programs | 72,650 | 181,280 | 50,434 | 11,717,547 |
| 1140 Pre-kindergarten programs | - | - | - | 442,319 |
| 1210 Programs for talented & gifted | - | - | - | 2,738 |
| 1220 Restrictive programs | - | 1,304 | - | 2,541,341 |
| 1250 Resource rooms | - | - | - | 2,781,872 |
| 1270 Educationally disadvantaged | - | 65 | - | 6,308,056 |
| 1280 Alternative education | 7,536 | - | - | 236,171 |
| 1290 Designated programs | 48,941 | 638 | - | 16,174,404 |
| 1410 Summer school - elementary school | - | - | - | 1,552,646 |
| 1420 Summer school - middle school | - | - | - | 698,640 |
| 1430 Summer School - high school | - | - | - | 1,578,513 |
| 1490 Other summer school | - | - | - | 1,974,025 |
| | <u>134,127</u> | <u>186,003</u> | <u>1,020,264</u> | <u>68,827,270</u> |
| Total Instruction | | | | |
| Support Services | | | | |
| 2110 Attendance and social work services | - | - | - | 8,192,391 |
| 2120 Guidance services | - | 300 | - | 1,364,043 |
| 2130 Health services | - | - | - | 2,657,983 |
| 2140 Psychological services | - | - | - | 1,882,467 |
| 2150 Speech pathology and audiology services | - | - | - | 1,101,852 |
| 2160 Other student treatment services | - | - | - | 1,564,498 |
| 2190 Service direction - student support services | - | - | - | 1,826,270 |
| 2210 Improvement of instruction services | - | - | - | 1,683,168 |
| 2220 Educational media services | - | 130 | - | 762,474 |
| 2240 Instructional staff development | - | - | - | 2,031,426 |
| 2410 Office of the principal services | - | - | - | 257,385 |
| 2490 Other support services - school administration | - | - | - | 188,757 |
| 2520 Fiscal services | - | 2,570,668 | - | 2,583,126 |
| 2540 Operation and maintenance of plant services | 570,240 | - | - | 2,030,070 |
| 2550 Student transportation services | 1,527,348 | - | - | 1,686,790 |
| 2570 Internal services | - | - | - | 2,470 |
| 2620 Planning and development services | - | - | - | 18,600 |
| 2630 Information services | - | - | - | 8,488 |
| 2640 Staff services | - | - | 1,500 | 663,018 |
| 2660 Technology services | 18,557 | 90 | - | 607,037 |
| | <u>2,116,145</u> | <u>2,571,188</u> | <u>1,500</u> | <u>31,112,313</u> |
| Total Support Services | | | | |
| Enterprise and Community Services | | | | |
| 3110 Service area direction | - | 1,416 | - | 2,819,671 |
| 3120 Food preparation and dispensing services | - | 35 | - | 12,145,272 |
| 3140 Food services - summer school | - | - | - | 168,972 |
| 3190 Other food services | - | - | - | 103 |
| 3390 Other community services | - | 132 | - | 139,004 |
| | <u>-</u> | <u>1,583</u> | <u>-</u> | <u>15,273,022</u> |
| Total Enterprise and Community Services | | | | |
| Facilities Acquisition and Construction | | | | |
| 4150 Building acquisition, construction and improvement services | 5,266,724 | 10,429 | - | 5,500,214 |
| | <u>5,266,724</u> | <u>10,429</u> | <u>-</u> | <u>5,500,214</u> |
| Total Facilities Acquisition and Construction | | | | |
| Other Uses | | | | |
| 5200 Transfers of funds | - | - | 2,920,796 | 2,920,796 |
| | <u>-</u> | <u>-</u> | <u>2,920,796</u> | <u>2,920,796</u> |
| Total Other Uses | | | | |
| | <u>-</u> | <u>-</u> | <u>2,920,796</u> | <u>2,920,796</u> |
| TOTAL EXPENDITURES | <u>\$ 7,516,996</u> | <u>\$ 2,769,203</u> | <u>\$ 3,942,560</u> | <u>\$ 123,633,615</u> |

BEAVERTON SCHOOL DISTRICT
DEBT SERVICE FUNDS (300) EXPENDITURE SUMMARY
 YEAR ENDED JUNE 30, 2022

| | <u>Object 600</u> | <u>Total</u> |
|---------------------------|-----------------------------|-----------------------------|
| Other Uses | | |
| 5110 Debt service | <u>\$ 94,150,488</u> | <u>\$ 94,150,488</u> |
| Total Other Uses | <u>94,150,488</u> | <u>94,150,488</u> |
| TOTAL EXPENDITURES | <u><u>\$ 94,150,488</u></u> | <u><u>\$ 94,150,488</u></u> |

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

| | <u>Object 100</u> | <u>Object 200</u> | <u>Object 300</u> | <u>Object 400</u> |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Support Services | | | | |
| 2510 Direction of business support services | \$ - | \$ - | \$ 75,455 | \$ - |
| 2540 Operation and maintenance of plant services | - | - | 237,372 | 39,548 |
| 2620 Planning and development services | <u>165,791</u> | <u>94,716</u> | <u>-</u> | <u>-</u> |
| Total Support Services | <u>165,791</u> | <u>94,716</u> | <u>312,827</u> | <u>39,548</u> |
| Facilities Acquisition and Construction | | | | |
| 4110 Service area direction | 3,058,158 | 1,695,291 | 17,040 | 182,077 |
| 4120 Site acquisition and development | - | - | 10,417 | 14,951 |
| 4150 Building acquisition, construction and improvement services | - | - | 2,692,035 | 2,478,454 |
| 4180 Other capital items | <u>48,037</u> | <u>32,111</u> | <u>183,391</u> | <u>2,704,612</u> |
| Total Facilities Acquisition and Construction | <u>3,106,195</u> | <u>1,727,402</u> | <u>2,902,883</u> | <u>5,380,094</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>\$ 3,271,986</u></u> | <u><u>\$ 1,822,118</u></u> | <u><u>\$ 3,215,710</u></u> | <u><u>\$ 5,419,642</u></u> |

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2022

| | <u>Object 500</u> | <u>Object 600</u> | <u>Object 700</u> | <u>Total</u> |
|--|-----------------------------|--------------------------|----------------------------|-----------------------------|
| Support Services | | | | |
| 2510 Direction of business support services | \$ - | \$ - | \$ - | \$ 75,455 |
| 2540 Operation and maintenance of plant services | 19,379 | 1,426 | - | 297,725 |
| 2620 Planning and development services | - | - | - | 260,507 |
| Total Support Services | <u>19,379</u> | <u>1,426</u> | <u>-</u> | <u>633,687</u> |
| Facilities Acquisition and Construction | | | | |
| 4110 Service area direction | - | 717,751 | - | 5,670,317 |
| 4120 Site acquisition and development | 14,172,589 | 2,543 | - | 14,200,500 |
| 4150 Building acquisition, construction and improvement services | 15,713,393 | 141,830 | - | 21,025,712 |
| 4180 Other capital items | 859,377 | - | - | 3,827,528 |
| Total Facilities Acquisition and Construction | <u>30,745,359</u> | <u>862,124</u> | <u>-</u> | <u>44,724,057</u> |
| Other Uses | | | | |
| 5200 Transfers of funds | - | - | 1,209,289 | 1,209,289 |
| Total Other Uses | <u>-</u> | <u>-</u> | <u>1,209,289</u> | <u>1,209,289</u> |
| TOTAL EXPENDITURES | <u><u>\$ 30,764,738</u></u> | <u><u>\$ 863,550</u></u> | <u><u>\$ 1,209,289</u></u> | <u><u>\$ 46,567,033</u></u> |

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY
 YEAR ENDED JUNE 30, 2022

| | <u>Object 100</u> | <u>Object 200</u> | <u>Object 300</u> | <u>Object 400</u> |
|--|-------------------|-------------------|-------------------|-------------------|
| Support Services | | | | |
| 2320 Executive administration services | \$ 22,681 | \$ 11,661 | \$ 90 | \$ - |
| 2520 Fiscal services | 96,065 | 54,035 | 720 | - |
| 2640 Staff services | 162,677 | 105,859 | 60,017 | - |
| 2690 Other support services | <u>549,184</u> | <u>321,349</u> | <u>641,925</u> | <u>82,147</u> |
| Total Support Services | <u>830,607</u> | <u>492,904</u> | <u>702,752</u> | <u>82,147</u> |
| TOTAL EXPENDITURES | <u>\$ 830,607</u> | <u>\$ 492,904</u> | <u>\$ 702,752</u> | <u>\$ 82,147</u> |

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY (Continued)
 YEAR ENDED JUNE 30, 2022

| | <u>Object 600</u> | <u>Total</u> |
|--|---------------------|---------------------|
| Support Services | | |
| 2320 Executive administration services | \$ - | \$ 34,432 |
| 2520 Fiscal services | - | 150,820 |
| 2640 Staff services | - | 328,553 |
| 2690 Other support services | <u>4,276,629</u> | <u>5,871,234</u> |
| Total Support Services | <u>4,276,629</u> | <u>6,385,039</u> |
| TOTAL EXPENDITURES | <u>\$ 4,276,629</u> | <u>\$ 6,385,039</u> |

BEAVERTON SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION
YEAR ENDED JUNE 30, 2022

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 | \$ 8,099,160 |
| Function 2550 | - |

B Replacement of Equipment - **General Fund:**
Include all General Fund expenditures in Object 542, except for the following exclusions:

| |
|------------|
| \$ 166,101 |
|------------|

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 2021-22 AND 2022-23

| | Fiscal Year | Fiscal Year |
|----------------------------|-----------------------|-----------------------|
| | 2021-22 | 2022-23 |
| <u>Resources</u> | | |
| Local Sources | \$ 198,640,100 | \$ 207,764,962 |
| Intermediate Sources | 11,736,500 | 12,853,740 |
| State Sources | 286,904,003 | 295,852,839 |
| Miscellaneous | 83,147,408 | 106,350,000 |
| Total Resources | <u>\$ 580,428,011</u> | <u>\$ 622,821,541</u> |
| <u>Expenditures</u> | | |
| Salaries | \$ 279,005,792 | \$ 297,278,053 |
| Associated Payroll Costs | 174,165,734 | 178,109,137 |
| Purchased Services | 28,940,437 | 32,495,664 |
| Supplies and Materials | 22,381,972 | 15,522,033 |
| Capital Outlay | 784,498 | 860,500 |
| Other Objects | 2,844,857 | 3,111,344 |
| Transfers | 3,426,461 | 5,182,952 |
| Other Uses of Funds | 68,878,260 | 90,261,858 |
| Total Expenditures | <u>\$ 580,428,011</u> | <u>\$ 622,821,541</u> |



STATISTICAL SECTION

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. | 121 |
| <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. | 127 |
| <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. | 131 |
| <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. | 134 |
| <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. | 136 |

Sources: The information in these schedules is derived from the comprehensive annual financial reports for fiscal years ended June 30, 2013-22, unless otherwise noted.



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

| | 2022 | 2021^a | 2020^b | 2019 | 2018 |
|---------------------------------------|------------------------|-------------------------|-------------------------|------------------------|------------------------|
| Governmental activities | | | | | |
| Net investment in capital assets | \$ 373,102,823 | \$ 363,941,382 | \$ 356,573,540 | \$ 307,682,555 | \$ 290,846,498 |
| Restricted for: | | | | | |
| Debt Service | - | - | - | 1,172,594 | - |
| Student Body & Special Programs | 5,052,084 | 4,480,627 | 3,622,843 | 3,628,068 | 3,532,119 |
| Scholarships | 453,416 | 433,033 | 377,129 | - | - |
| Unrestricted | (418,439,380) | (487,831,183) | (443,644,322) | (385,553,862) | (324,030,095) |
| Total primary government net position | <u>\$ (39,831,057)</u> | <u>\$ (118,976,141)</u> | <u>\$ (83,070,810)</u> | <u>\$ (73,070,645)</u> | <u>\$ (29,651,478)</u> |

| | 2017^c | 2016 | 2015 | 2014^d | 2013^e |
|---------------------------------------|-------------------------|----------------------|-----------------------|-------------------------|-------------------------|
| Governmental activities | | | | | |
| Net investment in capital assets | \$ 268,188,162 | \$ 262,579,965 | \$ 263,555,013 | \$ 251,817,765 | \$ 218,858,636 |
| Restricted for: | | | | | |
| Debt Service | 569,986 | 1,881,023 | 2,063,774 | 2,322,704 | 2,590,687 |
| Student Body & Special Programs | 3,178,608 | 3,379,994 | 2,866,864 | 2,943,385 | 2,732,183 |
| Scholarships | - | - | - | - | - |
| Unrestricted | (270,093,399) | (215,261,216) | (119,174,972) | (228,749,495) | (20,953,952) |
| Total primary government net position | <u>\$ 1,843,357</u> | <u>\$ 52,579,766</u> | <u>\$ 149,310,679</u> | <u>\$ 28,334,359</u> | <u>\$ 203,227,554</u> |

Note:

- ^a Fiscal year 2021 was restated due to GASB 87.
- ^b Fiscal year 2020 was restated due to GASB 84.
- ^c Fiscal year 2017 was restated due to GASB 75.
- ^d Fiscal year 2014 was restated due to GASB 68.
- ^e 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)

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenses | | | | | |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 270,132,377 | \$ 301,704,813 | \$ 288,892,592 | \$ 279,440,871 | \$ 261,781,198 |
| Special programs | 94,507,464 | 93,251,469 | 90,491,175 | 95,302,554 | 90,816,316 |
| Summer school programs | 5,782,132 | 1,708,621 | 1,109,484 | 1,350,107 | 1,599,044 |
| Total instruction | 370,421,973 | 396,664,903 | 380,493,251 | 376,093,532 | 354,196,558 |
| Support Services: | | | | | |
| Student support services | 59,059,795 | 58,409,842 | 51,821,053 | 48,475,828 | 43,245,977 |
| Instructional staff support | 17,218,227 | 16,446,478 | 17,777,675 | 21,880,138 | 21,579,054 |
| General administration support | 2,500,741 | 2,676,096 | 2,693,105 | 2,293,158 | 2,233,419 |
| School administration | 37,832,998 | 43,089,145 | 40,686,686 | 38,378,126 | 36,716,727 |
| Business support services | 68,887,798 | 66,107,841 | 67,425,522 | 65,984,943 | 62,356,966 |
| Central activities support | 26,176,314 | 30,977,881 | 29,615,964 | 27,475,179 | 24,743,049 |
| Supplemental retirement | - | - | - | - | 9,830 |
| Total support services | 211,675,873 | 217,707,283 | 210,020,005 | 204,487,372 | 190,885,022 |
| Enterprise and Community Services: | | | | | |
| Food services | 14,940,601 | 13,225,696 | 14,989,398 | 15,965,965 | 14,889,225 |
| Community services | 138,439 | 210,475 | 77,473 | 7,829 | 15,453 |
| Custody and care of children services | - | 2,376,891 | - | - | - |
| Total enterprise and community services: | 15,079,040 | 15,813,062 | 15,066,871 | 15,973,794 | 14,904,678 |
| Interest on long-term debt | 37,710,251 | 42,847,357 | 9,742,394 | 36,313,634 | 34,035,456 |
| Total primary government expenses | 634,887,137 | 673,032,605 | 615,322,521 | 632,868,332 | 594,021,714 |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Charges for services | | | | | |
| Instruction | 4,598,960 | 1,693,119 | 4,499,211 | 5,428,180 | 5,270,449 |
| Support Services | 1,021,684 | 566,836 | 1,321,345 | 1,251,795 | 1,562,046 |
| Enterprise and community services | 131,072 | - | 3,633,227 | 5,478,412 | 4,884,146 |
| Operating grants and contributions | 118,995,924 | 63,896,255 | 38,950,024 | 41,978,368 | 37,291,667 |
| Capital grants and contributions | 1,180,349 | 312,280 | 314,535 | 622,611 | 472,169 |
| Total primary government program revenues | 125,927,989 | 66,468,490 | 48,718,342 | 54,759,366 | 49,480,477 |
| Net (Expense)/Revenue | | | | | |
| Total primary government net expense | \$ (508,959,148) | \$ (606,564,115) | \$ (566,604,179) | \$ (578,108,966) | \$ (544,541,237) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Property taxes levied for general purposes | \$ 156,112,692 | \$ 150,517,521 | \$ 143,814,106 | \$ 137,034,319 | \$ 128,140,820 |
| Local option taxes levied for general purposes | 37,407,459 | 35,807,436 | 34,194,060 | 33,330,338 | 31,005,163 |
| Property taxes levied for debt service | 70,141,350 | 67,493,267 | 60,651,036 | 62,457,809 | 58,897,201 |
| Construction excise tax | 2,110,725 | 2,780,732 | 2,465,595 | 3,391,946 | 3,217,459 |
| State school fund - general support | 287,550,313 | 285,817,276 | 281,611,303 | 257,695,444 | 258,157,569 |
| Common school fund | 4,613,181 | 4,534,297 | 4,036,355 | 4,499,398 | 4,191,413 |
| Unrestricted state and local sources | 16,850,583 | 16,099,070 | 15,954,525 | 15,218,199 | 17,260,645 |
| Earnings on investments | 706,117 | 1,028,129 | 6,728,554 | 12,172,451 | 4,943,574 |
| Gain on sale of capital asset | 79,088 | 487,858 | 382,800 | 284,741 | 298,016 |
| Miscellaneous | 11,310,623 | 6,093,198 | 6,388,551 | 8,605,154 | 6,934,542 |
| Total primary government | 586,882,131 | 570,658,784 | 556,226,885 | 534,689,799 | 513,046,402 |
| Change in Net Position | | | | | |
| Total primary government | \$ 77,922,983 | \$ (35,905,331) | \$ (10,377,294) | \$ (43,419,167) | \$ (31,494,835) |

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

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenses | | | | | |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 251,640,423 | \$ 278,194,402 | \$ 151,695,546 | \$ 171,453,815 | \$ 153,974,885 |
| Special programs | 81,559,619 | 85,436,319 | 52,710,940 | 62,155,870 | 60,687,497 |
| Summer school programs | 1,202,441 | 1,446,450 | 823,881 | 746,800 | 357,718 |
| Total instruction | 334,402,483 | 365,077,171 | 205,230,367 | 234,356,485 | 215,020,100 |
| Support Services: | | | | | |
| Student support services | 38,745,667 | 39,284,776 | 21,318,056 | 25,864,345 | 24,161,236 |
| Instructional staff support | 20,507,887 | 20,225,200 | 10,122,238 | 10,435,278 | 9,478,534 |
| General administration support | 2,144,094 | 2,325,564 | 1,453,617 | 1,560,440 | 1,445,588 |
| School administration | 33,442,147 | 34,893,849 | 19,465,092 | 24,474,041 | 23,217,806 |
| Business support services | 56,468,112 | 55,384,931 | 41,631,222 | 46,057,995 | 43,841,715 |
| Central activities support | 21,562,471 | 22,841,783 | 13,373,047 | 16,829,201 | 15,844,328 |
| Supplemental retirement | 39,736 | 38,011 | 100,893 | 796,395 | 1,357,685 |
| Total support services | 172,910,114 | 174,994,114 | 107,464,165 | 126,017,695 | 119,346,892 |
| Enterprise and Community Services: | | | | | |
| Food services | 14,006,876 | 15,413,542 | 11,736,797 | 12,763,646 | 12,801,512 |
| Community services | 4,571 | 12,273 | 47,469 | 138,592 | 128,385 |
| Custody and care of children services | - | - | - | - | - |
| Total enterprise and community services: | 14,011,447 | 15,425,815 | 11,784,266 | 12,902,238 | 12,929,897 |
| Interest on long-term debt | 30,307,560 | 36,159,370 | 34,413,599 | 16,163,540 | 35,719,584 |
| Total primary government expenses | 551,631,604 | 591,656,470 | 358,892,397 | 389,439,958 | 383,016,473 |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Charges for services | | | | | |
| Instruction | 6,031,333 | 6,964,291 | 10,217,286 | 10,098,793 | 10,003,939 |
| Support Services | 1,428,741 | 860,873 | 877,606 | 904,645 | 878,076 |
| Enterprise and community services | 4,431,211 | 4,426,767 | 4,190,202 | 4,137,738 | 4,335,594 |
| Operating grants and contributions | 30,565,670 | 28,805,495 | 28,314,126 | 29,592,463 | 26,430,911 |
| Capital grants and contributions | 361,917 | 1,226,334 | - | - | - |
| Total primary government program revenues | 42,818,872 | 42,283,760 | 43,599,220 | 44,733,639 | 41,648,520 |
| Net (Expense)/Revenue | | | | | |
| Total primary government net expense | \$ (508,812,732) | \$ (549,372,710) | \$ (315,293,177) | \$ (344,706,319) | \$ (341,367,953) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Property taxes levied for general purposes | \$ 125,870,990 | \$ 120,530,968 | \$ 114,933,952 | \$ 110,583,679 | \$ 106,074,191 |
| Local option taxes levied for general purposes | 28,882,071 | 26,192,500 | 24,213,931 | 19,060,210 | - |
| Property taxes levied for debt service | 52,900,525 | 51,502,850 | 51,440,929 | 49,732,072 | 47,152,740 |
| Construction excise tax | 3,829,430 | 3,069,069 | 2,997,116 | 2,407,510 | 1,863,969 |
| State school fund - general support | 231,739,269 | 228,865,870 | 216,460,563 | 199,569,316 | 172,475,674 |
| Common school fund | 5,011,850 | 4,691,786 | 3,796,074 | 3,537,242 | 3,655,130 |
| Unrestricted state and local sources | 14,767,326 | 13,006,206 | 15,770,697 | 12,110,552 | 8,490,373 |
| Earnings on investments | 2,351,393 | 3,198,636 | 2,541,728 | 517,574 | 503,144 |
| Gain on sale of capital asset | 139,540 | 15,250 | 200 | 767,803 | - |
| Miscellaneous | 2,377,106 | 1,568,662 | 4,114,307 | 1,760,973 | 3,243,765 |
| Total primary government | 467,869,500 | 452,641,797 | 436,269,497 | 400,046,931 | 343,458,986 |
| Change in Net Position | | | | | |
| Total primary government | \$ (40,943,232) | \$ (96,730,913) | \$ 120,976,320 | \$ 55,340,612 | \$ 2,091,033 |

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

| | 2022 | 2021 ^a | 2020 ^a | 2019 | 2018 |
|-------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fund | | | | | |
| Committed | \$ 10,128,224 | \$ 6,644,557 | \$ 6,149,838 | \$ 24,369,523 | \$ 22,852,024 |
| Unassigned | 109,645,221 | 85,626,331 | 56,424,054 | 16,915,100 | 29,660,002 |
| Total General Fund | <u>\$ 119,773,445</u> | <u>\$ 92,270,888</u> | <u>\$ 62,573,892</u> | <u>\$ 41,284,623</u> | <u>\$ 52,512,026</u> |
| All Other Governmental Funds | | | | | |
| Non-spendable, reported in: | | | | | |
| Nutrition Services Fund | \$ 782,432 | \$ 759,225 | \$ 836,651 | \$ 493,950 | \$ 515,050 |
| Restricted, reported in: | | | | | |
| Debt Service Fund | 3,849,042 | 2,711,616 | 2,276,890 | 3,363,872 | 561,085 |
| Capital Projects Fund | 55,276,427 | 79,487,229 | 132,786,906 | 205,728,055 | 288,305,160 |
| Student Body Fund | 5,052,084 | 4,480,627 | 3,622,843 | 3,628,068 | 3,532,119 |
| Scholarship Fund | 453,416 | 433,033 | 377,129 | - | - |
| Committed, reported in: | | | | | |
| Debt Service Fund | 3,198,029 | 1,172,355 | 44,730 | 73,778 | 1,638,504 |
| Capital Projects Fund | 12,522,993 | 11,409,466 | 8,783,219 | 6,771,418 | 8,258,658 |
| Special Purpose Fund | - | - | 926,859 | 1,754,025 | 1,110,005 |
| Categorial Fund | 4,564,663 | 1,333,208 | 1,566,476 | 2,726,046 | 2,705,099 |
| Nutrition Services Fund | 4,696,887 | 706,459 | 463,041 | 2,758,146 | 3,247,047 |
| Total Other Governmental Funds | <u>\$ 90,395,973</u> | <u>\$ 102,493,218</u> | <u>\$ 151,684,744</u> | <u>\$ 227,297,358</u> | <u>\$ 309,872,727</u> |
| Total Governmental Funds | <u>\$ 210,169,418</u> | <u>\$ 194,764,106</u> | <u>\$ 214,258,636</u> | <u>\$ 268,581,981</u> | <u>\$ 362,384,753</u> |

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|-------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| General Fund | | | | | |
| Committed | \$ 21,717,173 | \$ 20,852,418 | \$ 1,599,028 | \$ 789,822 | \$ 969,517 |
| Unassigned | 38,054,174 | 42,979,287 | 55,398,731 | 31,344,339 | 7,550,548 |
| Total General Fund | <u>\$ 59,771,347</u> | <u>\$ 63,831,705</u> | <u>\$ 56,997,759</u> | <u>\$ 32,134,161</u> | <u>\$ 8,520,065</u> |
| All Other Governmental Funds | | | | | |
| Non-spendable, reported in: | | | | | |
| Nutrition Services Fund | \$ 287,514 | \$ 287,230 | \$ 290,613 | \$ 391,594 | \$ 346,922 |
| Restricted, reported in: | | | | | |
| Debt Service Fund | 3,380 | 764,450 | 1,245,261 | 180,468 | 595,664 |
| Capital Projects Fund | 382,060,011 | 261,642,449 | 407,078,800 | 1,555,310 | 11,918,770 |
| Student Body Fund | 3,178,608 | 3,379,994 | 2,866,864 | 2,943,385 | 2,732,183 |
| Scholarship Fund | - | - | - | - | - |
| Committed, reported in: | | | | | |
| Debt Service Fund | 2,153,717 | 2,766,289 | 2,160,737 | 1,259,156 | 1,387,645 |
| Capital Projects Fund | 4,854,576 | 3,218,712 | 3,110,890 | 3,965,378 | 2,360,010 |
| Special Purpose Fund | 1,247,371 | 838,734 | 670,848 | 588,877 | 715,269 |
| Categorial Fund | 2,534,954 | 688,591 | 631,280 | 707,232 | 1,049,292 |
| Nutrition Services Fund | 3,381,526 | 2,961,635 | 2,816,392 | 2,986,839 | 2,973,352 |
| Total Other Governmental Funds | <u>\$ 399,701,657</u> | <u>\$ 276,548,084</u> | <u>\$ 420,871,685</u> | <u>\$ 14,578,239</u> | <u>\$ 24,079,107</u> |
| Total Governmental Funds | <u>\$ 459,473,004</u> | <u>\$ 340,379,789</u> | <u>\$ 477,869,444</u> | <u>\$ 46,712,400</u> | <u>\$ 32,599,172</u> |

Note:

^a Fiscal year 2021 was restated due to GASB 87. 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)

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|----------------------|------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | | |
| Local sources: | | | | | |
| Property taxes | \$ 226,320,171 | \$ 218,119,523 | \$ 204,311,973 | \$ 202,636,212 | \$ 189,669,800 |
| Local option levy | 37,407,459 | 35,807,436 | 34,194,060 | 33,330,338 | 31,005,163 |
| Construction excise tax | 2,110,725 | 2,780,732 | 2,465,595 | 3,391,946 | 3,217,459 |
| Investment earnings | 692,551 | 1,010,187 | 6,691,430 | 12,046,450 | 4,843,830 |
| Charges for services | 5,381,268 | 2,246,850 | 8,790,501 | 11,767,575 | 11,407,264 |
| Services to other funds | 31,520,626 | 23,677,219 | 21,762,753 | 19,535,532 | 20,374,626 |
| Contributions and donations | 2,202,549 | 2,292,311 | 3,535,013 | 5,355,478 | 5,212,260 |
| Other local revenues | 13,137,710 | 6,469,648 | 8,227,334 | 11,113,001 | 8,933,422 |
| Intermediate sources | 14,449,154 | 12,620,904 | 12,372,470 | 12,491,150 | 12,114,483 |
| State sources | 348,415,517 | 319,547,604 | 300,638,138 | 273,870,719 | 273,744,443 |
| Federal sources | 62,302,556 | 35,643,161 | 22,747,867 | 25,888,701 | 24,170,167 |
| Total Revenues | 743,940,286 | 660,215,575 | 625,737,134 | 611,427,102 | 584,692,917 |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction | 374,168,649 | 328,538,575 | 314,700,334 | 322,031,311 | 310,493,539 |
| Support services | 212,531,656 | 181,404,463 | 179,375,571 | 180,658,052 | 170,779,264 |
| Enterprise and community services | 15,273,022 | 14,403,671 | 13,557,428 | 14,886,084 | 14,045,480 |
| Debt service | | | | | |
| Principal | 68,538,565 | 62,646,686 | 44,306,137 | 39,783,743 | 44,497,060 |
| Interest | 27,211,564 | 28,953,628 | 42,405,921 | 44,274,820 | 37,526,453 |
| Other debt service | - | - | 2,156,275 | - | - |
| Capital outlay | | | | | |
| Facilities acquisition and construction | 50,236,212 | 59,552,327 | 83,951,295 | 103,489,877 | 105,693,226 |
| Total Expenditures | 747,959,668 | 675,499,350 | 680,452,961 | 705,123,887 | 683,035,022 |
| Excess (deficiency) of Revenues over (under) Expenditures | (4,019,382) | (15,283,775) | (54,715,827) | (93,696,785) | (98,342,105) |
| Other Financing Sources (Uses) | | | | | |
| Sale of or compensation for loss of capital assets | 79,088 | 487,858 | 380,835 | 272,873 | 277,750 |
| Transfers in | 4,529,334 | 2,308,355 | 19,760,266 | 4,375,321 | 3,228,905 |
| Transfers out | (7,556,546) | (7,085,567) | (22,644,914) | (5,285,321) | (3,228,905) |
| Issuance of equipment financing | 4,697,408 | - | - | - | - |
| Issuance of leases payables | 253,309 | 78,599 | 358,390 | 531,140 | 976,104 |
| Issuance of long-term debt | 16,200,000 | - | 432,745,000 | - | - |
| Premium on long-term debt issued | - | - | - | - | - |
| Payment to refunded bond escrow agent | - | - | (430,584,224) | - | - |
| PERS UAL lump sum payment | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 18,202,593 | (4,210,755) | 15,353 | (105,987) | 1,253,854 |
| Net Change in Fund Balances | \$ 14,183,211 | \$ (19,494,530) | \$ (54,700,474) | \$ (93,802,772) | \$ (97,088,251) |
| Expenditures for capital assets | \$ 48,768,475 | \$ 55,715,500 | \$ 82,221,446 | \$ 98,911,794 | \$ 107,103,467 |
| Debt service as a percentage of noncapital expenditures | 13.69% | 14.78% | 14.49% | 13.87% | 14.24% |

BEAVERTON SCHOOL DISTRICT
CHANGES IN FUND BALANCE AND DEBT SERVICE RATIO (Continued)

LAST TEN FISCAL YEARS ENDED JUNE 30

(modified accrual basis of accounting)

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|-----------------------|-------------------------|-----------------------|----------------------|-----------------------|
| Revenues | | | | | |
| Local sources: | | | | | |
| Property taxes | \$ 177,968,233 | \$ 171,027,470 | \$ 166,521,730 | \$ 159,534,598 | \$ 153,683,804 |
| Local option levy | 28,882,071 | 26,192,500 | 24,213,931 | 19,060,210 | - |
| Construction excise tax | 3,829,430 | 3,069,069 | 2,997,116 | 2,407,510 | 1,863,969 |
| Investment earnings | 2,279,583 | 3,153,780 | 2,512,389 | 493,400 | 479,582 |
| Charges for services | 7,467,920 | 6,261,873 | 8,208,884 | 14,459,273 | 14,533,443 |
| Services to other funds | 19,795,795 | 20,272,819 | 15,993,367 | 12,594,515 | 11,437,776 |
| Contributions and donations | 3,243,358 | 2,954,499 | 2,437,253 | 6,713,267 | 2,543,885 |
| Other local revenues | 7,814,013 | 9,097,126 | 11,377,538 | 2,107,157 | 3,104,806 |
| Intermediate sources | 10,102,679 | 10,454,984 | 14,746,576 | 10,387,971 | 6,687,868 |
| State sources | 243,417,143 | 237,573,946 | 222,399,682 | 204,829,139 | 177,953,309 |
| Federal sources | 24,406,856 | 23,887,298 | 24,331,919 | 22,879,196 | 23,887,026 |
| Total Revenues | 529,207,081 | 513,945,364 | 495,740,385 | 455,466,236 | 396,175,468 |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction | 287,283,072 | 272,408,774 | 252,459,576 | 227,532,904 | 207,207,837 |
| Support services | 155,791,952 | 142,452,087 | 131,991,858 | 118,182,184 | 111,511,979 |
| Enterprise and community services | 13,160,253 | 13,664,440 | 13,341,410 | 12,714,904 | 12,715,302 |
| Debt service | | | | | |
| Principal | 41,157,802 | 36,742,349 | 33,850,765 | 45,375,306 | 41,348,283 |
| Interest | 35,381,003 | 36,726,785 | 33,567,947 | 19,620,481 | 22,468,382 |
| Other debt service | - | 158,054 | 544,615 | - | 1,013,347 |
| Capital outlay | | | | | |
| Facilities acquisition and construction | 208,045,840 | 147,718,421 | 42,591,476 | 16,608,797 | 6,889,659 |
| Total Expenditures | 740,819,922 | 649,870,910 | 508,347,647 | 440,034,576 | 403,154,789 |
| Excess (deficiency) of Revenues over (under) Expenditures | (211,612,841) | (135,925,546) | (12,607,262) | 15,431,660 | (6,979,321) |
| Other Financing Sources (Uses) | | | | | |
| Sale of or compensation for loss of capital assets | 138,684 | 8,325 | 200 | 767,803 | 6,312 |
| Transfers in | 3,427,609 | 22,002,909 | 3,121,052 | 3,581,820 | 3,177,796 |
| Transfers out | (4,427,609) | (23,737,909) | (5,351,052) | (5,668,055) | (4,177,796) |
| Issuance of equipment financing | - | - | - | - | - |
| Issuance of leases payables | 3,447,000 | - | - | - | - |
| Issuance of long-term debt | 297,850,265 | 16,260,000 | 461,368,784 | - | 159,400,000 |
| Premium on long-term debt issued | 30,270,107 | 1,766,329 | 63,295,961 | - | 20,961,752 |
| Payment to refunded bond escrow agent | - | (17,863,763) | - | - | (179,342,751) |
| PERS UAL lump sum payment | - | - | (78,670,639) | - | - |
| Total Other Financing Sources (Uses) | 330,706,056 | (1,564,109) | 443,764,306 | (1,318,432) | 25,313 |
| Net Change in Fund Balances | \$ 119,093,215 | \$ (137,489,655) | \$ 431,157,044 | \$ 14,113,228 | \$ (6,954,008) |
| Expenditures for capital assets | \$ 203,724,073 | \$ 131,532,269 | \$ 35,461,753 | \$ 20,107,951 | \$ 7,518,248 |
| Debt service as a percentage of noncapital expenditures | 14.25% | 14.17% | 14.26% | 15.48% | 16.13% |

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 |
|--------------------|--|---|----------------------------|--------------------------------------|
| 2022 | \$ 32,541,176,670 | \$ 1,060,372,187 | 33,601,548,857 | \$ 8.030 |
| 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 |

| 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 |
|--------------------|---|--|--------------------------------|--|
| 2022 | \$ 61,241,234,050 | \$ 1,091,118,801 | \$ 62,332,352,851 | 53.91% |
| 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 |
|-------------|-----------------|--------------|----------|----------|
| 2022 | \$ 4.693 | \$ 1.250 | \$ 2.087 | \$ 8.030 |
| 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 |

Overlapping Rates:

| Fiscal Year | Portland Community | | | Tualatin Hills | | | |
|-------------|--------------------|-------------------|------------------|----------------|-------------------|-------------------------------|--|
| | College | City of Hillsboro | City of Portland | City of Tigard | Park & Recreation | Tualatin Valley Fire & Rescue | |
| 2022 | \$ 0.663 | \$ 5.387 | \$ 9.171 | \$ 3.146 | \$ 1.598 | \$ 2.116 | |
| 2021 | 0.680 | 5.387 | 8.165 | 3.134 | 1.594 | 2.117 | |
| 2020 | 0.685 | 5.387 | 7.883 | 2.852 | 1.614 | 2.073 | |
| 2019 | 0.687 | 5.387 | 7.980 | 2.863 | 1.624 | 2.084 | |
| 2018 | 0.605 | 5.387 | 7.884 | 2.871 | 1.611 | 2.078 | |
| 2017 | 0.679 | 5.387 | 7.971 | 4.967 | 1.619 | 2.098 | |
| 2016 | 0.586 | 5.387 | 7.763 | 6.283 | 1.625 | 2.108 | |
| 2015 | 0.722 | 5.387 | 7.892 | 4.178 | 1.717 | 1.891 | |
| 2014 | 0.734 | 5.387 | 7.980 | 3.376 | 1.728 | 1.906 | |
| 2013 | 0.665 | 7.541 | 7.363 | 6.350 | 1.730 | 1.915 | |

| Fiscal Year | City of Beaverton | Washington County | Metro Service District | Port of Portland | Multnomah County | NW Regional ESD |
|-------------|-------------------|-------------------|------------------------|------------------|------------------|-----------------|
| | 2022 | \$ 4.417 | \$ 3.006 | \$ 0.570 | \$ 0.701 | \$ 4.989 |
| 2021 | 4.408 | 2.956 | 0.590 | 0.070 | 4.393 | 0.154 |
| 2020 | 4.419 | 2.958 | 0.663 | 0.070 | 4.393 | 0.154 |
| 2019 | 4.426 | 2.958 | 0.473 | 0.070 | 4.393 | 0.154 |
| 2018 | 4.345 | 2.958 | 0.409 | 0.070 | 4.393 | 0.154 |
| 2017 | 4.375 | 2.959 | 0.397 | 0.070 | 4.393 | 0.154 |
| 2016 | 4.377 | 2.838 | 0.388 | 0.070 | 4.487 | 0.154 |
| 2015 | 4.377 | 2.838 | 0.459 | 0.070 | 4.491 | 0.154 |
| 2014 | 4.376 | 2.968 | 0.467 | 0.070 | 4.511 | 0.154 |
| 2013 | 4.238 | 2.970 | 0.404 | 0.070 | 5.424 | 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**

Principal Property Taxpayers - Beaverton School District

| Taxpayer | June 2022 Taxable Assessed | | % of Total Taxable Value | June 2013 Taxable Assessed | | % of Total Taxable Value |
|--------------------------------------|---------------------------------------|-------------|---|---------------------------------------|-------------|---|
| | Value | Rank | | Value | Rank | |
| Nike, Inc. | \$ 1,404,246,163 | 1 | 4.2% | \$ 386,234,533 | 1 | 1.7% |
| Maxim Intergrated Products Inc. | 148,411,520 | 5 | 0.4 | 108,396,540 | 8 | 0.5 |
| PPR Washington Square LLC | 126,766,103 | 6 | 0.4 | 112,624,281 | 7 | 0.5 |
| Beaverton LLC | 118,470,960 | 7 | 0.4 | 100,961,280 | 9 | 0.4 |
| Portland 2 LLC | 73,547,120 | 8 | 0.2 | | | |
| Providence Health & Services-Oregon | 85,648,495 | 10 | 0.3 | | | |
| MG Pallas Apartments MOS LLC ET AL | | | 0.0 | | | |
| PS Business Parks LP | | | | 112,151,006 | 4 | 0.5 |
| Bernard Properties Partnership | | | | 58,656,390 | 10 | 0.3 |
| Public Utilities | | | | | | |
| Portland General Electric Co. | 229,586,720 | 2 | 0.7 | 155,284,620 | 2 | 0.7 |
| Northwest Natural Gas | 181,879,500 | 3 | 0.5 | 126,229,500 | 6 | 0.5 |
| Comcast Corporation | 147,741,000 | 4 | 0.4 | 132,852,200 | 3 | 0.6 |
| Northwest Fiber LLC | 92,818,600 | 8 | 0.3 | | | |
| Frontier Communications | | | | 118,074,000 | 5 | 0.5 |
| Subtotal of Ten Largest Taxpayers | 2,609,116,181 | | 7.8 | 1,411,464,350 | | 6.1 |
| All Other Taxpayers | 30,992,432,676 | | 92.2 | 21,909,698,430 | | 93.9 |
| Total Assessed Value of Tax District | \$ 33,601,548,857 | | 100.0% | \$ 23,321,162,780 | | 100.0% |

Principal Property Taxpayers - Washington County

| Taxpayer | June 2022 Taxable Assessed | | % of Total Taxable Value | June 2013 Taxable Assessed | | % of Total Taxable Value |
|--------------------------------------|---------------------------------------|-------------|---|---------------------------------------|-------------|---|
| | Value | Rank | | Value | Rank | |
| Intel | \$ 1,892,355,244 | 1 | 2.5% | \$ 1,317,485,109 | 1 | 2.7% |
| Nike, Inc. | 1,450,518,012 | 2 | 2.0 | 458,134,800 | 2 | 0.9 |
| Pacific Realty Associates | 426,502,345 | 4 | 0.6 | 301,554,205 | 4 | 0.6 |
| Genentech Inc. | 281,929,300 | 7 | 0.4 | | | |
| Lam Research Corporation | 204,291,922 | 9 | 0.3 | | | |
| BV Cen tercall LLC | | | 0.0 | | | |
| Fred Meyer Stores, Inc | | | | 149,532,916 | 8 | 0.3 |
| Maxim Intergrated Products Inc. | | | | 142,776,738 | 9 | 0.3 |
| PS Business Parks LP | | | | 112,151,006 | 10 | 0.2 |
| Public Utilities | | | | | | |
| Portland General Electric Co. | 951,592,080 | 3 | 1.3 | 430,132,692 | 3 | 0.9 |
| Northwest Natural Gas | 430,076,890 | 5 | 0.6 | 303,517,250 | 5 | 0.6 |
| Verizon Communications | 338,930,000 | 6 | 0.5 | | | |
| Comcast Corporation | 267,644,000 | 8 | 0.4 | 247,208,700 | 6 | 0.5 |
| Northwest Fiber LLC | 195,724,800 | 10 | 0.3 | | | |
| Frontier Communications | | | | 250,268,000 | 7 | 0.5 |
| Subtotal of Ten Largest Taxpayers | 6,439,564,593 | | 8.7 | 3,712,761,416 | | 7.5 |
| All Other Taxpayers | 67,932,349,712 | | 91.3 | 45,642,897,659 | | 92.5 |
| Total Assessed Value of Tax District | \$ 74,371,914,305 | | 100.0% | \$ 49,355,659,075 | | 100.0% |

Note: Ranked based on taxes levied.

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 |
|--------------------|---|---|---------------------------|--|----------------------------------|---------------------------|
| 2022 | \$ 269,943,032 | \$ 259,650,108 | 96.19% | \$ - | \$ 259,650,108 | 96.19% |
| 2021 | 260,249,429 | 250,062,137 | 96.09 | 2,013,083 | 252,075,220 | 96.86 |
| 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 |

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 | Net General Bonded Debt | | | | | |
|-------------|-------------------------|----------------------|-------------------------------------|----------------------------------|----------|-------------------------|
| | General | Un-amortized Premium | Less Amount Available for Repayment | As Percentage of Actual Value of | | |
| | Obligation Bonds | | | General Bonded Debt | Property | Per Capita ^a |
| 2022 | \$ 713,350 | \$ 29,576 | \$ - | \$ 742,926 | 1.192% | \$ 2,610 |
| 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 |

| Fiscal Year | Total Debt | | | | | | | |
|-------------|-------------------------------|------------------|------------------------------------|--------|------------|--------------------------------|---------------|---------------------------------|
| | Pension | FFC | Equipment | Lease | Primary | As Percentage of Taxable Value | As Percentage | |
| | Obligation Bonds ^b | Obligation Bonds | Financing Obligations ^c | | | | Government | of Personal Income ^a |
| 2022 | \$ 146,725 | \$ 30,448 | \$ 3,523 | \$ 944 | \$ 924,566 | 2.852% | n/a | \$ 3,248 |
| 2021 | 162,825 | 15,305 | - | 1,054 | 978,805 | 3.155 | n/a | 3,289 |
| 2020 | 177,630 | 16,050 | - | 1,292 | 1,048,223 | 3.379 | 2.599% | 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 |

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.

^c Equipment Financing included in Lease Obligations prior to the GASB 87 implemented in 2022.

BEAVERTON SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022

| Governmental Unit | Net Property-Tax Backed Debt Outstanding ^a | Percent Within School District | Estimated Share of Direct and Overlapping Debt ^b |
|---|---|-----------------------------------|---|
| Metro | \$ 873,470,000 | 15.42% | \$ 134,715,278 |
| Portland Community College | 496,110,000 | 19.38 | 96,161,001 |
| Washington County | 181,868,051 | 47.78 | 86,810,504 |
| Tualatin Hills Park and Recreation District | 54,782,795 | 97.06 | 53,171,578 |
| City of Beaverton | 31,357,988 | 98.38 | 30,849,738 |
| Tualatin Valley Fire and Rescue | 60,075,000 | 48.48 | 29,126,523 |
| City of Hillsboro | 66,260,000 | 11.98 | 7,940,267 |
| City of Tigard | 20,064,001 | 17.93 | 3,596,894 |
| Multnomah County | 627,742,035 | 0.10 | 608,282 |
| City of Portland | 407,674,643 | 0.10 | 405,229 |
| Hillsboro School District-Washington Cty SD 1J | 529,453,543 | 0.01 | 54,534 |
| Subtotal, overlapping debt | | | <u>443,439,828</u> |
| Beaverton School District, direct debt ^c | | | <u>924,566,749</u> |
| Total direct and overlapping debt | | | <u><u>\$ 1,368,006,577</u></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 | | Total Net Debt Applicable to the Limit as a Percentage of Debt | |
|-------------|------------------|---------------------|----------------------|--|--------|
| | | Applicable to Limit | Legal Debt Margin | Limit | Limit |
| 2022 | \$ 4,955,422,052 | \$ 713,350,000 | \$ 4,242,072,052 | | 14.40% |
| 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 | 2,887,314,833 | | 21.72 |
| 2017 | 3,317,437,849 | 832,135,000 | 2,485,302,849 | | 25.08 |
| 2016 | 2,962,274,360 | 563,109,000 | 2,399,165,360 | | 19.01 |
| 2015 | 2,758,652,050 | 589,344,000 | 2,169,308,050 | | 21.36 |
| 2014 | 2,496,451,137 | 233,560,000 | 2,262,891,137 | | 9.36 |
| 2013 | 2,355,607,716 | 272,895,000 | 2,082,712,716 | | 11.58 |

Legal Debt Margin Calculation for Fiscal Year 2022

| | | |
|---|-------------------|--------------------------------|
| Real Market Value | \$ 62,332,352,851 | |
| Debt Limit (7.95% of Real Market Value ¹) | | \$ 4,955,422,052 |
| Debt Applicable to Limit | | <u>713,350,000</u> |
| Legal Debt Margin | | <u><u>\$ 4,242,072,052</u></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 | <u>3.00%</u> |
| Allowable Percentage | <u><u>7.95%</u></u> |

BEAVERTON SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

| Calendar Year | Population^a | Personal Income^b | Per Capita | Unemployment Rate^c |
|----------------------|-------------------------------|------------------------------------|----------------------------|--------------------------------------|
| | <i>Estimated</i> | <i>(in thousands)</i> | Personal Income | <i>(Washington County)</i> |
| 2022 | 284,669 | n/a | n/a | n/a |
| 2021 | 297,638 | n/a | n/a | 4.4% |
| 2020 | 294,437 | \$ 40,333,177 | \$ 66,831 | 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 |

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, 2021 | Rank | % of Total Employment | December 31, 2012 | Rank | % of Total Employment |
| Ten Largest Employers | | | | | | |
| Intel Corp. | 21,000 | 1 | 1.65% | 16,250 | 1 | 1.46% |
| Providence Health Services | 21,000 | 2 | 1.65 | 14,389 | 2 | 1.30 |
| Oregon Health & Science University | 18,048 | 3 | 1.42 | 13,733 | 4 | 1.24 |
| Nike Inc. | 13,964 | 4 | 1.10 | 7,000 | 9 | 0.63 |
| Legacy Health | 13,120 | 5 | 1.03 | 9,662 | 6 | 0.87 |
| Kaiser Permanente | 11,163 | 6 | 0.88 | 9,195 | 7 | 0.83 |
| Fred Meyer Stores | 9,525 | 7 | 0.75 | 10,389 | 5 | 0.94 |
| Portland Public Schools | 6,847 | 8 | 0.54 | 6,544 | 10 | 0.59 |
| City of Portland | 6,635 | 9 | 0.52 | 8,951 | 8 | 0.81 |
| Multnomah County | 5,096 | 10 | 0.40 | | | |
| US Federal Government | | | | 13,900 | 3 | 1.25 |
| Subtotal of Ten Largest Employers | 126,398 | | 9.91 | 110,013 | | 9.92 |
| All Other Employers | 1,148,724 | | 90.09 | 999,286 | | 90.08 |
| Total Portland PMSA¹ Employment | 1,275,122 | | 100.00% | 1,109,299 | | 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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <u>Instruction</u> | | | | | | | | | | |
| Certified | 1,690.9 | 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 |
| Support | 121.1 | 113.4 | 118.0 | 125.0 | 136.1 | 131.7 | 127.3 | 103.0 | 109.3 | 98.5 |
| <u>Special Programs</u> | | | | | | | | | | |
| Certified | 478.8 | 403.9 | 394.3 | 448.7 | 456.2 | 442.9 | 420.9 | 413.0 | 383.9 | 393.4 |
| Support | 206.1 | 190.0 | 216.0 | 249.2 | 258.9 | 260.8 | 236.1 | 228.2 | 213.8 | 225.1 |
| Administration | 0.1 | - | - | - | - | - | - | - | - | - |
| <u>Student Support Services</u> | | | | | | | | | | |
| Certified | 324.3 | 245.2 | 237.3 | 235.3 | 222.7 | 219.9 | 213.8 | 192.6 | 176.6 | 170.8 |
| Support | 129.0 | 120.8 | 115.1 | 120.7 | 112.6 | 98.2 | 85.9 | 73.6 | 66.6 | 64.4 |
| Administration | 8.8 | 6.9 | 6.9 | 7.0 | 7.0 | 6.0 | 5.0 | 4.0 | 4.0 | 3.9 |
| <u>Instructional Staff Support</u> | | | | | | | | | | |
| Certified | 53.3 | 45.6 | 47.7 | 68.3 | 62.3 | 67.8 | 52.1 | 32.0 | 20.3 | 16.3 |
| Support | 44.3 | 43.4 | 45.8 | 48.1 | 45.9 | 47.0 | 47.8 | 45.5 | 43.6 | 43.6 |
| Administration | 3.0 | 3.0 | 3.0 | 3.0 | 4.0 | 3.8 | 2.9 | 3.0 | 3.0 | 3.0 |
| <u>General Administration Support</u> | | | | | | | | | | |
| Support | 4.6 | 5.2 | 5.4 | 5.0 | 5.3 | 5.7 | 5.3 | 5.3 | 5.0 | 1.5 |
| Administration | 3.8 | 3.8 | 3.8 | 3.8 | 3.5 | 3.6 | 3.7 | 2.8 | 2.8 | 2.8 |
| <u>School Administration</u> | | | | | | | | | | |
| Certified | 10.3 | 10.7 | 8.7 | 9.7 | 11.7 | 11.3 | 9.4 | 9.2 | 12.4 | 15.2 |
| Support | 120.4 | 119.5 | 119.4 | 121.1 | 122.4 | 120.3 | 110.2 | 103.8 | 103.8 | 103.1 |
| Administration | 112.5 | 109.8 | 108.3 | 113.2 | 112.4 | 109.5 | 103.7 | 97.3 | 88.6 | 83.7 |
| <u>Business Support Services</u> | | | | | | | | | | |
| Support | | | | | | | | | | |
| General Business | 21.0 | 20.5 | 19.2 | 20.3 | 17.7 | 16.8 | 16.9 | 16.4 | 15.0 | 12.3 |
| Facilities | 258.1 | 254.3 | 262.8 | 265.5 | 257.3 | 228.8 | 214.5 | 208.9 | 201.6 | 190.5 |
| Transportation | 160.1 | 164.4 | 174.6 | 187.7 | 185.1 | 173.1 | 165.6 | 167.6 | 170.1 | 169.0 |
| Other Support | 9.7 | 10.3 | 10.3 | 9.9 | 10.6 | 9.8 | 8.4 | 7.7 | 8.8 | 8.0 |
| Administration | 4.0 | 4.3 | 4.0 | 4.7 | 5.2 | 5.2 | 5.3 | 5.3 | 4.3 | 3.7 |
| <u>Central Activities Support</u> | | | | | | | | | | |
| Certified | 6.1 | 5.1 | 5.1 | 5.2 | 4.8 | 4.6 | 5.0 | 4.5 | 4.2 | 4.5 |
| Support | 102.5 | 99.9 | 99.2 | 100.2 | 101.7 | 99.1 | 87.7 | 69.5 | 67.1 | 60.0 |
| Administration | 10.3 | 10.6 | 10.0 | 9.7 | 9.9 | 9.0 | 8.1 | 7.8 | 7.0 | 7.0 |
| <u>Food Services</u> | | | | | | | | | | |
| Support | 97.3 | 95.7 | 103.6 | 109.4 | 107.9 | 101.5 | 101.2 | 100.5 | 102.1 | 97.8 |
| Administration | 1.0 | 1.0 | 0.9 | 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 |
| Support | - | - | - | - | - | - | - | - | 1.3 | 1.1 |
| <u>Facilities Acquisition and Construction</u> | | | | | | | | | | |
| Certified | 4.7 | 4.8 | 4.8 | 5.0 | 5.0 | 5.0 | 4.2 | 1.0 | - | - |
| Support | 26.0 | 31.6 | 27.9 | 31.0 | 29.4 | 33.6 | 29.5 | 17.1 | 4.5 | 3.6 |
| Administration | 1.0 | 1.0 | 1.0 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.9 | 1.2 |
| Total | 4,013.1 | 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 |

| | Low | High | Number of Teachers |
|-------------------------------|-----------|-----------|--------------------|
| Bachelor's Range | \$ 47,748 | \$ 90,275 | 322 |
| Master's Range | 51,839 | 97,984 | 2,387 |
| Average Teacher Salary | \$ 81,364 | | |

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

Source: Beaverton School District records.

BEAVERTON SCHOOL DISTRICT
OPERATING STATISTICS
 LAST TEN FISCAL YEARS

| Fiscal Year | Enrollment | ADMw | Operating | | | Expenses ^b (in thousands) | Cost per Student | % Change | Cert. Staff ^c | Student-Certified Staff Ratio | % of Students Receiving Free or Reduced-Price Meals ^d |
|-------------|------------|--------|---|------------------|----------|---|------------------|----------|--------------------------|-------------------------------|--|
| | | | Expenditures ^a (in thousands) | Cost per Student | % Change | | | | | | |
| 2022 | 39,376 | 47,987 | \$ 601,973 | \$ 15,288 | 15.78% | \$ 747,960 | \$ 18,995 | 11.67% | 2,709 | 14.54 | 26.03% |
| 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 |

^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**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | Average Age of Buildings (in years) |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|-------------------------------------|
| SCHOOLS | | | | | | | | | | | |
| Elementary | | | | | | | | | | | |
| Buildings | 34 | 34 | 34 | 34 | 34 | 33 | 33 | 33 | 33 | 33 | 51 |
| Square feet ^a | 2,214 | 2,214 | 2,214 | 2,214 | 2,173 | 2,040 | 2,012 | 2,012 | 2,012 | 2,012 | |
| Capacity | 21,438 | 21,438 | 22,757 | 22,795 | 22,609 | 21,417 | 21,377 | 21,312 | 21,189 | 21,207 | |
| Enrollment ^b | 16,203 | 16,147 | 18,129 | 18,193 | 18,326 | 18,073 | 18,345 | 17,919 | 17,987 | 17,952 | |
| Percent used | 76% | 75% | 80% | 80% | 81% | 84% | 86% | 84% | 85% | 85% | |
| Middle | | | | | | | | | | | |
| Buildings | 9 | 9 | 9 | 9 | 9 | 8 | 8 | 8 | 8 | 8 | 42 |
| Square feet ^a | 1,192 | 1,192 | 1,192 | 1,192 | 1,183 | 1,017 | 1,017 | 1,017 | 1,017 | 1,017 | |
| Capacity | 8,258 | 8,258 | 8,373 | 8,373 | 8,366 | 8,394 | 8,520 | 8,394 | 8,254 | 8,254 | |
| Enrollment | 8,922 | 7,015 | 7,656 | 7,663 | 7,623 | 9,356 | 9,200 | 9,067 | 8,870 | 8,842 | |
| Percent used | 108% | 85% | 91% | 92% | 91% | 111% | 108% | 108% | 107% | 107% | |
| High | | | | | | | | | | | |
| Buildings | 10 | 10 | 10 | 10 | 10 | 9 | 9 | 9 | 9 | 9 | 54 |
| Square feet ^a | 2,025 | 2,025 | 1,929 | 1,929 | 1,999 | 1,669 | 1,653 | 1,653 | 1,653 | 1,665 | |
| Capacity | 15,110 | 15,110 | 14,994 | 14,994 | 15,508 | 12,428 | 12,322 | 12,306 | 12,302 | 12,374 | |
| Enrollment ^c | 12,498 | 13,126 | 13,302 | 13,035 | 13,506 | 11,801 | 11,588 | 11,405 | 11,262 | 11,227 | |
| Percent used | 83% | 87% | 89% | 87% | 87% | 95% | 94% | 93% | 92% | 91% | |
| Other | | | | | | | | | | | |
| Buildings | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 38 |
| Square feet ^a | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | |
| ADMINISTRATIVE | | | | | | | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 51 |
| Square feet ^a | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | |
| TRANSPORTATION | | | | | | | | | | | |
| Garages/Buildings | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 46 |
| Buses | 284 | 291 | 284 | 291 | 299 | 310 | 311 | 357 | 318 | 317 | |

^a Square feet in thousands.

^b Elementary enrollment included all K-8.

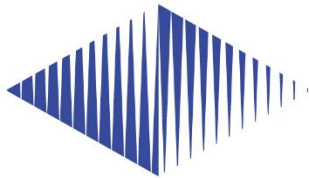
^c High school enrollment includes all 6-12 and options schools, and excludes Early College.

Source: Adopted Budget 2022-23 and District Facilities



SINGLE AUDIT SECTION

Single Audit Section



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beaverton School District, Washington County, Oregon (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2022.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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*.

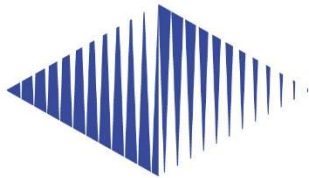
Purpose of This Report

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.

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 5, 2022



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

475 Cottage Street NE, Suite 200, Salem, OR 97301
(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

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

Opinion on Each Major Federal Program

We have audited Beaverton School District (the District)'s compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Beaverton School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 5, 2022

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

| Program Title | Federal Assistance | | Period Covered | Grant Amount | 2021-22 | |
|---|--------------------|----------------------------|---------------------|--------------|--------------------------|----------------------|
| | Listings Number | Pass Through Entity Number | | | Revenue and Expenditures | |
| U.S. Department of Education | | | | | | |
| Direct: | | | | | | |
| Indian Education Grants to Local Education Agencies | 84.060A | S060A192500 | 07/01/19 - 09/30/21 | \$ 23,025 | \$ | 40 |
| Indian Education Grants to Local Education Agencies | 84.060A | S060A202500 | 07/01/20 - 06/30/22 | 29,377 | | 12,060 |
| Indian Education Grants to Local Education Agencies | 84.060A | S060A212500 | 07/01/21 - 06/30/22 | 29,839 | | 20,116 |
| Total Indian Education Grants to Local Education Agencies | | | | | | <u>32,216</u> |
| Total Direct | | | | | | <u><u>32,216</u></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 | | 4,141 |
| Title I Grants to Local Educational Agencies | 84.010 | 53219 | 07/01/19 - 09/30/22 | 5,686,517 | | 12,660 |
| Title I Grants to Local Educational Agencies | 84.010 | 54321 | 07/01/19 - 09/30/21 | 44,750 | | 13,855 |
| Title I Grants to Local Educational Agencies | 84.010 | 66924 | 09/01/21 - 09/30/22 | 6,267,968 | | 4,413,575 |
| Title I Grants to Local Educational Agencies | 84.010 | 60355 | 07/01/20 - 09/30/22 | 41,170 | | 41,170 |
| Title I Grants to Local Educational Agencies | 84.010 | 65077 | 07/01/20 - 09/30/22 | 41,329 | | 41,329 |
| Title I Grants to Local Educational Agencies | 84.010 | 67938 | 07/01/21 - 09/30/23 | 40,946 | | 4,432 |
| Title I Grants to Local Educational Agencies | 84.010 | 58214 | 07/01/20 - 09/30/22 | 6,324,406 | | 1,936,508 |
| Total Title I | | | | | | <u>6,467,670</u> |
| Migrant Education | | | | | | |
| Migrant Education State Grant Program | 84.011 | 68112 | 07/01/21 - 09/30/22 | 705,504 | | 553,269 |
| Migrant Education State Grant Program | 84.011 | 57308 | 03/14/20 - 09/30/22 | 112,621 | | 14,377 |
| Migrant Education State Grant Program | 84.011 | 58929 | 07/01/20 - 09/30/23 | 660,669 | | 177,829 |
| Migrant Education State Grant Program | 84.011 | 68141 | 07/01/21 - 09/30/22 | 33,833 | | 24,455 |
| Migrant Education State Grant Program | 84.011 | 58911 | 07/01/20 - 09/30/23 | 31,822 | | 24,641 |
| Migrant Education State Grant Program | 84.011 | 66103 | 07/01/20 - 09/30/23 | 160,538 | | 88,910 |
| Migrant Education State Grant Program | 84.011 | 52835 | 07/01/19 - 09/30/22 | 575,553 | | 67,240 |
| Total Migrant Education Program | | | | | | <u>950,721</u> |
| Supporting Effective Instruction | | | | | | |
| Supporting Effective Instruction State Grants | 84.367 | 53481 | 07/01/19 - 09/30/22 | 913,135 | | 94,444 |
| Supporting Effective Instruction State Grants | 84.367 | 58712 | 07/01/20 - 09/30/23 | 1,013,500 | | 385,897 |
| Supporting Effective Instruction State Grants | 84.367 | 49258 | 07/01/18 - 09/30/21 | 948,642 | | 28,668 |
| Supporting Effective Instruction State Grants | 84.367 | 67357 | 07/01/21 - 09/30/22 | 997,704 | | 538,945 |
| Total Supporting Effective Instruction | | | | | | <u>1,047,954</u> |
| English Language Acquisition | | | | | | |
| English Language Acquisition State Grants | 84.365 | 53402 | 07/01/19 - 09/30/22 | 626,773 | | 122,492 |
| English Language Acquisition State Grants | 84.365 | 58454 | 07/01/20 - 09/30/23 | 695,939 | | 166,891 |
| English Language Acquisition State Grants | 84.365 | 67119 | 07/01/21 - 09/30/22 | 655,223 | | 109,859 |
| Total English Language Acquisition | | | | | | <u>399,242</u> |
| Career and Technical Education | | | | | | |
| Career and Technical Education - Basic Grants to States | 84.048 | 66132 | 07/01/21 - 09/30/22 | 321,050 | | 237,783 |
| Total Career and Technical Education | | | | | | <u>237,783</u> |
| COVID 19 - Education Stabilization Fund | | | | | | |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425D | 57761 | 03/13/20 - 09/30/22 | 4,681,997 | | 109,281 |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425D | 64531 | 03/13/20 - 09/30/23 | 20,656,919 | | 13,121,647 |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425D | 64836 | 03/13/20 - 09/30/24 | 46,425,044 | | 13,188,915 |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425 | 69279 | 04/23/21 - 09/30/24 | 100,453 | | 7,975 |
| Total COVID 19 - Education Stabilization Fund | | | | | | <u>26,427,818</u> |
| Special Education Cluster (IDEA) | | | | | | |
| Special Education Grants to States | 84.027 | 53755 | 07/01/19 - 09/30/21 | 6,754,982 | | 121,432 |
| Special Education Grants to States | 84.027 | 73159 | 07/01/20 - 09/30/21 | 9,341 | | 9,341 |
| Special Education Grants to States | 84.027 | 68573 | 07/01/21 - 09/30/23 | 6,364,341 | | 3,727,845 |
| Special Education Grants to States | 84.027 | 60613 | 07/01/20 - 09/30/22 | 5,906,834 | | 2,334,565 |
| Special Education Grants to States | 84.027 | 68324 | 07/01/21 - 09/30/23 | 1,686,186 | | 555,627 |
| Special Education Grants to States | 84.027 | 61413 | 07/01/20 - 09/30/21 | 255,726 | | 185,971 |
| Special Education Grants to States | 84.027 | 56600 | 07/01/19 - 09/30/21 | 107,164 | | 237 |
| Total Special Education | | | | | | <u>6,935,018</u> |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

| Program Title | Federal Assistance Listings Number | Pass Through Entity Number | Period Covered | Grant Amount | 2021-22 Revenue and Expenditures |
|---|---|-----------------------------------|-----------------------|---------------------|---|
| U.S. Department of Education (continued) | | | | | |
| Passed through Oregon Department of Education (continued) | | | | | |
| Special Education Cluster (IDEA) (continued) | | | | | |
| Special Education Preschool Grants | 84.173 | 53919 | 07/01/19 - 09/30/21 | \$ 25,167 | \$ 4,506 |
| Special Education Preschool Grants | 84.173 | 60460 | 07/01/20 - 09/30/22 | 23,829 | 23,829 |
| Special Education Preschool Grants | 84.173 | 68863 | 07/01/21 - 09/30/23 | 29,048 | 29,048 |
| Total Special Education Preschool | | | | | <u>57,383</u> |
| Total Special Education Cluster (IDEA) | | | | | <u>6,992,401</u> |
| Student Support and Academic Enrichment Program | | | | | |
| Student Support and Academic Enrichment Program | 84.424 | 58531 | 07/01/20 - 09/30/23 | 418,797 | 19,426 |
| Student Support and Academic Enrichment Program | 84.424 | 54471 | 07/01/19 - 09/30/22 | 468,596 | 39,021 |
| Student Support and Academic Enrichment Program | 84.424 | 66713 | 07/01/21 - 09/30/22 | 453,489 | 189,773 |
| Total Student Support and Academic Enrichment Program | | | | | <u>248,220</u> |
| Twenty-First Century Community Learning Centers | | | | | |
| Twenty-First Century Community Learning Centers | 84.287 | 49085 | 07/01/18 - 09/30/21 | 499,936 | 3,425 |
| Twenty-First Century Community Learning Centers | 84.287 | 61139 | 07/01/20 - 09/31/22 | 499,936 | 201,388 |
| Twenty-First Century Community Learning Centers | 84.287 | 68776 | 07/01/21 - 09/30/23 | 374,952 | 111,368 |
| Twenty-First Century Community Learning Centers | 84.287 | 54255 | 07/01/19 - 09/30/22 | 499,936 | 67,931 |
| Total Twenty-First Century Community Learning Centers | | | | | <u>384,112</u> |
| Total Passed through Oregon Department of Education: | | | | | <u>43,155,921</u> |
| Total U.S. Department of Education | | | | | <u>43,188,137</u> |
| U.S. Department of Health & Human Services | | | | | |
| Passed through Administration for Children and Families | | | | | |
| CCDF Cluster | | | | | |
| Child Care and Development Block Grant | 93.575 | 169367 | 07/01/21 - 06/30/22 | 152,784 | 33,285 |
| Total CCDF Cluster | | | | | <u>33,285</u> |
| Total U.S. Department of Health & Human Services | | | | | <u>33,285</u> |
| U.S. Department of Agriculture | | | | | |
| Passed through Oregon Department of Education: | | | | | |
| Child Nutrition Cluster | | | | | |
| School Breakfast Program | 10.553 | N/A | 07/01/21 - 06/30/22 | 2,503,705 | 2,503,705 |
| National School Lunch Program | 10.555 | N/A | 07/01/21 - 06/30/22 | 14,812,160 | 14,812,160 |
| National School Lunch Program Commodities | 10.555 | N/A | 07/01/21 - 06/30/22 | 1,162,166 | 1,162,166 |
| Summer Food Service Program for Children | 10.559 | N/A | 07/01/21 - 06/30/22 | 127,692 | 127,692 |
| Summer Food Service Program for Children Commodities | 10.559 | N/A | 07/01/21 - 06/30/22 | 33,341 | 33,341 |
| Fresh Fruits and Vegetable Program | 10.582 | 69487 | 10/01/21 - 09/30/22 | 37,000 | 36,006 |
| Fresh Fruits and Vegetable Program | 10.582 | 69488 | 10/01/21 - 09/30/22 | 27,300 | 5,107 |
| Fresh Fruits and Vegetable Program | 10.582 | 69486 | 10/01/21 - 09/30/22 | 30,850 | 22,162 |
| Total Child Nutrition Cluster | | | | | <u>18,702,339</u> |
| Child and Adult Care Food Program | 10.558 | 3402006 | 10/01/21 - 09/30/22 | 1,872 | 1,872 |
| Child and Adult Care Food Program | 10.558 | N/A | 07/01/21 - 06/30/22 | 98,065 | 98,065 |
| Total Child and Adult Food Care Program | | | | | <u>99,937</u> |
| COVID 19 - Pandemic EBT Administrative Funds | 10.649 | N/A | 07/01/21 - 06/30/22 | 5,814 | 5,814 |
| Total U.S. Department of Agriculture | | | | | <u>18,808,090</u> |
| 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 | 38,207 |
| Federal Transit - Formula Grants (Urbanized Area) | 20.507 | 367327 | 07/01/21 - 06/30/23 | 5,000 | 3,146 |
| Total Federal Transit Cluster | | | | | <u>41,353</u> |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

| Program Title | Federal Assistance Listings Number | Pass Through Entity Number | Period Covered | Grant Amount | 2021-22 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 | 21HU1025 | 10/01/20 - 09/30/22 | \$ 243,719 | <u>\$ 85,142</u> |
| Total Highway Planning and Construction Cluster | | | | | <u>85,142</u> |
| Total U.S. Department of Transportation | | | | | <u><u>126,495</u></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 | N/A | 07/01/21 - 06/30/22 | 108,600 | <u>108,600</u> |
| Total U.S. Department of Homeland Security | | | | | <u><u>108,600</u></u> |
| U.S. Department of Treasury | | | | | |
| Passed through Washington County | | | | | |
| COVID 19 - Coronavirus Relief Fund | 21.027 | 22-0157 | 02/01/22 - 06/30/23 | 65,838 | <u>28,049</u> |
| Total U.S. Department of Treasury | | | | | <u><u>28,049</u></u> |
| National Endowment for the Humanities | | | | | |
| Passed through State of Oregon | | | | | |
| COVID 19 - State Library COVID Mini-Grants | 45.310 | COVID-19 | 04/28/21 - 08/31/21 | 9,900 | <u>9,900</u> |
| Total National Endowment for the Humanities | | | | | <u><u>9,900</u></u> |
| Total Federal Awards | | | | | <u><u>\$ 62,302,556</u></u> |

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

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, 2022. 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, 2022.

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

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, 2022

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 |

Identification of major federal programs:

| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-------------------------------------|--|
| 84.010 | Title I Grants to Local Educational Agencies |
| 84.425 | Education Stabilization Fund |

| | |
|--|-------------|
| Dollar threshold used to distinguish between type A and type B programs: | \$1,869,077 |
| Auditee qualified as low-risk auditee? | Yes |

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.



COMPLIANCE SECTION

INDEPENDENT AUDITOR’S REPORT
REQUIRED BY OREGON STATE REGULATIONS

Oregon Administrative Rules 162-10-000 through 162-10-320 incorporated in the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy; enumerate the financial statements, schedules, and comments and disclosures required in all audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required independent auditor’s report and comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

475 Cottage Street NE, Suite 200, Salem, OR 97301
(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

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, 2022, and have issued our report thereon dated December 5, 2022.

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.

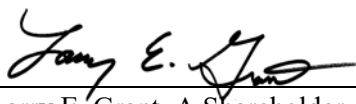
Internal Control

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
December 5, 2022



DISPOSING OF SURPLUS PROPERTY (REAL ESTATE @ NW 174th AVENUE)

POLICY ISSUE/SITUATION:

The Beaverton School District (District) has adopted Policy DN which establishes the expectations for disposing of District property. The specific situation for the Board's consideration is to declare two parcels owned by the District as surplus and authorizing the marketing and sale of these two parcels.

BACKGROUND INFORMATION:

The School Board has previously declared two parcels at NW 174th Avenue as surplus at its June 20, 2022 regular meeting. These two parcels are approximately 11.5 acres in size, are located immediately east of Westview High School, and are two legal lots of record. The purpose of the sale of the two parcels is to pay down debt issued by the District to acquire the District Administrative Office (DAO).

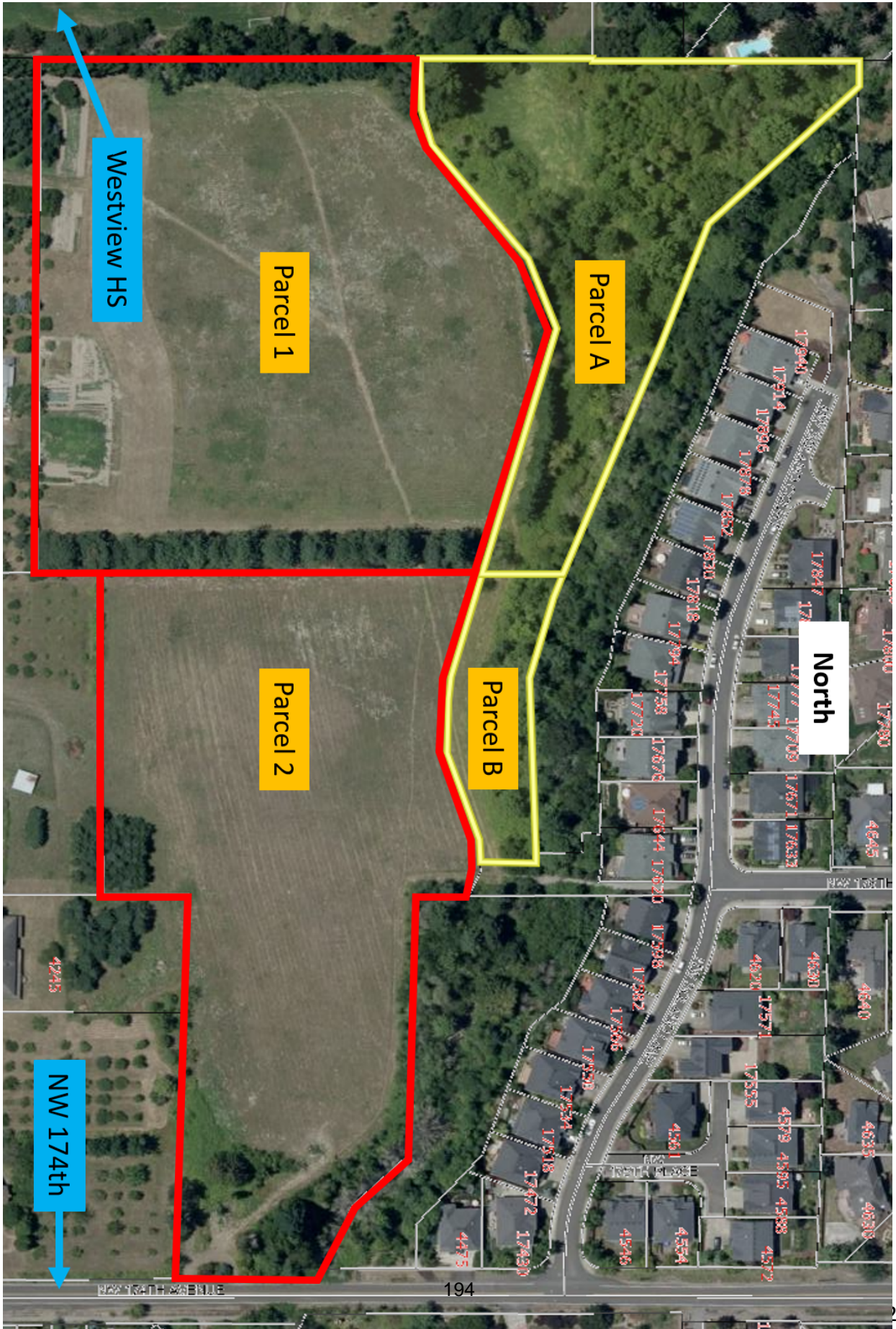
Pursuant to Board direction in its June 20th action, staff have retained representation to market the parcels. During this time, it has come to staff's attention that two additional parcels, which abut the parcels being actively marketed, are also owned by the District. *Exhibit A*, attached hereto, illustrates all four of the subject parcels. Parcels labeled as 1 and 2 are the parcels declared as surplus by the Board in June 2022. Parcels A and B are the parcels which are the subject of the current Board review and action.

Parcels A and B were created by a land division process in 2004 to set aside a creek and associated riparian area. Because of the existing environmental constraints, Parcels A and B are not buildable. However, because these parcels are owned by the District, they should be included in the future sale of Parcels 1 and 2 to remove any potential for District liabilities. Examples of potential liability includes, and is not limited to, maintenance requirements, safety, and potential property damage. If the Board were to declare Parcels A and B as surplus property, both parcels will be included in the future sale of Parcels 1 and 2. Any physical changes, if allowed, to Parcels A and B would be a part of the Washington County land use review process.

Exhibit B contains the Board materials from the May 23, 2022 presentation on declaring Parcels 1 and 2 as surplus.

RECOMMENDATION:

Staff recommended that the School Board declare the two parcels identified as Tax Lot Identification Numbers 1N119CA12100 and 1N119CA12200 as surplus and direct staff to include both parcels in the marketing and future sale of the abutting parcels identified Tax Lot Identification Numbers 1N119CD00100 and 1N119CD13200.





**APPROVAL OF ALTERNATE CONSTRUCTION CONTRACTING PROCEDURE,
CM/GC CONTRACTORS, FOR MULTIPLE PROJECT AWARD**

BACKGROUND

OAR 137-49-0620 and ORS 279C.335 permits the Beaverton School District Board of Directors to exempt specific projects and classes of projects from the competitive bidding (“low bid”) requirements for public construction contracts. Facilities Development has found that utilizing an alternative to low bid – the construction manager / general contractor (“CM/GC”) – method to be the most advantageous contracting method for a group of projects and classes of projects included in the 2022 Bond. If this exemption is approved, rather than awarding a construction contract by invitation-to-bid (ITB) after all of the building design has been completed, staff may follow the CM/GC method by awarding contracts via one or more competitive Request for Proposals (“RFP”) processes to select construction firms that best meet the District’s needs with respect to the projects and classes projects identified in the attached findings. This will allow the CM/GC firms to provide valued input and advice throughout the design process as to constructability, materials selection, and other design considerations to realize cost savings and other efficiencies for the District. The CM/GC method allows the District to authorize early construction and/or negotiate a guaranteed maximum price to construct the project. The RFP selection criteria will consider information about proposers’ experience, capabilities, ability to timely deliver similar projects, safety record, price, equity plan, and/or other pertinent factors as determined during the RFP development process. This process will allow the District to receive competitive pricing while ensuring that we are contracting with capable contractors.

As required under OAR 137-049-0630 (7), the District’s Purchasing Department held a public hearing on December 5, 2022 to receive public comment on the draft findings (Attachment A) that detail the District’s reasoning for seeking this exemption. The hearing was advertised in the Daily Journal of Commerce. No public comments were received.

If the Board approves use of the CM/GC method for the identified projects and classes of projects, District staff would seek board approval for the CM/GC contract resulting from the ensuing RFP process(es). District staff would also seek board approval to execute certain construction work amendments (e.g., Early Work, GMP) made to the awarded contracts for which the cost exceeds the board approval threshold (i.e., early work or GMP amendments).

RECOMMENDATION

The superintendent recommends the by approval of the consent agent, the Board:

- 1) Adopts the findings of fact (Attachment A),
- 2) Exempts the indicated projects and classes of projects from the competitive bidding requirement of 279C.335(1), and
- 3) Authorizes the CM/GC procurement and contracting method for the indicated projects, and
- 4) Directs that any Request for Proposals and contracts conducted hereunder be in accordance with applicable Attorney General Model Rules.

ATTACHMENT A

FINDINGS

ALTERNATE CONTRACTING PROCEDURE MULTIPLE CM/GC PROJECTS AND CLASSES OF PROJECTS

- (a) BSD Staff finds that this alternate contracting procedure is unlikely to encourage favoritism in awarding public improvement contracts or substantially diminish competition for public improvement contracts.

The Construction Manager General Contractors (CM/GCs) will be selected through one or more competitive Request for Proposals (RFP) processes. Pursuant to ORS 279C.360, any CM/GC solicitations will be advertised on the Daily Journal of Commerce, the OregonBuys Procurement System, and the Beaverton School District procurement webpage in order to attract competitive proposals. The CM/GC proposals and interviews will be rated based on a predetermined list of criteria as required by ORS 279C.337 and the Attorney General's Model Contract Rules.

- (b) BSD Staff finds that awarding a public improvement contract for these projects through the CM/GC method will likely result in substantial cost savings and other substantial benefits to the District.

In making this finding, staff have considered the types, costs, and amount of the contracts, and to the extent applicable to the contracts, the following:

- A. Findings related to how many persons are available to bid:** Staff finds that granting this alternative contracting procedure will not unreasonably limit the number of firms available to bid because the procurements will be through publicly-advertised request for proposals processes. The CM/GC method is well established and multiple firms in the local market are able to perform this type of work. In accordance with the Model Rules, the CM/GC forms will solicit sub-contractor bids by a competitive process, unless the District approves otherwise (with justification). Also, by providing multiple tiers of award level, the procurement process(es) will allow for increased participation by multiple construction partners.
- B. Findings related to the construction budget and the projected operating costs for the completed public improvement:** Staff finds that the ability to select firms based on their qualifications, performance history, and experience on similar project types will control project costs because these firms will bring their project-specific knowledge and experience into the design process. This will result in multiple value engineering opportunities and cost savings decisions that might not otherwise have been considered during design. With the benefit of this knowledge, the CM/GC will also be able to guarantee a maximum price the District will pay to construct the project, which may result in savings accruing to the District. Finally, the CM/GC's participation in the design process will allow for extensive site investigation, which should limit certain kinds of change orders.
- C. Findings related to public benefits that may result from granting the exemption:** Staff finds that the ability to select firms based on the firm's performance history will significantly benefit the project outcomes that relate to schedule and value. Staff additionally finds that the CM/GC method will mitigate a multitude of risks and challenges arising from the unique site restrictions, technical complexity, occupied sites/safety needs, accelerated

construction schedules, and market volatility impacting the identified projects and classes of projects. Notably, finishing projects during summer vacation, which the CM/GC method increases the likelihood of achieving, has the substantial public benefit of ensuring that schools are open and without construction occurring in time for staff to prepare and students to learn. The CM/GC process allows the CM/GC to inform and recommend the best practices in sequencing of work and provide feedback related to cost of building systems and materials. The project team's early involvement with the CM/GC will result in a better product and increased cost certainty through the design portion of the projects. By providing tiered award based on project construction value for multiple projects, we will be able to attract construction partners better positioned to serve the anticipated projects.

- D. Findings related to whether value engineering techniques may decrease the cost of the public improvement:** Staff finds that granting this alternate contracting procedure for the identified projects and classes of projects will provide the most comprehensive project team evaluation of all factors that affect the cost, quality, and schedule of the program, which may decrease the cost of the improvements. The CM/GC process offers a unique opportunity for value engineering that is not as effective through the traditional design-bid-build process, since the general contractor does not have the opportunity to suggest cost savings measures during the design process. An essential part of each construction project is the value engineering evaluation, which is the means used to determine the best project design that meets the needs and priority of the Owner, within the Owner's budget and schedule constraints. Value engineering is done most effectively by a team consisting of the Owner, Architect, Consultants, and the CM/GC during design, and construction document completion. By engaging a CM/GC on a larger group of projects, staff finds that this process will be more impactful to the overall Bond program of projects as projects of this size would typically not have the opportunity for VE in a Design-Bid-Build project delivery.
- E. Findings related to the cost and availability of specialized expertise that is necessary for the public improvement:** Staff finds that granting this alternative contracting procedure to the identified projects and classes of projects will significantly affect the overall bond program outcomes related to specialized expertise. Staff has assessed that the identified projects and classes of projects require specialized expertise necessary to maintain building operations and access during construction, effectively coordinate complex staging plans for the movement of staff and students in/out of the potentially occupied buildings, and navigate unique site constraints. CM/GC not only allows for evaluation of a firm's ability to manage these types of challenges during the selection process, but also involve them in planning to address them during design and pre-construction. Additionally, staff finds that the identified projects and classes of projects require a construction firm with specialized expertise related to helping evaluate and develop and package construction documents in a manner that attracts qualified and appropriate subcontractors to perform the work. The request for proposals process will help ensure the selected CM/GCs have the specialized expertise necessary for fast-track school construction based on the anticipated projects within the award tiers.
- F. Findings related to any likely increases in public safety:** Staff finds that the ability to select firms based on the firms' performance history will allow the District to select a contractor with a demonstrated record of safety. Construction operations will be taking place on site while needing to maintain and provide safe access to students, parents, staff, and adjacent residential properties and public ways.

- G. Findings related to whether granting the exemption may reduce risks to the contracting agency, the state agency or the public that are related to the public improvement:** Staff finds that granting this alternate contracting procedure will reduce safety risks by allowing early involvement of the contractor in planning for site usage and coordination of access to the existing building. Further it will reduce schedule risk to the District, by allowing critical path equipment procurement, and allowing early work packages to proceed during final design to meet the required deadlines.
- H. Findings related to whether granting the exemption will affect the sources of funding for the public improvement:** Not applicable. Staff finds that granting this exemption will have no effect on funding sources for the project.
- I. Findings related to whether granting the exemption will better enable the contracting agency to control the impact that market conditions may have on the cost of and time necessary to complete the public improvement:** With the multitude of construction market factors that exist today in Oregon (e.g. COVID, supply chain issues, completion of other projects, environmental issues that limit construction materials, shortage of qualified craftsman, inflation, etc.), establishing the best work sequence is crucial to accurately estimating the cost and schedule implications of projects. Staff therefore finds that selecting firms through the CM/GC process allows the District the advantage of working with CM/GCs who have knowledge of market conditions and experience in finding the best people qualified for this work, and to provide accurate estimates for subcontracts. In addition, the CM/GC may plan for early procurement of goods and services where shortages, inflation, or other market conditions could increase costs under the traditional design-bid-build method and impact schedule. By identifying CM/GC partners for the identified projects and classes of projects, the District will have the ability to be informed on anticipated market conditions that can affect other projects within the work groups providing additional control for impacts due to market conditions.
- J. Findings related to whether granting the exemption will better enable the contracting agency to address the size and technical complexity of the public improvement:** Staff finds that granting this exemption will allow the District to accept proposals only from contractors who have demonstrated considerable experience in delivering projects of similar complexity successfully.
- K. Findings related to whether the public improvement involves new construction or renovates or remodels an existing structure:** The projects include replacements, additions, renovations, and remodels of existing structures. The following list includes the projects and classes of projects included in these findings, and their corresponding exemption request:
- a. Stoller Middle School Gym/Classroom Addition
 - b. Seismic Upgrades at Mt. View, Meadow Park, Cedar Park, Whitford, Highland Park Middle Schools. Seismic upgrade projects are also included as a class of projects.
 - c. Allen Transportation Replacement
 - d. Barnes Elementary School Cafeteria and Gym
 - e. Beaver Acres Elementary School Cafeteria and Kitchen
 - f. Artificial Turf Installations at Aloha, Southridge, and Westview High Schools
 - g. Oak Hills Elementary School Classroom Addition

- h. Westview High School Office Relocation
- i. Athletic Facilities at Aloha, Southridge, and Westview High Schools
- j. Multiple HVAC Upgrades
- k. Multiple Roof Replacements
- l. Multiple Security Upgrades
- m. Multiple Modernization Projects
- n. Multiple Plumbing Upgrades
- o. Multiple Stage Improvements
- p. Multiple Site Improvement Projects

L. Findings related to whether the public improvement will be occupied or unoccupied during construction: These public improvements will occur in both occupied, and unoccupied buildings.

M. Findings related to whether the public improvement will require a single phase of construction work or multiple phases of construction work to address specific project conditions: Staff finds that the projects will have both single-phase and multiple-phase construction work to allow the project teams to best address the site-related and schedule constraints, rendering CM/GC contracting (and the CM/GC's early input on these phasing issues) desirable.

N. Findings related to whether the contracting agency or state agency has, or has retained under contract, and will use contracting agency or state agency personnel, consultants, and legal counsel that have necessary expertise and substantial experience in alternative contracting methods to assist in developing the alternative contracting method that the contracting agency or state agency will use to award the public improvement contract and to help negotiate, administer, and enforce the terms of the public improvement contract: Staff will rely on their own experience, having successfully used the CM/GC method on many other projects in the current and prior bond programs. In addition, architectural, engineering, and planning consultants with experience in alternative contracting will be retained for professional services. The District also relies upon outside legal counsel, appointed by the School Board to provide construction contracting legal advice. The combined expertise and experience of such staff, consultants, and professionals will oversee developing the alternative contracting method and its implementation including negotiating, administering, and enforcing the terms of the CM/GC contract.



SCHOOL REPORT

School: Cedar Mill Elementary

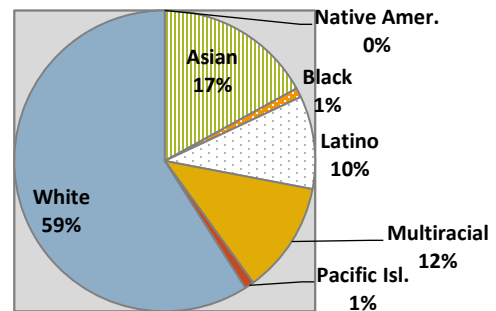
Principal: Amy Chamberlain

Years as School Principal: 6

Years in BSD: 16

School Demographics 2021–22

Enrollment: 369
Economically Disadvantaged: 16%
Students with Disabilities: 10%
Ever English Language Learner: 15%
Different Languages Spoken: 26



School Metrics

Kindergarten Readiness

| At/Above End of KG Reading Level | 18-19 | 20-21 | 21-22 |
|----------------------------------|-------|-------|-------|
| All Students | 75% | 71% | 56% |
| English Language Learners | | | |
| Students with Disabilities | | | |
| Talented and Gifted | | | |
| Native American/Alaskan Native | | | |
| Asian | | | |
| Pacific Islander/Native Hawaiian | | | |
| Black | | | |
| Hispanic/Latino | | | <5% |
| White | 77% | 70% | 62% |
| Multi-racial | | | |
| Male | 71% | 70% | 59% |
| Female | 77% | 72% | 53% |
| Non-binary | | | |

Data not reported when there are fewer than 20 students in the denominator.

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

The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes.

College Readiness: Oregon State Assessment Results 2021–22

| Grade 3 English Language Arts | School | District | State | Grade 3 Mathematics | School | District | State |
|--------------------------------------|---------------|-----------------|--------------|----------------------------------|---------------|-----------------|--------------|
| All Students | 77.4% | 53.4% | 39.4% | All Students | 73.8% | 54.2% | 39.4% |
| Economically Disadvantaged | 77.4% | 52.9% | 39.2% | Economically Disadvantaged | 73.8% | 53.7% | 39.3% |
| English Language Learners | | | | English Language Learners | | | |
| Ever English Language Learners | | | | Ever English Language Learners | | | |
| Foster Care | | | | Foster Care | | | |
| Homeless | | | | Homeless | | | |
| Migrant | | | | Migrant | | | |
| Students with Disabilities | | | | Students with Disabilities | | | |
| Talented and Gifted | >95% | >95% | 91.0% | Talented and Gifted | >95% | >95% | 93.2% |
| Native American/Alaskan Native | | | | Native American/Alaskan Native | | | |
| Asian | 83.3% | 74.4% | 57.3% | Asian | 75.0% | 77.8% | 61.8% |
| Pacific Islander/Native Hawaiian | | | | Pacific Islander/Native Hawaiian | | | |
| Black | | | | Black | | | |
| Hispanic/Latino | | | | Hispanic/Latino | | | |
| White | 66.7% | 57.8% | 46.5% | White | 72.2% | 59.0% | 46.3% |
| Multi-racial | <95% | 72.1% | 43.7% | Multi-racial | 90.0% | 68.9% | 42.7% |
| Male | 64.3% | 49.9% | 36.3% | Male | 64.3% | 55.0% | 41.0% |
| Female | 88.2% | 57.3% | 42.5% | Female | 81.8% | 53.5% | 37.7% |
| Non-binary | | | | Non-binary | | | |

| Grade 5 English Language Arts | School | District | State | Grade 5 Mathematics | School | District | State |
|--------------------------------------|---------------|-----------------|--------------|----------------------------------|---------------|-----------------|--------------|
| All Students | 82.3% | 59.5% | 46.8% | All Students | 61.3% | 46.4% | 30.0% |
| Economically Disadvantaged | 82.3% | 59.1% | 46.7% | Economically Disadvantaged | 61.3% | 45.8% | 29.9% |
| English Language Learners | | | | English Language Learners | | | |
| Ever English Language Learners | | | | Ever English Language Learners | | | |
| Foster Care | | | | Foster Care | | | |
| Homeless | | | | Homeless | | | |
| Migrant | | | | Migrant | | | |
| Students with Disabilities | | | | Students with Disabilities | | | |
| Talented and Gifted | <95% | <95% | 92.2% | Talented and Gifted | <95% | <95% | 85.8% |
| Native American/Alaskan Native | | | | Native American/Alaskan Native | | | |
| Asian | | | | Asian | | | |
| Pacific Islander/Native Hawaiian | | | | Pacific Islander/Native Hawaiian | | | |
| Black | | | | Black | | | |
| Hispanic/Latino | | | | Hispanic/Latino | | | |
| White | 89.5% | 67.6% | 54.2% | White | 65.8% | 50.4% | 35.9% |
| Multi-racial | | | | Multi-racial | | | |
| Male | 77.4% | 55.4% | 43.4% | Male | 61.3% | 49.1% | 32.3% |
| Female | 87.1% | 64.0% | 50.3% | Female | 61.3% | 43.5% | 27.5% |
| Non-binary | | | | Non-binary | | | |

| Grade 5 Science | School | District | State |
|----------------------------------|---------------|-----------------|--------------|
| All Students | 56.5% | 44.3% | 30.3% |
| Economically Disadvantaged | 56.5% | 43.9% | 30.2% |
| English Language Learners | | | |
| Ever English Language Learners | | | |
| Foster Care | | | |
| Homeless | | | |
| Migrant | | | |
| Students with Disabilities | | | |
| Talented and Gifted | >95% | 89.5% | 83.6% |
| Native American/Alaskan Native | | | |
| Asian | | | |
| Pacific Islander/Native Hawaiian | | | |
| Black | | | |
| Hispanic/Latino | | | |
| White | 63.2% | 52.0% | 37.1% |
| Multi-racial | | | |
| Male | 54.8% | 45.5% | 31.8% |
| Female | 58.1% | 43.0% | 28.6% |
| Non-binary | | | |

Data not reported when there are fewer than 10 students in the denominator.

2021–22 Participation Rates

Smarter Balanced ELA: **97.9%**

Smarter Balanced Math: **97.4%**

Student Survey: **99+%**

| Absence & Exclusion Measures | 18-19 | 20-21 | 21-22 | Annual Survey Responses | 18-19 | 20-21 | 21-22 |
|---|--------------|--------------|--------------|---|--------------|--------------|--------------|
| Students missing fewer than 10 days of school | 28% | 9% | 35% | Students reporting that at least one adult cares about them | 94% | 94% | 96% |
| Students missing class due to suspensions or expulsion | 4 | 0 | 4 | Parents reporting they feel informed and valued as active partners in their child's education | 91% | 80% | 82% |
| Number of class days missed due to suspensions or expulsion | 5.5 | 0.0 | 6.5 | Teachers and staff reporting they contribute to school decision making | 71% | 65% | 93% |

Data not reported when there are fewer than 10 students, parents or staff in the denominator.

Cedar Mill Elementary

Board of Directors' Meeting — December 12, 2022

Amy Chamberlain



Cedar Mill: Bright Spots & Celebrations

- Relationships, belonging, community, and student agency
- Programs, systems, and structures that support all stakeholders



What We Are Working On

- Vertical articulation, grade level collaboration, and professional development centered around student work and common instructional practices
- Reestablishing connections with families through engagement and ongoing communication at all levels



Cedar Mill: Data

- 369 Students
- 26 Languages Spoken
- 16% Economically Disadvantaged
- 10% of Students With Disabilities
- 15% Ever English Language Learners
- Students Proficient on Grade 5 State Tests

| | Cedar Mill | BSD | Oregon |
|------|-----------------------------|-------|--------|
| ELA | 82.3% | 59.5% | 46.8% |
| Math | 61.3% <small>206</small> | 46.4% | 30.0% |



Questions?



SCHOOL REPORT

School: **Five Oaks Middle School**

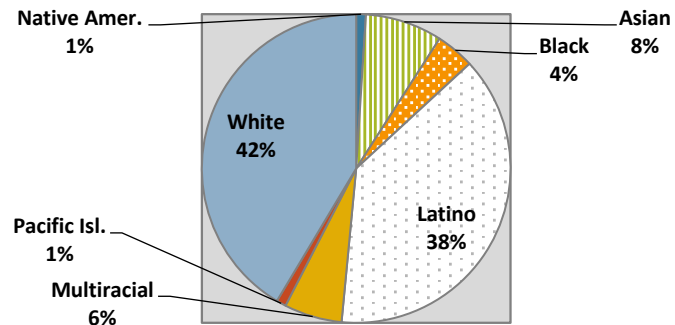
Principal: **Kelly Laverne**

Years as School Principal: **3**

Years in BSD: **3**

School Demographics 2021–22

Enrollment: **738**
Economically Disadvantaged: **45%**
Students with Disabilities: **16%**
English Language Learner: **35%**
Different Languages Spoken: **28**



School Metrics

College Readiness: Oregon State Assessment Results 2021–22

| Grade 8 English Language Arts | School | District | State | Grade 8 Mathematics | School | District | State |
|----------------------------------|--------|----------|-------|----------------------------------|--------|----------|-------|
| All Students | 31.0% | 53.2% | 43.9% | All Students | 13.4% | 38.8% | 25.9% |
| Economically Disadvantaged | 31.0% | 53.2% | 43.9% | Economically Disadvantaged | 13.4% | 38.6% | 25.9% |
| English Language Learners | <5% | <5% | <5% | English Language Learners | <5% | 7.0% | <5% |
| Ever English Language Learners | | | | Ever English Language Learners | | | |
| Foster Care | | | | Foster Care | | | |
| Homeless | | | | Homeless | | | |
| Migrant | | | | Migrant | | | |
| Students with Disabilities | <5% | 15.0% | 11.8% | Students with Disabilities | <5% | 10.1% | 6.1% |
| Talented and Gifted | | | | Talented and Gifted | | | |
| Native American/Alaskan Native | | | | Native American/Alaskan Native | | | |
| Asian | 63.2% | 77.6% | 67.1% | Asian | 36.8% | 74.7% | 57.2% |
| Pacific Islander/Native Hawaiian | | | | Pacific Islander/Native Hawaiian | | | |
| Black | | | | Black | | | |
| Hispanic/Latino | 20.6% | 27.5% | 28.4% | Hispanic/Latino | <5% | 15.3% | 12.9% |
| White | 40.0% | 59.0% | 49.8% | White | 21.7% | 38.4% | 30.1% |
| Multi-racial | 30.8% | 60.3% | 50.5% | Multi-racial | 15.4% | 49.6% | 30.8% |
| Male | 25.3% | 48.1% | 38.8% | Male | 18.4% | 40.7% | 26.6% |
| Female | 36.5% | 58.6% | 49.4% | Female | 8.7% | 36.7% | 25.1% |
| Non-binary | | | | Non-binary | | | |

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

The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes.

| Grade 8 Science | School | District | State |
|----------------------------------|---------------|-----------------|--------------|
| All Students | 16.7% | 37.3% | 27.2% |
| Economically Disadvantaged | 16.7% | 37.3% | 27.2% |
| English Language Learners | 5.6% | <5% | <5% |
| Ever English Language Learners | | | |
| Foster Care | | | |
| Homeless | | | |
| Migrant | | | |
| Students with Disabilities | <5% | 13.3% | 8.9% |
| Talented and Gifted | | | |
| Native American/Alaskan Native | | | |
| Asian | 36.8% | 63.3% | 47.8% |
| Pacific Islander/Native Hawaiian | | | |
| Black | | | |
| Hispanic/Latino | 9.8% | 13.7% | 13.1% |
| White | 23.3% | 40.8% | 32.7% |
| Multi-racial | 23.1% | 46.5% | 31.7% |
| Male | 24.2% | 38.8% | 28.6% |
| Female | 9.6% | 35.6% | 25.6% |
| Non-binary | | | |

Data not reported when there are fewer than 10 students in the denominator.

2021–22 Participation Rates

Smarter Balanced ELA: **96.8%**

Smarter Balanced Math: **96.7%**

Student Survey: %

| Absence & Exclusion Measures | 18-19 | 20-21 | 21-22 | Annual Survey Responses | 18-19 | 20-21 | 21-22 |
|---|--------------|--------------|--------------|---|--------------|--------------|--------------|
| Students missing fewer than 10 days of school | 46% | 47% | 57% | Students reporting that at least one adult cares about them | 82% | 79% | 82% |
| Students missing class due to suspensions or expulsion | 116 | 0 | 75 | Parents reporting they feel informed and valued as active partners in their child's education | 71% | 66% | 73% |
| Number of class days missed due to suspensions or expulsion | 656.5 | 0.0 | 261.5 | Teachers and staff reporting they contribute to school decision making | 70% | 77% | 81% |

Data not reported when there are fewer than 10 students, parents or staff in the denominator.

Five Oaks Middle

Board of Directors' Meeting — December 12, 2022

Kelly Laverne



Five Oaks: Bright Spots & Celebrations

- Restorative Practices

| FOMS Data | 2019-2020 | 2021-2022 | 2022-2023 (YTD) |
|--------------------------------------|-----------|-----------|-----------------|
| Trackers that resulted in a referral | 1145 | 283 | 51 |
| Suicide Screens | 14 | 37 | 6 |
| STAT/SIRP (all levels) | 19 | 16 | 1 |

- Community Building days
- Systems in place to support students
- Growing Leadership program

211

What We Are Working On

- On track work/High School Readiness
 - Staff - school wide focus on community and the ABC's reflected in staff goals and strategies
 - Students - learning how to set goals and monitor progress through personal data dig on Studentvue and Canvas
- ABC
 - Attendance - 90% or better is the goal
 - Behavior - no trackers or a decrease in trackers over time
 - Course work - growth over time, looking at how the numbers (1-4) show progress toward meeting standards but more importantly high school readiness

Five Oaks Middle: Data

- 738 Students
- 28 Languages Spoken
- 45% Economically Disadvantaged
- 16% of Students With Disabilities, ALC, EGC, ISC programs
- 35% Ever English Language Learners
- Students Proficient on Grade 8 State Tests

| | Five Oaks | BSD | Oregon |
|------|-----------------------------|-------|--------|
| ELA | 31.0% | 53.2% | 43.9% |
| Math | 13.4% <small>213</small> | 38.8% | 25.9% |



Questions?



DEPARTMENT UPDATE: TECHNOLOGY

Title: Technology Report

Objective: Report the state of technology systems functionality and on strategic key measurements of student and staff technology experience.

Data: Data on percentage of staff and students reporting adequate access to technology is provided through the 2021-22 staff and student surveys. Additional data sources for this report include the Help Desk System, Asset Management System, server and networking systems log files.

Measurements 1 and 2: Staff and student reporting access to technology

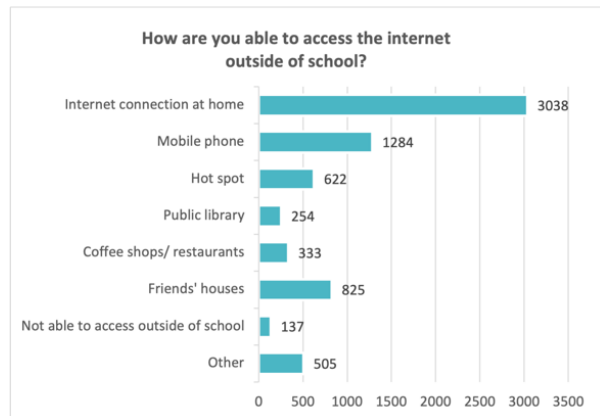
| Measurement | 2016-17 | 2017-18 | 2018-19 | 2019-20 [^] | 2020-21 | 2021-22 |
|--|---------|---------|---------|----------------------|---------|---------|
| % teachers reporting adequate access to technology to support their instruction | 83.5% | 86.5% | 87.2% | NA | 87.3% | 88.0% |
| % students reporting adequate access to technology to support their learning | 92.8% | 94.5% | 93.6% | 93.6% | NA | NA |
| % students reporting their school teaches them how to use technology responsibly | | | | 79.2% | 91.0% | 83.2% |

[^] 2019-20 survey only administered in grades 9-12

2022 BSD Student Survey – Technology Support for Student Learning

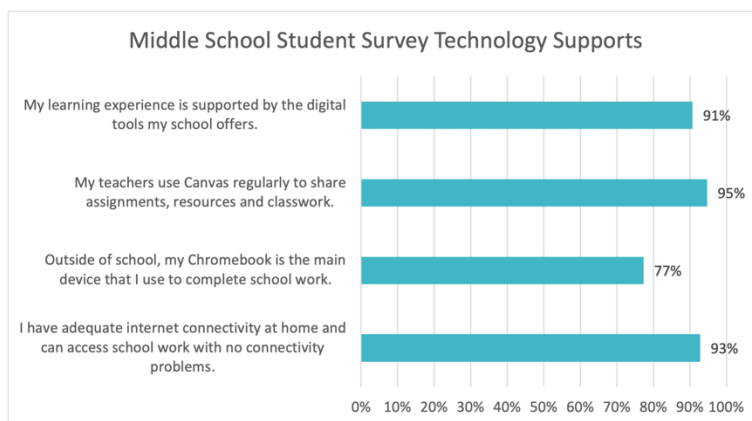
Elementary Students

In the 2022 elementary student survey, students were asked about internet access outside of school. Although the number of elementary students responding in the 2022 student survey was almost double from student participation in the 2021 survey, the frequency of responses to internet access categories remained consistent with two exceptions. The first was that students reporting they access the internet through a mobile phone rose significantly. The second notable change was that the percentage of students reporting they had no access to the internet outside of school dropped, with only 3% of participating elementary students selecting that option. At the elementary level, students do not take home devices and there is no expectation that elementary students use devices outside of the school day.



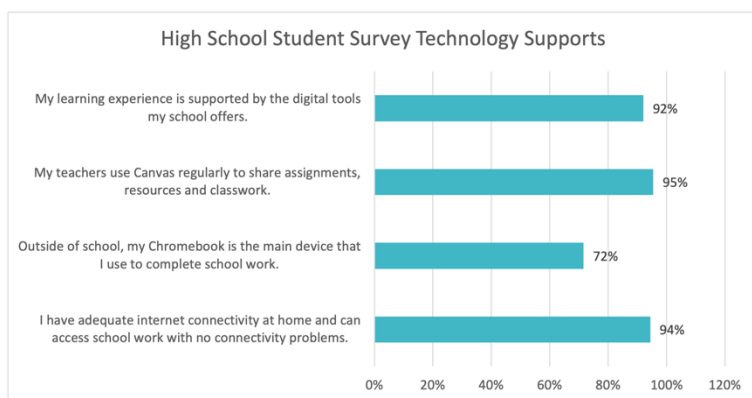
Middle School Students

Technology support questions were included in the middle school survey and in 2022, the survey respondents were in 7th grade. Students were asked if digital tools supported their learning, teacher Canvas use, whether their student device was their main device used for completing school work and if the student had adequate internet connectivity. Student responses were over 90% in all areas except using the Chromebook as the main device outside of school. Over 3 out of 4 students reported the district issued Chromebook was their primary device used to complete school work outside of school.



High School Students

Students in high school were asked the same questions as middle school students and their responses were similar. High school students reported their learning is supported by digital tools, teachers are regularly using the Canvas learning management system and 94% of students report having adequate internet connectivity to access school work. Although slightly lower than the 77% of students at the middle school level, 72% of high school students reported their district issued Chromebook is the primary device used to complete school work outside of the school day.



Successes:

- Students and staff survey response indicate high satisfaction for technologies supporting student learning and staff work.
- IT department staff are successfully closing projects from the 2014 bond and beginning the next round of infrastructure and student device projects funded from the 2022 bond.

Issues:

- Beaverton School District continues to experience an increase in the number of cyber security threats. The methods and sophistication of attacks escalated throughout the school year.

Action Plan:

- Work to increase technology support for students and staff continues through bond and general fund investments and is summarized in this report. While not inclusive of all projects within IT, the projects below demonstrate work aligned to increasing staff and student satisfaction of how technology supports their learning and work.

Technology Systems

Our District Goal, teaching and learning mission and our business functions demand robust and reliable technology systems and support structures. Secure network access and application availability are needed constantly, both inside and outside school and work hours. The charge and responsibility of the Information Technology Department is to create and sustain an environment that is always available and improving to meet increasing needs. The IT department is completing the final phases of improvements from the 2014 bond and beginning work on projects to be funded from the 2022 bond.

Infrastructure Improvements

Data Center and Network Infrastructure

The Beaverton School District has redundancy at the data center level, with 2 locations serving district network, telecommunications and system access needs and with either location able to assume full control of the district and continue operations in the event of an outage.

The IT network engineering team recently completed a core router replacement project. The district has multiple core routers at each data center to provide network connectivity and the existing core routers were approaching 10 years in age. They were no longer capable to meet increased network requirements and were approaching end of life. Working over a period of many months, the networking team completed the transition to the new core routers without any impact to the school or work day. In addition to increased security and management features, the new core routers are capable of supporting district networking needs for many years into the future to maximize our investment in this most critical component of the district network.

In 2014 the entire district network connection to the rest of the world was 500 MB, or .5 GB. This meant that all district network traffic shared a connection that is smaller than what is now used in many homes. At the start of the 2022 school year, the average network utilization on a school day was over 9 GB and very close to the district capacity of 10 GB. To address immediate connectivity concerns and allow for continued future growth, the networking team recently completed increasing our district network capacity from 10 GB to 40 GB. When compared to district capacity in 2014, this represents an 8,000% increase in network capacity.

Cyber Security

Securing Beaverton School District networks, systems and data continues to be a primary area of focus for the IT Department. The cyber intelligence provider Check Point Research reports that education and research suffered a 114 percent increase in cyber attacks over the past two years, making it the most attacked industry sector.¹ These attacks include account compromise, ransomware, unauthorized access, and disclosure of student and staff personal data. Worldwide, 64 percent of organizations in higher education and 56 percent in K-12 suffered ransomware attacks in 2021².

Every two years, an external security assessment is conducted to assess areas of strength and areas for improvement of our cybersecurity posture. The 2022 security assessment is in process and focusing upon these areas:

- Policies and practices
- Web application vulnerability

¹ Education sector most at risk of cyber attack, Checkpoint research, August, 2022

² How Does K-12, Higher Education Fare In A Ransomware Attack?, Governing Magazine, April 2022.

- Wireless network security
- External penetration test
- Internal penetration test

The assessment is aligned to standards defined by the National Institute of Standards and Technology (NIST) and once the assessment is complete, IT Department staff will design the plan to address findings in the report.

Over the past year, a number of significant cyber improvements have been accomplished. Among the notable improvements were the removal of administrative access on workstations, implementing multi-factor authentication (MFA) for staff users, and launching the Hoxhunt Security Awareness platform for staff training.

Enterprise Applications

Synergy Enhancements

IT Department staff work closely with Teaching and Learning staff to ensure the Synergy student information system continues to meet needs of teachers and support the Teaching and Learning mission of the Beaverton School District.

This past year, the team completed the re-design of the Elementary Report Card to include and report student behavioral measures aligned to learning targets. This work involved significant programming adjustments to the teacher interface and synergy reports and the result is improved information for parents on student progress.

Secondary teachers and students use the Canvas learning management system in addition to the student information system. A past challenge has been connecting the student learning targets in Synergy to Canvas so they can be attached to formative assessments within Canvas. This year, the development team was able to design a solution to this constraint and for the 2022 school year, learning targets in Synergy are now automatically available for use in Canvas. This improvement saves teacher time and allows students to better understand assignment connections to subject learning targets.

2022 Bond Projects

In May of 2022, Beaverton voters approved the 2022 bond. The 2022 bond contains \$44M of investments for student devices, networking upgrades and infrastructure support. Information Technology department staff are working on the following projects as part of the first year implementation of the 2022 bond.

Student Device Replacement

The majority of monies allocated from the bond are used to replace student devices. Devices for high school students are scheduled to be replaced in fall of 2023 and devices for middle and elementary school students are scheduled to be replaced in fall 2024. To prepare for the next round of student devices, IT staff collaborated with Teaching and Learning staff to collect input from students and staff on instructional requirements for the next round of student devices. Vendor and device evaluation is in process with the team not only evaluating instructional use needs but also warranty, break/fix, and benchmarking to calculate total costs of ownership for student devices. This selection process should be complete within two months.

Infrastructure Improvements

IT staff recently completed an upgrade of our virtual server environment. The Beaverton School District utilizes a hybrid application model, including both cloud and on-premises servers as part of our application service delivery. Now that the virtual server environment upgrade is complete, it is time to replace the hardware used by the virtual server environment and the team is designing the virtual server environment hardware replacement.

Dark Fiber Improvements

Dark fiber is a strategy of leasing fiber optic network cables and maintaining the electronics on the points where those network connections enter buildings to connect school and ancillary sites. The advantage of a dark fiber network is that monthly connection costs remain constant during the long-term lease agreement and the District has the ability to scale up network speeds by upgrading the electronics on the connections without incurring additional monthly costs.

In 2017 as part of the 2014 bond, High and Options school sites were connected to the district via a dark fiber connection. Construction has begun on phase 2 of the dark fiber network project and will connect half of elementary and middle schools. Construction should be complete in Spring 2023. The remaining schools will be in phase three which should be completed in Spring 2024.

When phase 3 is complete, all District sites will be on a long-term, leased fiber optic network. In addition to the ability to scale to meet future network needs, ownership of the network will allow IT staff to best secure and optimize the network.

Customer Service

A strength of the IT Department is that in addition to high levels of technology skills and knowledge, IT Department staff understand and embrace the importance of their work related to the teaching and learning of our students. As a result, the IT Department staff has maintained exceptional levels of service aligned to the IT Department Customer Service Standard.

At the end of every IT Help Desk ticket submitted, there is a chance for staff to provide feedback on how quickly IT resolved issues, the level of approachability and professionalism displayed, and our communication throughout troubleshooting the issue. Survey results on each question from July 1, 2021 through June 30, 2022 are above 96% ranking staff as excellent or good in each area.





ANNUAL COMPREHENSIVE FINANCIAL REPORT/AUDIT COMMITTEE PRESENTATION

BACKGROUND

The District Audit Committee met with the District's independent auditors in November to review the Annual Comprehensive Financial Report (ACFR) formerly known as Comprehensive Annual Financial Report (CAFR) for the year ended June 30, 2022. The Committee Chair, Rob Drake, will present the ACFR to the School Board tonight. Audit committees play an important role in the private sector, facilitating communication between management, the independent auditors and the Board of Directors. The Government Finance Officers Association (GFOA) recommends that every government, regardless of size, formally establish an audit committee or its equivalent.

The audit committee's primary responsibility is to oversee the financial reporting and disclosure process, including all aspects of the independent audit, from the selection of the auditor to the resolution of audit findings. The audit committee presents to the governing board and management an annual report of how the committee has discharged its duties and met its responsibilities.

Audit Committee Membership

Rob Drake, Citizen Member - Chair
Samiha Wahid, Citizen Member
Sunita Garg, School Board Member

Leigh Ahlgren, Citizen Member
Eric Simpson, School Board Member
Heidi Edwards, Budget Committee Member

District representation on Committee:

Michael Schofield, Associate Superintendent for Business Services
Jason Guchereau, Finance Manager

RECOMMENDATION

It is recommended that the School Board receive the Annual Comprehensive Financial Report as presented by the District Audit Committee.

BE IT RESOLVED that the School Board of Beaverton School District hereby receives the Annual Comprehensive Financial Report for the year ended June 30, 2022 now on file in Business Services.



WE
EXPECT
EXCELLENCE



WE
INNOVATE



WE
EMBRACE
EQUITY



WE
COLLABORATE

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR YEAR ENDED
JUNE 30, 2022

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

Beaverton School District
1260 NW Waterhouse Ave., Beaverton, Oregon 97006

www.beaverton.k12.or.us

BEAVERTON SCHOOL DISTRICT

Beaverton, Oregon

ANNUAL COMPREHENSIVE FINANCIAL REPORT

FOR THE FISCAL YEAR ENDED JUNE 30, 2022

Prepared by:
Business Services Department

Gustavo Balderas
Superintendent of Schools

Michael Schofield
Associate Superintendent for Business Services

Jason Guchereau
Finance Manager



TABLE OF CONTENTS
BEAVERTON SCHOOL DISTRICT

INTRODUCTORY SECTION:

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

FINANCIAL SECTION:

| | |
|---|-----------|
| <i>Independent Auditor's Report</i> | 13 |
| <i>Management's Discussion and Analysis</i> | 19 |
| <i>Basic Financial Statements:</i> | |
| Government-wide Financial Statements: | |
| Statement of Net Position | 31 |
| Statement of Activities | 32 |
| Fund Financial Statements: | |
| Balance Sheet - Governmental Funds | 33 |
| Reconciliation of Governmental Funds Balance Sheet to Statement of Net Position | 34 |
| Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds | 35 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities | 36 |
| Statement of Net Position - Proprietary Funds - Internal Service Funds | 37 |
| Statement of Revenues, Expenses and Changes in Net Position - Proprietary Funds - Internal Service Funds | 38 |
| Statement of Cash Flows - Proprietary Funds - Internal Service Funds | 39 |
| Notes to Basic Financial Statements | 40 |
| <i>Required Supplementary Information:</i> | |
| Schedule of the Proportionate Share of the Net Pension Liability for PERS | 75 |
| Schedule of Contributions for PERS | 75 |
| Schedule of the Proportionate Share of the Net OPEB Liability for RHIA | 76 |
| Schedule of Contributions for RHIA | 76 |
| Schedule of Changes in the Total OPEB Liability - PHIS | 77 |
| Schedule of Total OPEB Liability and Related Ratios - PHIS | 77 |
| Reconciliation of Budgetary to Reporting Funds - Combining Schedule of Revenues, Expenditures and Changes in Fund Balance (GAAP Basis) - General Fund | 78 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual (GAAP Basis): | |
| General Fund | 79 |
| Grant Fund | 80 |
| <i>Other Supplementary Information:</i> | |
| <i>Major Governmental Funds:</i> | |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual: | |
| Debt Service Fund | 83 |
| Capital Projects Fund | 84 |
| Long-term Planning Fund | 87 |
| Reconciliation of Budgetary to Reporting Funds - Combining Balance Sheet - General Fund | 88 |

TABLE OF CONTENTS
BEAVERTON SCHOOL DISTRICT (Continued)

FINANCIAL SECTION (Continued):

Other Supplementary Information:

Nonmajor Governmental Funds:

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

Internal Service Funds:

| | |
|---|-----|
| Combining Statement of Net Position - Internal Service Funds | 99 |
| Combining Statement of Revenues, Expenses and Changes in Net Position - Internal Service Funds | 100 |
| Combining Statement of Cash Flows - Internal Service Funds | 101 |
| Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual: | |
| Insurance Reserve Fund | 102 |
| Workers' Compensation Fund | 103 |

Other Financial Schedules:

| | |
|---|-----|
| Revenue Summary - All Funds | 107 |
| Expenditure Summaries: | |
| General Fund (100) | 108 |
| Special Revenue Funds (200) | 110 |
| Debt Service Funds (300) | 112 |
| Capital Projects Funds (400) | 113 |
| Internal Service Funds (600) | 115 |
| Supplemental Information as Required by the Oregon Department of Education | 117 |
| Supplemental Information as Required by Bond Disclosure Agreements: General Fund Adopted Budgets | 118 |

STATISTICAL SECTION:

| | |
|------------------------------------|-----|
| Statistical Section Overview | 119 |
|------------------------------------|-----|

Financial Trends:

| | |
|--|-----|
| Net Position by Component - Last Ten Fiscal Years Ended June 30 | 121 |
| Changes in Net Position - Last Ten Fiscal Years Ended June 30 | 122 |
| Fund Balances, Governmental Funds - Last Ten Fiscal Years Ended June 30 | 124 |
| Changes in Fund Balance and Debt Service Ratio - Last Ten Fiscal Years Ended June 30 | 125 |

Revenue Capacity:

| | |
|--|-----|
| Assessed Value and Real Market Value of Taxable Property - Last Ten Fiscal Years | 127 |
| Direct and Overlapping Property Tax Rates - Last Ten Fiscal Years | 128 |
| Principal Property Taxpayers - Current and Nine Years Prior | 129 |
| Property Tax Levies and Collections - Last Ten Fiscal Years | 130 |

TABLE OF CONTENTS
BEAVERTON SCHOOL DISTRICT (Continued)

STATISTICAL SECTION (Continued):

Debt Capacity:

| | |
|--|-----|
| Outstanding Debt by Type - Last Ten Fiscal Years..... | 131 |
| Direct and Overlapping Governmental Activities Debt..... | 132 |
| Legal Debt Margin Information - Last Ten Fiscal Years..... | 133 |

Demographic and Economic Information:

| | |
|--|-----|
| Demographic and Economic Statistics - Last Ten Calendar Years..... | 134 |
| Principal Employers for the Portland Metro Area - Current and Nine Years Prior | 135 |

Operating Information:

| | |
|---|-----|
| Full-Time Equivalent District Employees by Type - Last Ten Fiscal Years | 136 |
| Operating Statistics - Last Ten Fiscal Years | 137 |
| Capital Asset Information - Last Ten Fiscal Years..... | 138 |

SINGLE AUDIT SECTION:

| | |
|--|-----|
| Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards | 139 |
| Independent Auditor's Report on Compliance for Each Major Federal Program and Report on Internal Control Over Compliance in Accordance with the Uniform Guidance | 141 |
| Schedule of Expenditures of Federal Awards..... | 143 |
| Notes to Schedule of Expenditures of Federal Awards..... | 146 |
| Schedule of Findings and Questioned Costs | 148 |

COMPLIANCE SECTION:

Independent Auditor's Report Required by Oregon State Regulations

| | |
|--|-----|
| Independent Auditor's Report Required by Oregon State Regulations..... | 151 |
|--|-----|





INTRODUCTORY SECTION



Beaverton School District
1260 NW Waterhouse Avenue
Beaverton, Oregon 97006
503-356-4500



December 5, 2022

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

The Annual Comprehensive Financial Report of the Beaverton School District (“District”) for the fiscal year ended June 30, 2022 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, 2022 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, 2022. 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 Annual Comprehensive Financial Report (ACFR) 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 2021 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 independent auditor’s report.

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 39,376. 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 | 16,203 |
| Middle School Programs | 16 | 8,922 |
| High School Programs | 12 | 12,223 |
| Special Education Programs | - | 1,301 |
| Charter School Programs | 2 | 727 |
| Total Programs and Enrollment | <u>65</u> | <u>39,376</u> |

Remaining practically flat from an enrollment of 39,711 in fall of fiscal year 2013, the District has experienced a 0.1 percent decline 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 declining in enrollment due to the COVID-19 pandemic and demographic changes.

The District expects relatively flat to declining enrollment over the next few years with projected enrollment of 37,843 in 2025-26 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 93 languages and dialects. The District’s enrollment includes 56.7 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 134 principals, vice-principals and district administrators. The District employs 4,122 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.

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 2021-22 fiscal year. Arco Iris has completed its twelfth year of operations. The school educates 399 full-time students in grades K-8 and has renewed its charter through 2026-27. Hope Chinese has completed its tenth year of operations. The school educates 372 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, 2022, 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, 2022, 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.

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 18 percent of the total non-farm employment in the PVH-PMSA, while trade, transportation and utilities account for 18 percent, government jobs 7 percent, professional and business services 19 percent, education and health services 13 percent, and leisure and hospitality 7 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 2021, the PVH-PMSA unemployment rate was 5.3 percent, compared to the Oregon unemployment rate of 5.4 percent and to the nation's rate of 5.9 percent.

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 \$119.8 million, or 23.2 percent of total General Fund revenues. This is composed of two parts - \$10.1 million in committed long-term reserves and \$109.6 million in unassigned ending fund balance. 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, although the committed long-term reserves is less than 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.

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 2021-22 and into 2022-23. In May 2022, the voters passed a \$723 million bond measure for additional school remodels and capital construction projects based on the most recent facilities condition assessment. As the average age of the District's buildings is in excess of 40 years, the District will continue to utilize and update the facilities condition assessment to guide the future needs for the District.

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, 2021. This was the forty-first 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 annual comprehensive 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 Annual Comprehensive 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, 2021. The District has achieved this prestigious award for fortieth consecutive year.

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 Annual Comprehensive Financial Report continues to conform to these standards and will be submitting it to ASBO for review.

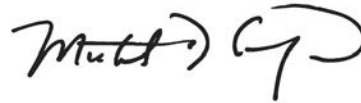
The preparation of the Annual Comprehensive Financial Report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted in and contributed to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



Gustavo Balderas
Superintendent of Schools



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 Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2021

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 Annual Comprehensive Financial Report
for the Fiscal Year Ended June 30, 2021.**

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

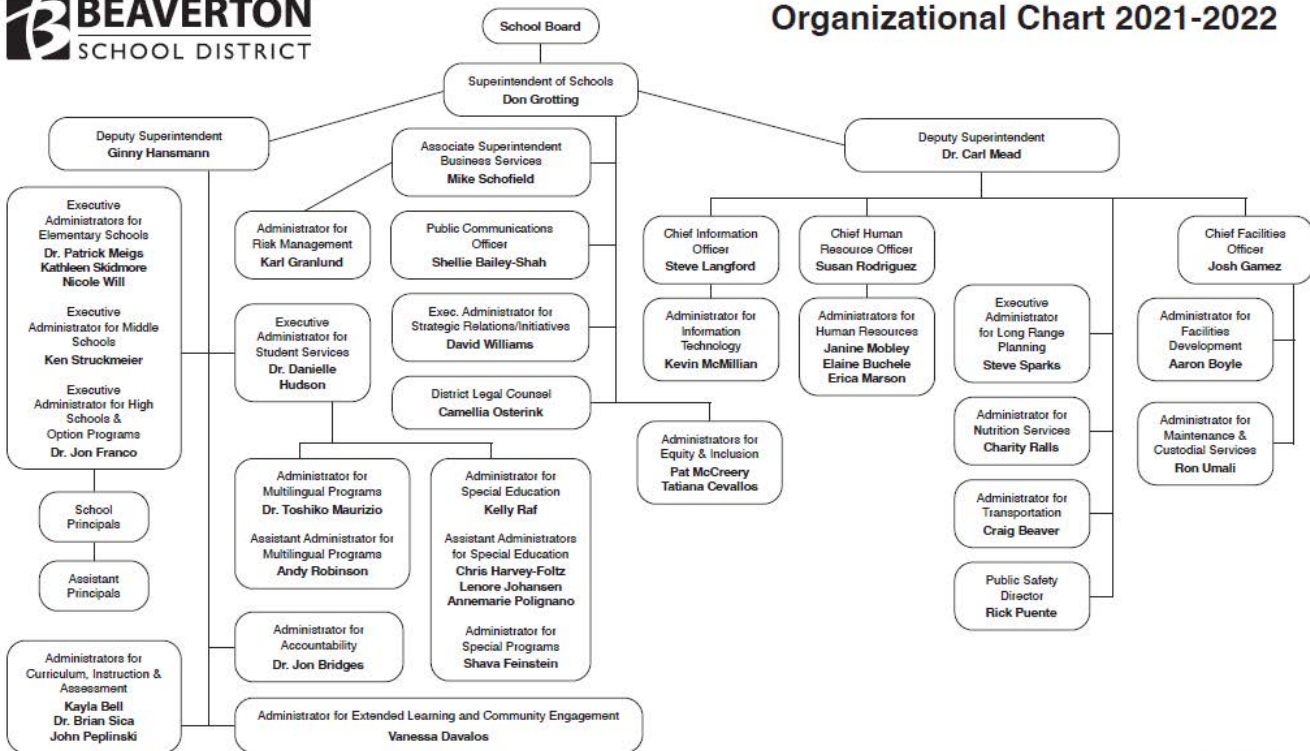


A handwritten signature in black ink, reading 'William A. Sutter'.

William A. Sutter
President

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

David J. Lewis
Executive Director



(effective May 10, 2022)

Beaverton School District Appointed and Elected Officials as of June 30, 2022

Administrative Office:
1260 NW Waterhouse Avenue
Beaverton, OR 97006

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

School Board

| <u>Name and Title</u> | <u>Term Expires</u> |
|---------------------------|---------------------|
| Tom Colett, Chair | June 30, 2023 |
| Becky Tymchuk, Vice Chair | June 30, 2023 |
| Ugonna Enyinnaya | June 30, 2025 |
| Sunita Garg | June 30, 2025 |
| Susan Greenberg | June 30, 2025 |
| Karen Pérez | June 30, 2025 |
| Eric Simpson | June 30, 2023 |

The Board Members receive mail at the address below:

Beaverton School District
1260 NW Waterhouse Avenue
Beaverton, OR 97006

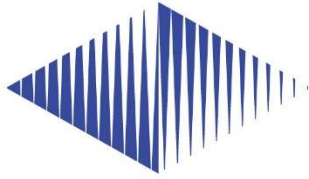




FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

475 Cottage Street NE, Suite 200, Salem, OR 97301
(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

INDEPENDENT AUDITOR'S REPORT

School Board
Beaverton School District
Beaverton, Oregon

Report on the Audit of the Financial Statements

Opinions

We have audited the 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, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements 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, as of June 30, 2022, 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.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in the notes to the financial statements, the District has implemented Governmental Accounting Standards Board (GASB) Statement No. 87 *Leases*, in the current period, which resulted in changes to the presentation of lease related activity. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

The District's management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

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 is the responsibility of management and, 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.

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, and statistical

section as listed in the table of contents, are presented for purposes of additional analysis and are not a required part 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.

Other Information Included in the Annual Comprehensive Financial Report (ACFR)

Management is responsible for the other information included in the ACFR. The other information comprises the introductory and statistical sections but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Reports on Other Legal and Regulatory Requirements


Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 5, 2022 on our consideration of Beaverton School 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 December 5, 2022, on our consideration of the District's compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

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

By: 
Larry E. Grant, A Shareholder
December 5, 2022



MANAGEMENT'S DISCUSSION AND ANALYSIS



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022**

As management of the 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, 2022. 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. 87, *Leases* (GASB No. 87), Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period* (GASB No. 89), and Statement No. 98, *The Annual Comprehensive Financial Report* (GASB No. 98). The District has also implemented the immediate portions of Statement No. 99, *Omnibus 2022* (GASB No. 99) and the remaining 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 2021-22. The District restated prior year net position and prior year fund balances as a result of the implementation of GASB No. 87 but anticipates no financial impact as a result of implementing the other statements. Additional information can be found in Note 18 and Note 20 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 \$39.8 million (net position). This is an increase of \$77.9 million from the restated net position for 2021.
- The District's governmental funds report combined ending fund balance of \$210.2 million, an increase of \$14.2 million from the prior year after restatement. Approximately 52.2 percent of this total amount, \$109.6 million, was unassigned, available for appropriation at the District's discretion. The remaining fund balances are either nonspendable, restricted or committed: \$67.8 million for use on capital projects, \$7.0 million for debt service and the balance of \$25.7 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 \$119.8 million, or about 23.2 percent of total General Fund revenue.
- Total cost of all the District's programs was \$634.9 million for the fiscal year, a decrease of \$38.1 million (5.7 percent) from the prior year.
- The District's total outstanding long-term debt and leases decreased by \$54.2 million (5.5 percent) during the 2021-22 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)

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

notes to the basic financial statements. This report also contains supplementary information intended to provide additional details to support the basic financial statements themselves.

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

The Statement of Net Position. 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 eight individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

for the General, Grant, Debt Service, and Capital Projects Funds, all of which are considered to be major funds. The General Fund has two types of subfunds included as a separate presentation, which can be found following the notes to the basic financial statements. Data from the other four of the governmental funds are combined into a single, aggregated 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 - 96.

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 - 72 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information (RSI)* including budget to actual presentations for required major funds. This information can be found on pages 75 - 80 of this report. *Other Supplementary Information*, presented on pages 83 - 118, 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 \$39.8 million at June 30, 2022.

Capital assets, which consist of the District's land, buildings, building improvements, construction in progress, vehicles and equipment, represent 77.4 percent of total assets. The remaining assets consist mainly of cash and investments, grants and property taxes receivable.

The District's largest liability (87.2 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 and leases due in more than one year. Other liabilities, representing about 12.8 percent of the District's total liabilities, consist principally of the debt and obligations due within one year, leases due within one year, payables on accounts, and accrued salaries and benefits.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

Most of the District's net position (\$373.1 million) reflects its investment in capital assets (e.g., land, buildings, vehicles and equipment), less any related debt used to acquire those assets that is still outstanding and unspent bond proceeds. The District uses these capital assets to provide services to students and other District residents; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources (generally property taxes), since the capital assets themselves cannot be used to liquidate these liabilities.

The District's restricted net position (\$5.5 million) reflects resources that are subject to external restrictions on how they may be used. The remaining balance in net position (negative \$418.4 million) is unrestricted.

The breakdown of the Beaverton School District Net Position for Governmental Activities, after GASB 87 restatement, is as follows:

| Governmental Activities | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|---|-------------------------|------------------------|----------------------------------|
| Capital assets | \$ 1,055,861,375 | \$ 1,067,726,362 | \$ 11,864,987 |
| Current and other assets | 281,371,126 | 312,303,356 | 30,932,230 |
| Total assets | <u>1,337,232,501</u> | <u>1,380,029,718</u> | <u>42,797,217</u> |
| Deferred outflows of resources | 240,565,943 | 188,169,195 | (52,396,748) |
| Total assets and deferred outflows of resources | <u>1,577,798,444</u> | <u>1,568,198,913</u> | <u>(9,599,531)</u> |
| Long-term liabilities | 1,505,955,486 | 1,168,924,322 | (337,031,164) |
| Other liabilities | 167,111,467 | 171,251,193 | 4,139,726 |
| Total liabilities | <u>1,673,066,953</u> | <u>1,340,175,515</u> | <u>(332,891,438)</u> |
| Deferred inflows of resources | 22,485,531 | 267,854,455 | 245,368,924 |
| Total liabilities and deferred inflows of resources | <u>1,695,552,484</u> | <u>1,608,029,970</u> | <u>(87,522,514)</u> |
| Net position: | | | |
| Net investment in capital assets | 363,941,382 | 373,102,823 | 9,161,441 |
| Restricted | 4,913,660 | 5,505,500 | 591,840 |
| Unrestricted | (486,609,082) | (418,439,380) | 68,169,702 |
| Total net position | <u>\$ (117,754,040)</u> | <u>\$ (39,831,057)</u> | <u>\$ 77,922,983</u> |

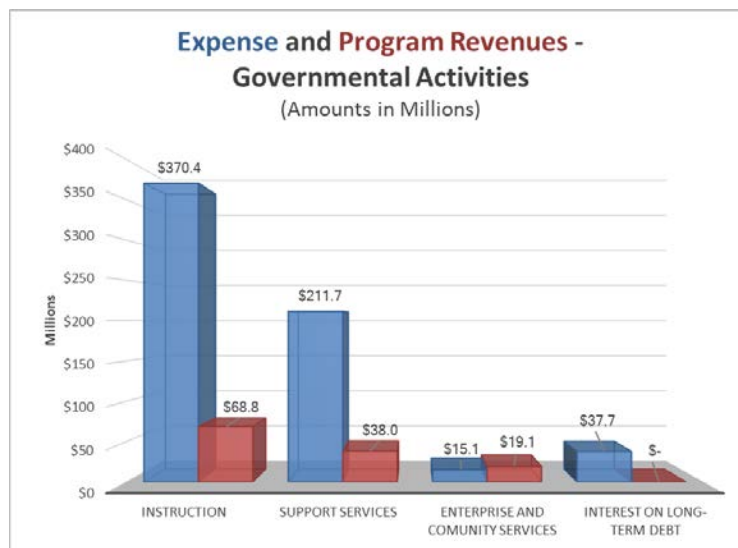
The District's overall financial position changed as indicated by an increase of \$77.9 million in net position. Unrestricted net position increased by \$68.2 million due mainly to the change in PERS due to improved asset performance and changes in assumptions, resulting in a lower PERS net pension liability offset partially by an increase in the PERS deferred inflows amortizing those changes over the next few years. At the same time, the District's investment in capital assets, net of related debt, increased by \$9.2 million due principally to the continued implementation of the construction bond and payment of related debt during the year.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

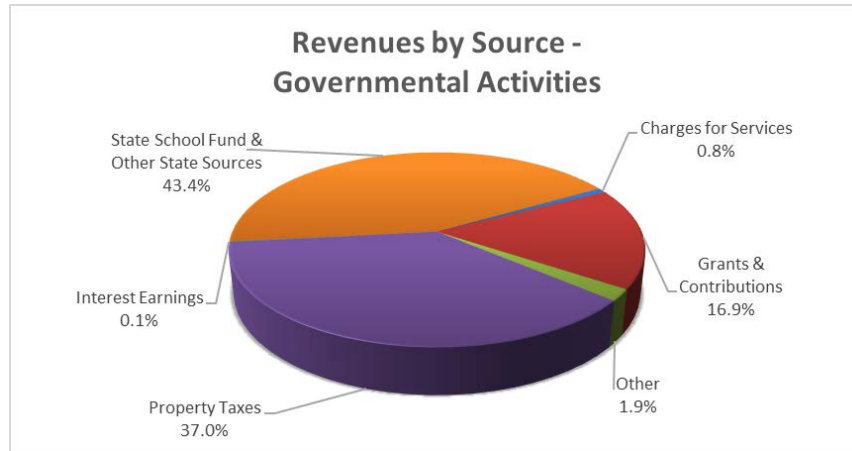
Governmental activities. During the 2021-22 fiscal year, the District's net position increased by \$77.9 million from the restated net position. Additional information related to the GASB 87 restatement can be found in Note 20.

The key elements in this change, after adjustments for GASB 87 restatement, are the following:

| Governmental Activities | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|-------------------------------------|-------------------------|------------------------|----------------------------------|
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 2,259,955 | \$ 5,751,716 | \$ 3,491,761 |
| Operating grants and contributions | 63,896,255 | 118,995,924 | 55,099,669 |
| Capital grants and contributions | 312,280 | 1,180,349 | 868,069 |
| General revenues: | | | |
| Property taxes | 218,010,788 | 226,254,042 | 8,243,254 |
| Local option taxes | 35,807,436 | 37,407,459 | 1,600,023 |
| Construction excise tax | 2,780,732 | 2,110,725 | (670,007) |
| State school fund | 285,817,276 | 287,550,313 | 1,733,037 |
| Other state and local sources | 20,633,367 | 21,463,764 | 830,397 |
| Earnings on investments | 1,028,129 | 706,117 | (322,012) |
| Miscellaneous | 6,578,415 | 11,389,711 | 4,811,296 |
| Total revenues | <u>637,124,633</u> | <u>712,810,120</u> | <u>75,685,487</u> |
| Expenses: | | | |
| Instruction | 396,664,903 | 370,421,973 | (26,242,930) |
| Support services | 217,707,283 | 211,675,873 | (6,031,410) |
| Enterprise and community services | 15,813,062 | 15,079,040 | (734,022) |
| Interest on long-term debt | 42,847,357 | 37,710,251 | (5,137,106) |
| Total expenses | <u>673,032,605</u> | <u>634,887,137</u> | <u>(38,145,468)</u> |
| Increase (decrease) in net position | (35,907,972) | 77,922,983 | 113,830,955 |
| Net position – July 1 (as restated) | (81,846,068) | (117,754,040) | (35,907,972) |
| Net position – June 30 | <u>\$ (117,754,040)</u> | <u>\$ (39,831,057)</u> | <u>\$ 77,922,983</u> |



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**



- Program revenues increased by \$59.5 million in 2021-22 as a combination of an increase of \$3.5 million in charges for services and an increase of \$55.1 million in operating grants and contributions.
- General revenues increased by \$16.2 million in 2021-22 largely due to increases from local property taxes while the State School Fund remained steady even with lower enrollment.

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, 2022, the District's governmental funds reported combined ending fund balances of \$210.2 million, an increase of \$14.2 million in comparison with the prior year after restatement. Approximately \$100.5 million (47.8 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 \$109.6 million (52.2 percent) of the ending fund balances are unassigned and available for spending at the District's discretion. Of the fund balance, \$67.8 million (32.3 percent) is designated for capital projects, as authorized by voters and the Board, and an additional \$7.0 million (3.4 percent) is dedicated for debt service obligations.

General Fund. The General Fund is the chief operating fund of the District. As of June 30, 2022, committed fund balance was \$10.1 million to fund long-term planning needs and a stability fund. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund revenues. At the end of the fiscal year, the General Fund balance was 23.2 percent of General Fund revenues. The fund balance increased by \$26.5 million, as revenues continue to outpace expenditures partially due to the short-term state and federal resources received through the Grant Fund related to the COVID-19 response. Revenues also increased for the year due to the implementation of services to other funds charge of a 2% of salaries in all funds to establish a PERS reserve for future rate increases.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

Grant Fund. The Grant Fund has zero fund balance, consistent with prior years. Both revenues and expenditures increased by \$46.6 million from the prior year due to an increase in utilization of federal grants as part of the COVID-19 response.

Debt Service Fund. The Debt Service Fund has a total fund balance of \$7.0 million, all of which is set aside for the payment of debt service. The fund balance increased from \$3.9 million due to larger increases in local property taxes than forecasted.

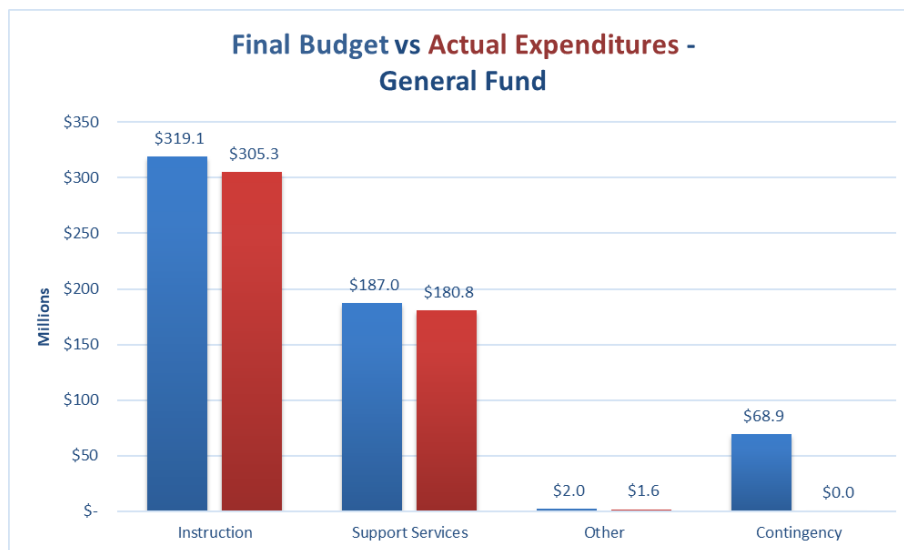
Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$67.8 million, all of which is dedicated for ongoing capital projects. Capital expenditures reflect costs incurred as part of the Long-Range Facilities Plan. All of the Capital Projects Fund balance is restricted or committed for capital improvements and repairs.

GENERAL FUND BUDGETARY HIGHLIGHTS

Original budget compared to final budget. During the year, there was one supplemental budget that was adopted for 2021-22.

Final budget compared to actual results. The most significant differences between estimated revenue and actual revenue were State Sources. State Sources were estimated to be \$286.9 million and actual revenue was \$294.6 million, a difference of \$7.7 million. The District forecasted lower enrollment but received additional State School Fund revenue due to the lower enrollment across the state resulting in a larger than expected per pupil funding amount.

The most significant difference between estimated expenditures and actual expenditures was Instruction and Support Services. Estimated Instruction expenditures were \$319.1 million compared to the actual expenditures of \$305.3 million. Estimated Support Services expenditure was \$187.0 million compared to the actual expenditure of \$180.8 million. The budget estimates were determined with estimates for the effects of returning to in-person instruction that did not match actuals. The District also was affected by the tight labor market that left many positions open for extended periods of time.



**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets. The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, leased assets, and construction in progress. As of June 30, 2022, the District had approximately \$1,067.7 million invested in capital assets, net of depreciation, as shown in the following table:

| Capital Asset | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|--|-------------------------|-------------------------|----------------------------------|
| Land | \$ 71,493,501 | \$ 71,493,501 | \$ - |
| Buildings and improvements | 923,934,000 | 933,380,370 | 9,446,370 |
| Vehicles and equipment | 25,078,655 | 23,537,218 | (1,541,437) |
| Leased vehicles and equipment | 1,090,713 | 1,030,887 | (59,826) |
| Construction in progress | 34,264,506 | 38,284,386 | 4,019,880 |
| Total capital assets, net of related accumulated depreciation | <u>\$ 1,055,861,375</u> | <u>\$ 1,067,726,362</u> | <u>\$ 11,864,987</u> |

Additional information regarding the District's capital assets can be found in Note 6 on page 51 of this report.

Long-term debt. At the end of the current fiscal year, the District had a total long-term debt outstanding of \$923.6 million outstanding. The debt consisted of general obligation bonds, full faith and credit obligation bonds, pension obligation bonds, equipment financing, 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 \$5.0 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 Note 9 on pages 52 - 56 of this report.

| Long-Term Debt Type | June 30, 2021 | June 30, 2022 | Increase / (Decrease) |
|-----------------------------------|-----------------------|-----------------------|----------------------------------|
| General obligation bonds | \$ 763,195,265 | \$ 713,350,265 | \$ (49,845,000) |
| Pension obligation bonds | 162,825,000 | 146,725,000 | (16,100,000) |
| Full faith and credit obligations | 15,305,000 | 30,448,277 | 15,143,277 |
| Unamortized premium | 36,425,702 | 29,575,741 | (6,849,961) |
| Equipment financing | - | 3,523,064 | 3,523,064 |
| Total long-term debt | <u>\$ 977,750,967</u> | <u>\$ 923,622,347</u> | <u>\$ (54,128,620)</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 2021-22 decreased from 2020-21 by 335, a decrease of 0.8 percent. The District expects to have declining ADM in 2022-23 but will continue to receive funding based on the 2021-22 ADM.

**BEAVERTON SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE YEAR ENDED JUNE 30, 2022
(CONTINUED)**

The 2021-22 budget was based on a K-12 state funding level of \$9.3 billion for the 2021-23 biennium. It includes a local option levy that was renewed in May 2018 that will continue through June 2023. This local option provides 286 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 III have provided additional grant funds to respond to this situation.

In June 2022, the Board adopted the District budget for the fiscal year 2022-23. The adopted budget for the General Fund for the year ending June 30, 2023, is \$622.8 million. This is an increase of \$42.4 million from the 2021-22 adopted budget. This budget was adopted with estimates assuming declining enrollment and the continued financial impacts of the ESSER supports in an in-person learning model for the entire year.

The Board has set a 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, and the District has created a PERS Reserve account that will set aside funds to address the anticipated rate increase for in the future.

REQUESTS FOR INFORMATION

This financial report is designed to present the users (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 1260 NW Waterhouse Avenue, Beaverton, Oregon 97006.



BASIC FINANCIAL STATEMENTS



BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
JUNE 30, 2022

| | |
|--|------------------------|
| ASSETS: | |
| Cash and investments | \$ 242,292,182 |
| Receivables | 61,370,332 |
| Inventories | 782,432 |
| OPEB net asset - RHIA | 7,858,410 |
| Capital assets not being depreciated | 109,777,888 |
| Capital assets, net of accumulated depreciation / amortization | 957,948,474 |
| TOTAL ASSETS | <u>1,380,029,718</u> |
| DEFERRED OUTFLOWS OF RESOURCES: | |
| Deferred amount on refunding | 27,941,783 |
| PERS deferred outflows | 155,399,251 |
| OPEB deferred outflows | 4,828,161 |
| TOTAL DEFERRED OUTFLOWS OF RESOURCES | <u>188,169,195</u> |
| TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES | <u>1,568,198,913</u> |
| LIABILITIES: | |
| Accounts payable | 13,145,178 |
| Accrued salaries and benefits | 50,501,168 |
| Compensated absences | 6,280,635 |
| Accrued interest payable | 17,726,041 |
| Unearned revenue | 12,800,061 |
| Accrued claims losses | 4,140,000 |
| Other accrued liabilities | 705,652 |
| Non-current liabilities | |
| Due within one year: | |
| Leases payable | 455,443 |
| Bonds, notes, and equipment financing | 65,497,015 |
| Due in more than one year: | |
| Leases payable | 488,959 |
| Bonds, notes, and equipment financing | 858,125,332 |
| PERS net pension liability | 284,738,427 |
| OPEB total liability - PHIS | 25,571,604 |
| TOTAL LIABILITIES | <u>1,340,175,515</u> |
| DEFERRED INFLOWS OF RESOURCES: | |
| Lease deferred inflows | 2,373,931 |
| PERS deferred inflows | 253,212,277 |
| OPEB deferred inflows | 12,268,247 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | <u>267,854,455</u> |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | <u>1,608,029,970</u> |
| NET POSITION: | |
| Net investment in capital assets | 373,102,823 |
| Restricted for student body & special programs | 5,052,084 |
| Restricted for scholarships | 453,416 |
| Unrestricted | (418,439,380) |
| TOTAL NET POSITION | <u>\$ (39,831,057)</u> |

BEAVERTON SCHOOL DISTRICT
STATEMENT OF ACTIVITIES
YEAR ENDED JUNE 30, 2022

| Functions/Programs | Program Revenues | | | | Net (Expense) Revenue and Change in Net Position |
|--|------------------|-------------------------|---------------------------------------|--|---|
| | Expenses | Charges for Services | Operating Grants and Contributions | Capital Grants and Contributions | |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 270,132,377 | \$ 4,598,960 | \$ 30,398,478 | \$ - | \$ (235,134,939) |
| Special programs | 94,507,464 | - | 27,974,992 | - | (66,532,472) |
| Summer school programs | 5,782,132 | - | 5,803,705 | - | 21,573 |
| Total instruction | 370,421,973 | 4,598,960 | 64,177,175 | - | (301,645,838) |
| Support Services: | | | | | |
| Student support services | 59,059,795 | - | 18,585,220 | - | (40,474,575) |
| Instructional staff support | 17,218,227 | - | 4,364,628 | - | (12,853,599) |
| General administration support | 2,500,741 | - | - | - | (2,500,741) |
| School administration | 37,832,998 | - | 319,392 | - | (37,513,606) |
| Business support services | 68,887,798 | 1,021,684 | 12,225,585 | 1,180,349 | (54,460,180) |
| Central activities support | 26,176,314 | - | 328,943 | - | (25,847,371) |
| Total support services | 211,675,873 | 1,021,684 | 35,823,768 | 1,180,349 | (173,650,072) |
| Enterprise and Community Services: | | | | | |
| Food services | 14,940,601 | 131,072 | 18,853,536 | - | 4,044,007 |
| Community services | 138,439 | - | 141,445 | - | 3,006 |
| Total enterprise and community services: | 15,079,040 | 131,072 | 18,994,981 | - | 4,047,013 |
| Interest on long-term debt | 37,710,251 | - | - | - | (37,710,251) |
| Total governmental activities | \$ 634,887,137 | \$ 5,751,716 | \$ 118,995,924 | \$ 1,180,349 | (508,959,148) |

| | |
|---|-----------------|
| General revenues: | |
| Property taxes levied for general purposes | 156,112,692 |
| Local option taxes levied for general purposes | 37,407,459 |
| Property taxes levied for debt service | 70,141,350 |
| Construction excise tax | 2,110,725 |
| State school fund - general support | 287,550,313 |
| Common school fund | 4,613,181 |
| Unrestricted state and local sources | 16,850,583 |
| Earnings on investments | 706,117 |
| Gains on sale of capital assets | 79,088 |
| Miscellaneous | 11,310,623 |
| Total general revenues | 586,882,131 |
| CHANGE IN NET POSITION | 77,922,983 |
| NET POSITION, July 1, 2021 as originally reported | (118,976,141) |
| Restatement (see Note 20) | 1,222,101 |
| NET POSITION, July 1, 2021 as restated | (117,754,040) |
| NET POSITION, June 30, 2022 | \$ (39,831,057) |

BEAVERTON SCHOOL DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
JUNE 30, 2022

| | General Fund | Grant Fund | Debt Service Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total |
|--|-----------------------|----------------------|-------------------------|--------------------------|-----------------------------------|-----------------------|
| ASSETS | | | | | | |
| Pooled cash and investments | \$ 141,029,160 | \$ - | \$ 4,833,069 | \$ 71,359,219 | \$ 13,307,040 | \$ 230,528,488 |
| Cash with fiscal agent | - | - | 59,860 | 300,000 | - | 359,860 |
| Receivables | 4,769,423 | 42,106,247 | 165,597 | 274,231 | 6,465,114 | 53,780,612 |
| Property taxes receivable | 2,817,305 | - | 1,014,394 | - | - | 3,831,699 |
| Lease revenue receivable | 2,847,176 | - | - | 725,545 | - | 3,572,721 |
| Due from other funds | 24,446,697 | - | 1,789,138 | - | - | 26,235,835 |
| Inventories | - | - | - | - | 782,432 | 782,432 |
| TOTAL ASSETS | \$ 175,909,761 | \$ 42,106,247 | \$ 7,862,058 | \$ 72,658,995 | \$ 20,554,586 | \$ 319,091,647 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | | | | |
| Liabilities: | | | | | | |
| Accounts payable | \$ 5,456,549 | \$ 2,838,166 | \$ - | \$ 3,944,837 | \$ 605,146 | \$ 12,844,698 |
| Accrued salaries and benefits | 44,381,580 | 4,980,427 | - | 71,467 | 1,059,732 | 50,493,206 |
| Due to other funds | 2,178,139 | 24,370,595 | - | 4,461 | 71,030 | 26,624,225 |
| Unearned revenue | - | 9,917,059 | - | - | 2,883,002 | 12,800,061 |
| Other liabilities | 16,099 | - | - | 303,359 | 386,194 | 705,652 |
| TOTAL LIABILITIES | 52,032,367 | 42,106,247 | - | 4,324,124 | 5,005,104 | 103,467,842 |
| Deferred Inflows of Resources: | | | | | | |
| Unavailable revenue - property taxes | 2,265,469 | - | 814,987 | - | - | 3,080,456 |
| Unavailable revenue - leases | 1,838,480 | - | - | 535,451 | - | 2,373,931 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 4,103,949 | - | 814,987 | 535,451 | - | 5,454,387 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 56,136,316 | 42,106,247 | 814,987 | 4,859,575 | 5,005,104 | 108,922,229 |
| Fund Balances: | | | | | | |
| Nonspendable | | | | | | |
| Nutrition Services Fund - Inventories | - | - | - | - | 782,432 | 782,432 |
| Restricted | | | | | | |
| Debt Service Fund | - | - | 3,849,042 | - | - | 3,849,042 |
| Capital Projects Fund | - | - | - | 55,276,427 | - | 55,276,427 |
| Student Body & Special Purpose Fund | - | - | - | - | 5,052,084 | 5,052,084 |
| Scholarships Fund | - | - | - | - | 453,416 | 453,416 |
| Committed | | | | | | |
| Debt Service Fund | - | - | 3,198,029 | - | - | 3,198,029 |
| Capital Projects Fund | - | - | - | 12,522,993 | - | 12,522,993 |
| Categorical Fund | - | - | - | - | 4,564,663 | 4,564,663 |
| Nutrition Services Fund | - | - | - | - | 4,696,887 | 4,696,887 |
| Long-term Planning Fund | 10,128,224 | - | - | - | - | 10,128,224 |
| Unassigned | 109,645,221 | - | - | - | - | 109,645,221 |
| TOTAL FUND BALANCES | 119,773,445 | - | 7,047,071 | 67,799,420 | 15,549,482 | 210,169,418 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 175,909,761 | \$ 42,106,247 | \$ 7,862,058 | \$ 72,658,995 | \$ 20,554,586 | \$ 319,091,647 |

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF GOVERNMENTAL FUNDS BALANCE SHEET TO STATEMENT OF NET POSITION
JUNE 30, 2022

| | | |
|---|----------------------|------------------------|
| TOTAL FUND BALANCES | | \$ 210,169,418 |
| Capital assets are not financial resources and therefore are not reported in the governmental funds: | | |
| Cost | \$ 1,471,907,640 | |
| Accumulated depreciation | <u>(404,181,278)</u> | 1,067,726,362 |
| 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. | | |
| | | 3,080,456 |
| 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. | | |
| | | 7,529,082 |
| 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. | | |
| | | (6,280,635) |
| Long-term liabilities not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt, notes, and leases is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These liabilities consist of: | | |
| Accrued interest payable | (17,726,041) | |
| Bonds, notes, equipment financing, and unamortized premium | (923,622,347) | |
| Leases payable | <u>(944,402)</u> | (942,292,790) |
| 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 | (284,738,427) | |
| PERS deferred outflow of resources | 155,399,251 | |
| PERS deferred inflows of resources | <u>(253,212,277)</u> | (382,551,453) |
| 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. | | |
| | | 27,941,783 |
| 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 | 7,858,410 | |
| Total OPEB liability | (25,571,604) | |
| OPEB deferred outflow of resources | 4,828,161 | |
| OPEB deferred inflows of resources | <u>(12,268,247)</u> | (25,153,280) |
| TOTAL NET POSITION | | <u>\$ (39,831,057)</u> |

BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

| | General Fund | Grant Fund | Debt Service Fund | Capital Projects Fund | Nonmajor Governmental Funds | Total |
|--|-----------------------|-------------------|-------------------------|--------------------------|-----------------------------------|-----------------------|
| REVENUES: | | | | | | |
| Property taxes | \$ 156,178,822 | \$ - | \$ 70,141,349 | \$ - | \$ - | \$ 226,320,171 |
| Local option levy | 37,407,459 | - | - | - | - | 37,407,459 |
| Construction excise tax | - | - | - | 2,110,725 | - | 2,110,725 |
| Intermediate sources | 14,126,181 | 263,207 | 59,766 | - | - | 14,449,154 |
| State sources | 294,630,756 | 51,725,684 | - | - | 2,059,077 | 348,415,517 |
| Federal sources | - | 43,559,613 | - | - | 18,742,943 | 62,302,556 |
| Charges for services | 1,443,096 | - | - | - | 3,938,172 | 5,381,268 |
| Rentals | 622,330 | - | - | 388,344 | - | 1,010,674 |
| Investment earnings | 420,695 | - | 124,813 | 132,280 | 14,763 | 692,551 |
| Contributions and donations | 15,594 | 430,844 | - | 141,418 | 1,614,693 | 2,202,549 |
| Services to other funds | 6,264,665 | - | 25,255,961 | - | - | 31,520,626 |
| Recovery of prior years' expenditures | 16,447 | 1,985 | - | 3,422,761 | 23,731 | 3,464,924 |
| Other | 4,384,940 | - | - | 768,083 | 3,509,089 | 8,662,112 |
| Total revenues | 515,510,985 | 95,981,333 | 95,581,889 | 6,963,611 | 29,902,468 | 743,940,286 |
| EXPENDITURES: | | | | | | |
| Current | | | | | | |
| Instruction | 305,341,377 | 61,916,185 | - | - | 6,911,087 | 374,168,649 |
| Support services | 180,785,653 | 28,740,860 | - | 633,690 | 2,371,453 | 212,531,656 |
| Enterprise and community services | - | 176,532 | - | - | 15,096,490 | 15,273,022 |
| Debt Service | | | | | | |
| Principal | 1,536,842 | - | 67,001,723 | - | - | 68,538,565 |
| Interest | 62,799 | - | 27,148,765 | - | - | 27,211,564 |
| Capital Outlay | | | | | | |
| Facilities acquisition and construction | 11,944 | 5,147,756 | - | 44,724,054 | 352,458 | 50,236,212 |
| Total expenditures | 487,738,615 | 95,981,333 | 94,150,488 | 45,357,744 | 24,731,488 | 747,959,668 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 27,772,370 | - | 1,431,401 | (38,394,133) | 5,170,980 | (4,019,382) |
| OTHER FINANCING SOURCES (USES): | | | | | | |
| Sale of or compensation for loss of capital assets | - | - | - | 79,088 | - | 79,088 |
| Transfers in | - | - | 1,731,699 | - | 2,797,635 | 4,529,334 |
| Transfers out | (6,215,572) | - | - | (1,209,289) | (131,685) | (7,556,546) |
| Issuance of equipment financing | 4,697,408 | - | - | - | - | 4,697,408 |
| Issuance of lease payables | 253,309 | - | - | - | - | 253,309 |
| Issuance of debt | - | - | - | 16,200,000 | - | 16,200,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | (1,264,855) | - | 1,731,699 | 15,069,799 | 2,665,950 | 18,202,593 |
| NET CHANGE IN FUND BALANCES | 26,507,515 | - | 3,163,100 | (23,324,334) | 7,836,930 | 14,183,211 |
| FUND BALANCE, July 1, 2021* | 93,265,930 | - | 3,883,971 | 91,123,754 | 7,712,552 | 195,986,207 |
| FUND BALANCE, June 30, 2022 | \$ 119,773,445 | \$ - | \$ 7,047,071 | \$ 67,799,420 | \$ 15,549,482 | \$ 210,169,418 |

* The July 1, 2021 Governmental Fund and Capital Projects Fund total fund balance was restated due to the implementation of GASB 87.
See Footnote 20.

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, 2022

NET CHANGE IN FUND BALANCES \$ 14,183,211

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

| | | |
|--|---------------------|------------|
| Net additions to capital assets | \$ 48,765,746 | |
| Less current year depreciation expense | <u>(36,900,759)</u> | 11,864,987 |

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

| | | |
|--|----------------------|------------|
| Net change in PERS net pension liability / asset | 287,137,607 | |
| Net change in deferred outflow of resources | (35,578,013) | |
| Net change in deferred inflow of resources | <u>(240,346,276)</u> | 11,213,318 |

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

| | | |
|-----------------------------|------------------|------------|
| Debt issued | (16,200,000) | |
| Debt principal repaid | 67,001,723 | |
| Amortization expense | 6,849,961 | |
| Lease issued | (4,950,717) | |
| Lease debt principal repaid | <u>1,536,842</u> | 54,237,809 |

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. (16,630,553)

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. (718,095)

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. (66,130)

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. 2,651,504

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. (200,374)

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

| | | |
|---|--------------------|------------------|
| Net change in OPEB liability / asset | 6,268,811 | |
| Net change in deferred outflow of resources | (188,182) | |
| Net change in deferred inflow of resources | <u>(4,693,323)</u> | <u>1,387,306</u> |

CHANGE IN NET POSITION \$ 77,922,983

BEAVERTON SCHOOL DISTRICT
STATEMENT OF NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
JUNE 30, 2022

ASSETS

Current assets:

| | |
|-----------------------------|----------------|
| Pooled cash and investments | \$ 11,403,834 |
| Receivables | 185,300 |
| Due from other funds | <u>388,582</u> |

| | |
|---------------------|--------------------------|
| TOTAL ASSETS | <u><u>11,977,716</u></u> |
|---------------------|--------------------------|

LIABILITIES

Current liabilities:

| | |
|-------------------------------|------------|
| Accounts payable | 300,480 |
| Accrued claims losses | 4,140,000 |
| Accrued salaries and benefits | 7,962 |
| Due to other funds | <u>192</u> |

| | |
|--------------------------|-------------------------|
| TOTAL LIABILITIES | <u><u>4,448,634</u></u> |
|--------------------------|-------------------------|

NET POSITION

| | |
|--------------|------------------|
| Unrestricted | <u>7,529,082</u> |
|--------------|------------------|

| | |
|---------------------------|----------------------------|
| TOTAL NET POSITION | <u><u>\$ 7,529,082</u></u> |
|---------------------------|----------------------------|

BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | |
|---------------------------------------|----------------------------|
| OPERATING REVENUES: | |
| Services to other funds | \$ 5,631,828 |
| Recovery of prior years' expenditures | 299,046 |
| Other | <u>64,891</u> |
| TOTAL OPERATING REVENUES | <u>5,995,765</u> |
| OPERATING EXPENSES: | |
| Losses and claims | 1,569,164 |
| Insurance premiums and assessments | 2,707,465 |
| Salaries and benefits | 1,323,511 |
| Services, supplies and materials | <u>784,898</u> |
| TOTAL OPERATING EXPENSES | <u>6,385,038</u> |
| OPERATING INCOME (LOSS) | (389,273) |
| NONOPERATING REVENUE: | |
| Investment earnings | <u>13,565</u> |
| TOTAL NONOPERATING REVENUES | <u>13,565</u> |
| INCOME (LOSS) BEFORE TRANSFERS | (375,708) |
| TRANSFERS: | |
| Transfers in | <u>3,027,212</u> |
| TOTAL TRANSFERS | <u>3,027,212</u> |
| CHANGE IN NET POSITION | 2,651,504 |
| NET POSITION, July 1, 2021 | <u>4,877,578</u> |
| NET POSITION, June 30, 2022 | <u><u>\$ 7,529,082</u></u> |

BEAVERTON SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | |
|---|-----------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Received from interfund services provided | \$ 5,265,999 |
| Received from recovery of prior years' expenditures | 299,046 |
| Paid for goods and services | (3,507,141) |
| Paid to claimants | (1,605,390) |
| Paid to employees | <u>(1,323,511)</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | (870,997) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | |
| Transfer from other funds | <u>3,027,212</u> |
| NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES | 3,027,212 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | |
| Interest received | <u>13,565</u> |
| NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES | <u>13,565</u> |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 2,169,780 |
| CASH AND CASH EQUIVALENTS, July 1, 2021 | <u>9,234,054</u> |
| CASH AND CASH EQUIVALENTS, June 30, 2022 | <u>\$ 11,403,834</u> |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | |
| Operating income (loss) | \$ (389,273) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | |
| Changes in assets and liabilities | |
| Receivables | 288,852 |
| Due from other funds | (43,476) |
| Accounts payable | (14,778) |
| Accrued salaries and benefits | (36,226) |
| Due to other funds | (3,170) |
| Other liabilities | <u>(672,926)</u> |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | <u>\$ (870,997)</u> |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2022

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, 2022

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, 2022

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 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, 2022, no allowance for doubtful accounts is considered necessary.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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 assets 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 assets 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 two sources: property taxes and leases. The statement of net position reports one type related to leases, 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, 2022

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, 2022, the total of these District contributions was \$1,056,276.

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, 2022

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 of \$55.3 million.

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. The District has a nonspendable fund balance in Nutrition Services Fund associated with inventories.

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. The District has a restricted fund balance in the Debt Service Fund for the payment of debt obligations, a restricted balance in the Capital Projects Fund for the payment of capital construction associated with bond measures, a restricted balance in the Student Body & Special Purpose Fund for the payment of those special programs, and a restricted balance in the Scholarship Fund for the issuance of future scholarship payments based on the scholarship agreements established.

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. The District has a committed fund balance in the

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

Debt Service Fund for the payment of debt obligations, a committed fund balance in the Capital Projects Fund for future capital construction and projects, a committed fund balance in the Categorical Fund for the replacement of equipment and vehicles, a committed fund balance in the Nutrition Services Fund for the future nutrition services operations, and a committed fund balance in the Long-term Planning Fund for the reserves for future year expenses.

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. 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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

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

Supplemental budgets less than 10 percent of a fund's original budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10 percent of a fund's original budget requires hearings before the public, publication in newspapers and approval by the Board. Original and supplemental budgets may be modified by the use of appropriation transfers between the levels of control (major function levels) with Board approval. During the year, there was one supplemental budget with additional appropriations adopted for 2021-22. 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, 2022:

| | | |
|------------------------|----|-----------------------|
| Cash with fiscal agent | \$ | 359,860 |
| Petty cash | | 4,273 |
| Deposits with banks | | 11,342,247 |
| Investments | | 230,585,802 |
| | | <u>\$ 242,292,182</u> |

Cash and investments are shown on the basic financial statements Statement of Net Position as \$242,292,182.

At year-end, the District's deposits with various financial institutions had a bank value of \$12,973,904 and a book value of \$11,342,247. 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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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 Depository 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, 2022, \$12,723,904 of the District’s bank balances were exposed to custodial credit risk as they were collateralized with securities held by the pledging financial institution’s agent, but not in the District’s name.

As of June 30, 2022 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 | \$ 154,407,064 | 0.225 | 67.0% |
| U.S. Agency securities | 39,340,277 | 0.181 | 17.1% |
| Corporate indebtedness | 14,841,300 | 0.384 | 6.4% |
| Local Government Investment Pool (LGIP) | 21,997,161 | 0.003 | 9.5% |
| | <u>\$ 230,585,802</u> | <u>0.207</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 | 100.0% | 18 months for operating funds, 3 years for capital project funds |
| U.S. Agency securities | 100.0% | 18 months for operating funds, 3 years for capital project funds |
| State and local government obligations | 30.0% | 18 months for operating funds, 3 years for capital project funds |
| Certificate of deposits | 50.0% | 18 months |
| Repurchase agreements | 25.0% | 30 days |
| Bankers' acceptances | 25.0% | 6 months |
| Corporate indebtedness | 35.0% | 18 months |
| Bank deposits and savings accounts | 10.0% | N/A |
| Local Government Investment Pool (LGIP) | 100.0% | 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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, 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, 2022, 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 | \$ 154,407,064 |
| U.S. Agency securities | Aaa/AAA | 19,385,677 |
| | Not Rated | 19,954,600 |
| Total U.S. Agency securities | | 39,340,277 |
| Corporate indebtedness | Aaa/AAA | 14,841,300 |
| Local Government Investment Pool (LGIP) | Not Rated | 21,997,161 |
| Total investments | | \$ 230,585,802 |

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, 2022, more than 5 percent of the District’s portfolio was invested in Federal Agricultural Mortgage Discount Notes, Federal Home Loan Bank Discount Notes, and Toyota Capital Corp Notes. These investments were 8.7%, 8.4%, and 6.4% of the District’s total investments respectively.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

4. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The composition of interfund balances as of June 30, 2022 is as follows:

| | Due to Other Funds | Due from Other Funds |
|--------------------------|-----------------------|-------------------------|
| General Fund | \$ 2,178,139 | \$ 24,446,697 |
| Grant Fund | 24,370,595 | - |
| Debt Service Fund | - | 1,789,138 |
| Capital Projects Fund | 4,461 | - |
| Other Governmental Funds | 71,030 | - |
| Internal Service Funds | 192 | 388,582 |
| Total | <u>\$ 26,624,417</u> | <u>\$ 26,624,417</u> |

There is a \$24,370,595 interfund balance in the General Fund to fund reimbursable expenditures in the Grant Fund. The remaining \$2,633,543 interfund balances between funds are the result of payroll accruals

Interfund transfers for the year ended June 30, 2022 are as follows:

| | Transfer in | Transfer out |
|--------------------------|---------------------|---------------------|
| General Fund | \$ - | \$ 6,215,572 |
| Debt Service Fund | 1,731,699 | - |
| Capital Projects Fund | - | 1,209,289 |
| Other Governmental Funds | 2,797,635 | 131,685 |
| Internal Service Fund | 3,027,212 | - |
| Total | <u>\$ 7,556,546</u> | <u>\$ 7,556,546</u> |

Transfers were made from the Capital Projects Funds to the Debt Service Fund totaling \$1,209,289, from the General Fund to the Debt Service Fund totaling \$393,249, and from the Equipment Replacement Fund to the Debt Service Fund totaling \$129,161 to pay principal and interest payments on the full faith and credit obligations. The General Fund also transferred \$3,027,212 into the Insurance Reserve Fund to support the internal service fund and transferred \$2,795,111 into the Equipment Replacement Fund to fund future equipment purchases. Transfers were also made from the Food Service Fund to the Special Purpose Fund totaling \$2,524 for volunteer donations.

5. RECEIVABLES

Receivables are comprised of the following as of June 30, 2022:

| Account | General Fund | Grant Fund | Debt Service Fund | Capital Projects Fund | Other Governmental Funds | Internal Service Funds | Total |
|---------------------------------|----------------------|----------------------|----------------------|-----------------------------|--------------------------------|------------------------------|----------------------|
| Receivables: | | | | | | | |
| Intergovernmental receivable | \$ 3,339,484 | \$ - | \$ 165,095 | \$ 92,124 | \$ - | \$ - | \$ 3,596,703 |
| Grants receivable | - | 42,106,247 | - | - | 3,509,340 | - | 45,615,587 |
| Interest receivable | 169,979 | - | - | - | - | - | 169,979 |
| Other receivable | 1,259,960 | - | 502 | 182,107 | 2,955,774 | 185,300 | 4,583,643 |
| Total receivables | <u>4,769,423</u> | <u>42,106,247</u> | <u>165,597</u> | <u>274,231</u> | <u>6,465,114</u> | <u>185,300</u> | <u>53,965,912</u> |
| Property taxes receivable | 2,817,305 | - | 1,014,394 | - | - | - | 3,831,699 |
| Lease revenue receivable | 2,847,176 | - | - | 725,545 | - | - | 3,572,721 |
| | <u>\$ 10,433,904</u> | <u>\$ 42,106,247</u> | <u>\$ 1,179,991</u> | <u>\$ 999,776</u> | <u>\$ 6,465,114</u> | <u>\$ 185,300</u> | <u>\$ 61,370,332</u> |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

6. CAPITAL ASSETS

Capital assets activity for the year was as follows:

| | Balance June 30, 2021 | Additions | Reductions | Balance June 30, 2022 |
|---|--------------------------|---------------|-----------------|--------------------------|
| Capital assets not being depreciated: | | | | |
| Land | \$ 71,493,501 | \$ - | \$ - | \$ 71,493,501 |
| Construction in progress | 34,264,506 | 32,467,563 | (28,447,682) | 38,284,387 |
| Total capital assets not being depreciated | 105,758,007 | 32,467,563 | (28,447,682) | 109,777,888 |
| Capital assets being depreciated: | | | | |
| Buildings and improvements | 1,261,844,195 | 41,552,399 | - | 1,303,396,594 |
| Vehicles and equipment | 54,930,968 | 2,940,058 | (1,362,829) | 56,508,197 |
| Leased vehicles and equipment | 1,968,824 | 256,137 | - | 2,224,961 |
| Total capital assets being depreciated | 1,318,743,987 | 44,748,594 | (1,362,829) | 1,362,129,752 |
| Less accumulated depreciation for: | | | | |
| Buildings and improvements | (337,910,195) | (32,106,030) | - | (370,016,225) |
| Vehicles and equipment | (29,852,313) | (4,478,765) | 1,360,099 | (32,970,979) |
| Leased vehicles and equipment | (878,111) | (315,963) | - | (1,194,074) |
| Total accumulated depreciation | (368,640,619) | (36,900,758) | 1,360,099 | (404,181,278) |
| Total capital assets being depreciated, net | 950,103,368 | 7,847,836 | (2,730) | 957,948,474 |
| Total capital assets, net | \$ 1,055,861,375 | \$ 40,315,399 | \$ (28,450,412) | \$ 1,067,726,362 |

(Note: Due to GASB 87, the June 30, 2021 "Leased vehicles and equipment" is separated out from the "Vehicles and equipment" shown in previous years.)

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

| | |
|--------------------------------|----------------------|
| Regular programs | \$ 17,877,766 |
| Special programs | 5,871,660 |
| Summer school programs | 293,827 |
| Student support services | 3,942,030 |
| Instructional staff support | 970,563 |
| General administration support | 144,926 |
| School administration | 2,603,776 |
| Business support services | 3,113,951 |
| Central activities support | 1,516,493 |
| Food services | 564,116 |
| Community services | 1,650 |
| | <u>\$ 36,900,758</u> |

7. LEASE RECEIVABLES

Lease Terms

Cell Tower Leases

The District has entered into multiple long-term leases as the lessor of land for cell tower usage. Accounting for these leases is recognized in the General Fund. The first was entered into in 1997 and expired in 2002, providing for 5 extensions of 5-years each, with lease rental increasing annually based on the percentage increase of the Consumer Price Index capped at 4.0%. It was subsequently amended in 2017 to extend the lease for a total of 11 extensions with final expiration in 2057. The second was entered into in 2000 and expired in 2005, providing for 4 extensions of 5-years each, with lease rental increasing annually based on the percentage increase of the Consumer Price Index capped at 4.0%. It was subsequently amended in 2017 to extend the lease for a total of 10 extensions with final expiration in 2055. The third was entered into in 2004 and expired in 2009, providing for 4

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

extensions of 5-years each, with lease rental increasing with each extension by 15.0%. It was subsequently amended in 2014 to expand the area involved in the lease as well as the monthly rental amount for the remainder of the lease.

Parking Space Leases

The District entered into a lease agreement as the lessor of parking spaces in 2008. This lease had an initial period of through 2020, with a renewal option through 2025. The lease rental amount increased at the renewal. Accounting for this lease is recognized in the Capital Projects Fund.

Tenant Leases

The District purchased a new administration office in October 2021. As part of the building purchase, two tenant leases were assumed by the District. Each lease has a set monthly rental schedule and have renewal terms after their most recent amendment that expire in June 2024. Accounting for this lease is recognized in the Capital Projects Fund.

Lease Revenues

| Inflows of Resources | General Fund | Capital Projects Fund | Total |
|----------------------|------------------|-----------------------|-------------------|
| Lease Revenue | \$ 51,913 | \$ 228,809 | \$ 280,722 |
| Interest Revenue | 33,325 | 16,941 | 50,266 |
| Total Revenue | <u>\$ 85,238</u> | <u>\$ 245,750</u> | <u>\$ 330,988</u> |

8. LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2022 is as follows:

| | Balance June 30, 2021 | Additions | Reductions | Balance June 30, 2022 | Due Within One Year |
|--|--------------------------|----------------------|-----------------------|--------------------------|------------------------|
| Governmental activities: | | | | | |
| General obligation bonds | \$ 763,195,265 | \$ - | \$ 49,845,000 | \$ 713,350,265 | \$ 40,165,000 |
| Pension obligation bonds | 162,825,000 | - | 16,100,000 | 146,725,000 | 17,490,000 |
| Full faith & credit obligations | 15,305,000 | 16,200,000 | 1,056,723 | 30,448,277 | 1,370,432 |
| Unamortized premium | 36,425,702 | - | 6,849,961 | 29,575,741 | 5,297,239 |
| Equipment financing | - | 4,697,408 | 1,174,344 | 3,523,064 | 1,174,344 |
| Total bonds and equipment financing, net | 977,750,967 | 20,897,408 | 75,026,028 | 923,622,347 | 65,497,015 |
| Lease payables | 1,053,591 | 253,309 | 362,498 | 944,402 | 455,443 |
| Net pension liability | 571,876,034 | - | 287,137,607 | 284,738,427 | - |
| OPEB total liability | 29,189,791 | 2,961,712 | 6,579,899 | 25,571,604 | - |
| | <u>\$ 1,579,870,383</u> | <u>\$ 24,112,429</u> | <u>\$ 369,106,032</u> | <u>\$ 1,234,876,780</u> | <u>\$ 65,952,458</u> |

9. 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

These bonds generally are issued as 20-year serial bonds or 30-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, 2022 was \$5.0 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, Series 2003 Bonds, and obtain a savings in total debt service requirement. Interest rates on the bonds range from 2.0% to 5.0%, 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.

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 1.8% to 4.0%. 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 0.9% to 2.2%. Interest on the Series 2014B Bonds range from 2.0% to 5.0%. 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 1.5% to 3.2%. 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 3.6% to 4.1%. 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 5.0%. 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 5.0%. 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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 0.4% to 2.1% 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.

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 4.1% to 4.8%.

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 0.4% to 4.1%.

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 2.0% to 4.0% with a final maturity date of June 1, 2036.

On November 30, 2021, the District entered into a full faith and credit financing obligation of \$16,200,000 in two parts. Part A for \$9,200,000 has annual principal payments and semi-annual interest payments of 1.8% through final maturity on June 1, 2036. Part B for \$7,000,000 has semi-annual interest payments of 0.8% and a principal payment at final maturity of June 1, 2024.

Equipment Financing

In June 2021, the District entered into a 0% financing purchase agreement in for the acquisition of \$4.7 million of teacher computers. This financing arrangement commenced in 2021-22 with the delivery of the computers. Payments are made annually with final payment in July 2024.

Debt Defeased

On June 30, 2020, the District issued \$432,745,000 in General Obligation Bonds with interest rates ranging between 0.4% and 2.1%. The District issued the bonds to advance refund \$71,060,000 of the outstanding Series

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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, 2022, the outstanding principal of the defeased bonds is \$298,310,000.

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.

Debt Activity

The following is a summary of long-term debt transactions of governmental activities for the year ended June 30, 2022:

| Issue Date | Original Issue | Principal Outstanding on June 30, 2021 | Additions | Reductions | Principal Outstanding on June 30, 2022 | Interest Rates |
|--|----------------|--|----------------------|----------------------|--|----------------|
| General obligation bonds: | | | | | | |
| August 25, 2011 | \$ 42,175,000 | \$ 7,710,000 | \$ - | \$ 3,755,000 | \$ 3,955,000 | 2.0 - 5.0% |
| December 11, 2012 | 126,325,000 | 12,575,000 | - | 12,575,000 | - | 1.8 - 4.0% |
| August 7, 2014 | 361,755,000 | 33,685,000 | - | 15,835,000 | 17,850,000 | 2.0 - 5.0% |
| May 11, 2017 | 38,990,000 | 32,315,000 | - | 3,305,000 | 29,010,000 | 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 | 418,050,000 | - | 14,375,000 | 403,675,000 | 0.4 - 2.1% |
| | | <u>763,195,265</u> | <u>-</u> | <u>49,845,000</u> | <u>713,350,265</u> | |
| Limited tax pension obligation bonds: | | | | | | |
| June 21, 2005 | 189,935,000 | 105,985,000 | - | 12,395,000 | 93,590,000 | 4.1 - 4.8% |
| February 26, 2015 | 79,220,000 | 56,840,000 | - | 3,705,000 | 53,135,000 | 0.4 - 4.1% |
| | | <u>162,825,000</u> | <u>-</u> | <u>16,100,000</u> | <u>146,725,000</u> | |
| Full faith and credit obligation bonds: | | | | | | |
| April 27, 2016 | 16,260,000 | 15,305,000 | - | 775,000 | 14,530,000 | 2.0 - 4.0% |
| November 30, 2021 | 9,200,000 | - | 9,200,000 | 281,723 | 8,918,277 | 1.8% |
| November 30, 2021 | 7,000,000 | - | 7,000,000 | - | 7,000,000 | 0.8% |
| | | <u>15,305,000</u> | <u>16,200,000</u> | <u>1,056,723</u> | <u>30,448,277</u> | |
| Equipment financing | 4,697,408 | - | 4,697,408 | 1,174,344 | 3,523,064 | 0.0% |
| Total bonds and equipment financing: | | <u>941,325,265</u> | <u>20,897,408</u> | <u>68,176,067</u> | <u>894,046,606</u> | |
| Unamortized premium | | 36,425,702 | - | 6,849,961 | 29,575,741 | |
| Total | | <u>\$ 977,750,967</u> | <u>\$ 20,897,408</u> | <u>\$ 75,026,028</u> | <u>\$ 923,622,347</u> | |

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 and equipment financing are made by the General Fund and Capital Projects Fund. Federal arbitrage restrictions apply to substantially all debt.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

Future Debt Maturities

Future debt maturities are as follows:

| Fiscal Year Ending June 30, | Principal | Interest | Total |
|--------------------------------|-----------------------|-----------------------|-------------------------|
| 2023 | \$ 60,199,776 | \$ 24,908,878 | \$ 85,108,654 |
| 2024 | 70,957,979 | 23,601,843 | 94,559,822 |
| 2025 | 68,360,281 | 21,690,238 | 90,050,519 |
| 2026 | 71,440,209 | 20,066,126 | 91,506,335 |
| 2027 | 76,567,494 | 17,665,997 | 94,233,491 |
| 2028-2032 | 286,102,730 | 98,214,957 | 384,317,687 |
| 2033-2037 | 260,418,137 | 57,617,915 | 318,036,052 |
| | <u>\$ 894,046,606</u> | <u>\$ 263,765,954</u> | <u>\$ 1,157,812,560</u> |

10. LEASE PAYABLES

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 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 fifth set of vehicles were delivered in 2021-22 with a total cost of approximately \$253,000 and were capitalized over the life of the lease. The lease obligations were paid from the General Fund. The total net lease assets at June 30, 2022 were \$1,030,887.

Future lease obligations are as follows:

| Fiscal Year Ending June 30, | Principal | Interest | Total |
|--------------------------------|-------------------|-------------------|---------------------|
| 2023 | \$ 455,443 | \$ 53,540 | \$ 508,983 |
| 2024 | 229,849 | 28,132 | 257,981 |
| 2025 | 108,833 | 14,076 | 122,909 |
| 2026 | 62,850 | 8,235 | 71,085 |
| 2027 | 87,427 | 4,771 | 92,198 |
| | <u>\$ 944,402</u> | <u>\$ 108,754</u> | <u>\$ 1,053,156</u> |

11. 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.

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:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

Police and fire: 1.8 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for police and fire members is age 60 or age 53 with 25 years of retirement credit. To be classified as a police and fire member, the individual must have been employed continuously as a police and fire member for at least five years immediately preceding retirement.

General service: 1.5 percent is multiplied by the number of years of service and the final average salary. Normal retirement age for general service members is age 65, or age 58 with 30 years of retirement credit.

A member of the OPSRP Pension Program becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of five calendar years, the date the member reaches normal retirement age, and, if the pension program is terminated, the date on which termination becomes effective.

Death Benefits – Upon the death of a non-retired member, the spouse or other person who is constitutionally required to be treated in the same manner as the spouse, receives for life 50 percent of the pension that would otherwise have been paid to the deceased member.

Disability Benefits – A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member’s salary determined as of the last full month of employment before the disability occurred.

Benefit Changes After Retirement – Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. 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, 2019 actuarial valuation, which became effective July 1, 2021. 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, 2022 were approximately \$48,743,000 excluding amounts to fund employer specific liabilities. Approximately \$25,217,000 was charged for the year ended June 30, 2022 as PERS benefits expenditures to be used for bond payments as they become due. These contributions occur in all governmental funds that have salary expenditures, which typically are the General Fund, Grant Fund, Capital Projects Fund, and the Nutrition Services Fund. Approximately (\$11,213,000) was recognized as employer pension expense during the reporting period.

At June 30, 2022, the District reported a net pension liability of \$284,738,427 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2019, rolled forward to a measurement date of June 30, 2021. 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, 2021, the District’s proportion was 2.38 percent, which was a decrease of approximately 0.24 percent from its proportion measured as of June 30, 2020.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | Deferred Outflow of Resources | Deferred (Inflow) of Resources | Net |
|--|----------------------------------|-----------------------------------|------------------|
| Differences between expected and actual experience | \$ 26,653,378 | \$ - | |
| Changes of assumptions | 71,278,602 | (749,364) | |
| Net difference between projected and actual earnings on investments | - | (210,789,652) | |
| Changes in proportionate share | 6,539,482 | (33,710,194) | |
| Differences between employer contributions and employer's proportionate share of system contributions | 2,185,114 | (7,963,067) | |
| Subtotal - Amortized Deferrals | 106,656,576 | (253,212,277) | \$ (146,555,701) |
| District contributions subsequent to measurement date | 48,742,675 | - | 48,742,675 |
| Total deferred outflow (inflow) of resources | \$ 155,399,251 | \$ (253,212,277) | \$ (97,813,026) |

The \$48,742,675 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 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 |
|--------------------------------|------------------|
| 2023 | \$ (23,857,936) |
| 2024 | (29,364,172) |
| 2025 | (38,413,572) |
| 2026 | (58,474,851) |
| 2027 | 3,554,830 |
| Total | \$ (146,555,701) |

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system wide GASB 68 reporting summary dated March 1, 2022, 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, 2021 through June 30, 2023, 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 22 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

Actuarial Methods and Assumptions:

| | |
|-----------------------------------|---|
| Valuation date | December 31, 2019 |
| Measurement date | June 30, 2021 |
| Experience Study | 2018, published July 2019 |
| Actuarial assumptions: | |
| Inflation rate | 2.4 percent (previously 2.5 percent) |
| Long-term expected rate of return | 6.9 percent (previously 7.2 percent) |
| Discount rate | 6.9 percent (previously 7.2 percent) |
| Projected salary increases | 3.4 percent (previously 3.5 percent) |
| Cost of living adjustments (COLA) | Blend of 2.0% COLA and graded COLA (1.3% / 0.2%) in accordance with <i>Moro</i> decision; blend based on service. |
| Mortality | 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. Active members: Pub-2010 Employee, sex distinct, generational with Unisex, Social Security Data Scale with job category adjustments and set-backs as described in the valuation. 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. |

(Source: June 30, 2021 Oregon PERS Annual Comprehensive 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 6.9 percent for the Defined Benefit Pension Plan, a reduction from 7.2 percent in the prior fiscal year. 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 67 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.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

- 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 100.0% 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, 2021 PERS Annual Comprehensive Financial Report; page 70)

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 – 5.0% | 0.0% |
| Risk Parity | 0.0 – 2.5% | 2.5% |
| Total | | 100.0 % |

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; page 104)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in June 2021 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, 2021 Oregon PERS Annual Comprehensive Financial Report; page 70)

| Asset Class | Target Allocation | Annual Arithmetic Return | 20-Year Annualized Geometric Mean | Annual Standard Deviation |
|-------------------------------------|-------------------|--------------------------|-----------------------------------|---------------------------|
| Global Equity | 30.6% | 7.1% | 5.9% | 17.1% |
| Private Equity | 25.5 | 11.4 | 7.7 | 30.0 |
| Core Fixed Income | 23.8 | 2.8 | 2.7 | 3.9 |
| Real Estate | 12.3 | 6.3 | 5.7 | 12.0 |
| Master Limited Partnerships | 0.8 | 7.7 | 5.7 | 21.3 |
| Infrastructure | 1.5 | 7.2 | 6.3 | 15.0 |
| Commodities | 0.6 | 4.7 | 3.1 | 18.9 |
| Hedge Fund of Funds - Multistrategy | 1.3 | 5.4 | 5.1 | 8.5 |
| Hedge Fund Equity - Hedge | 0.6 | 5.9 | 5.3 | 11.1 |
| Hedge Fund - Macro | 5.6 | 5.3 | 5.1 | 7.9 |
| US Cash | (2.5) | 1.8 | 1.8 | 1.2 |
| Assumed Inflation - Mean | | | 2.4% | 1.7% |

(Source: June 30, 2021 Oregon PERS Annual Comprehensive Financial Report; Table 31; page 74)

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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 6.9 percent, as well as what the District’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current rate.

| | Decrease 1% 5.9% | Current Rate 6.9% | Increase 1% 7.9% |
|---|---------------------|----------------------|---------------------|
| District's proportionate share of the net pension liability / (asset) | \$ 559,158,158 | \$ 284,738,427 | \$ 55,148,714 |

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, 2022.

12. 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:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | Postemployment Health Insurance Subsidy | Postemployment Health Insurance Account | Net |
|-------------------------------------|---|---|---------------|
| Total OPEB Liability | \$ 25,571,604 | \$ - | \$ 25,571,604 |
| Total OPEB Asset | - | 7,858,410 | 7,858,410 |
| OPEB Deferred Outflows of Resources | 4,276,946 | 551,215 | 4,828,161 |
| OPEB Deferred Inflows of Resources | 10,063,954 | 2,204,293 | 12,268,247 |
| OPEB Expense | (245,454) | (1,141,852) | (1,387,306) |

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, 2021, the date of the most recent valuation, there were 5,010 active and 160 retired members in the plan.

Total OPEB Liability

The District’s total OPEB liability of \$25,571,604 was determined by an actuarial valuation as of July 1, 2021, adjusted to a measurement date of June 30, 2022.

Actuarial assumptions and other inputs

The total OPEB liability measured as of June 30, 2021 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, 2020 |
| Measurement date | June 30, 2021 |
| Inflation | 2.4 percent (previously 2.5 percent) |
| Projected salary growth | 2.8 percent |
| Discount rate | 2.16 percent (previously 2.21 percent) |
| Withdrawal, retirement, and mortality rates | December 31, 2020 Oregon PERS valuation |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | |
|--------------------------|---|
| Election and lapse rates | 40.0% of eligible employees 44.0% spouse coverage 3.0% 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 – Blend 80.0% Teachers and 20.0% General, no set back • Female Beneficiary – General, no set back • Female Member – Teachers, no set back Disabled Retiree – Pub-2010 Disabled Retiree, Sex Distinct, benefits-weighted, Generational Projection with Unisex 2017 Social Security Data Scale <ul style="list-style-type: none"> • Male Member – Non-Safety, set forward 24 months • Female Member – Non-Safety, set forward 12 months Non-Annuitant – Pub-2010 Employee, Sex Distinct, headcount-weighted, Generational Projection with Unisex 2017 Social Security Data Scale <ul style="list-style-type: none"> • Male Member – 125.0% of same table and set back as Healthy Annuitant assumption • Female member – 100.0% of same table and set back as Healthy Annuitant assumption |
| Disability | Percentage of the 1985 Class 1 Rates: 25.0% with a 0.2% 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, 2022 reporting date is 2.16%, 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 decrease 1.6% in the first year, 5.3% in the second year, 5.1% in the third year. Over the subsequent 50 years, the trend is assumed to gradually decrease to an ultimate rate of 3.8% in 2074 and beyond. 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 healthcare reform legislation, and long-term constraints on trend such as growth in per capita income. It also assumes that dental costs will not increase in the first year and then increase by the lesser of the medical trend described above and 4.0% per year thereafter.

Changes in the Total OPEB Liability

| | Increase (Decrease) Total OPEB Liability |
|--|---|
| Balance as of June 30, 2021 | \$ 29,189,791 |
| Changes for the year: | |
| Service cost | 1,879,152 |
| Interest on total OPEB liability | 671,193 |
| Effect of economic/demographic gains or losses | 411,367 |
| Effect of assumptions changes or inputs | (5,175,805) |
| Benefit payments | (1,404,094) |
| Balance as of June 30, 2022 | <u>\$ 25,571,604</u> |

The effects of assumptions changes or inputs reflect a change in the discount rate from 2.21% to 2.16%. It also reflects the changes to expected claims and premiums and health care cost trends, assumptions about mortality, retirement and disability rates, and general inflation from 2.5% to 2.4% consistent with the Oregon PERS December 31, 2020 Actuarial Valuation. It also reflects changes based on plan experience to future retirement coverage.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

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% 1.2% | Current Rate 2.2% | Increase 1% 3.2% |
|---------------------------------------|----------------------|----------------------|----------------------|
| District's net OPEB liability (asset) | <u>\$ 27,707,019</u> | <u>\$ 25,571,604</u> | <u>\$ 23,575,904</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 liability would be if it were calculated using a health care cost trend rates that are 1-percentage-point lower (4.3% adjusting to 2.8%) or 1-percentage-point higher (6.3% adjusting to 4.8%) than the current trend rates:

| | Decrease 1.0% | Current Trend Rate | Increase 1.0% |
|---------------------------------------|----------------------|-----------------------|----------------------|
| District's net OPEB liability (asset) | <u>\$ 22,680,679</u> | <u>\$ 25,571,604</u> | <u>\$ 29,007,739</u> |

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

For the year ended June 30, 2022, the District recognized an OPEB expense of (\$245,454) related to the PHIS OPEB. At June 30, 2022, 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 | \$ 567,963 | \$ - | |
| Changes of assumptions | 2,303,469 | (10,063,954) | |
| Subtotal - Amortized Deferrals | 2,871,432 | (10,063,954) | \$ (7,192,522) |
| District contributions subsequent to measurement date | 1,405,514 | - | 1,405,514 |
| Total deferred outflow (inflow) of resources | <u>\$ 4,276,946</u> | <u>\$ (10,063,954)</u> | <u>\$ (5,787,008)</u> |

The \$1,405,514 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 |
|--------------------------------|-----------------------|
| 2023 | \$ (1,390,285) |
| 2024 | (1,390,285) |
| 2025 | (1,390,285) |
| 2026 | (1,221,755) |
| 2027 | (1,082,181) |
| Thereafter | (717,731) |
| Total | <u>\$ (7,192,522)</u> |

Retirement Health Insurance Account (RHIA)

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

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

Contributions - Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 or the total monthly cost of Medicare companion health insurance premiums coverage, whichever is less, shall be paid from the Retirement Health Insurance Account established by the employer, and any monthly cost in excess of \$60 shall be paid by the eligible retired member in the manner provided in ORS 238.410. To be eligible to receive this monthly payment toward the premium cost 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 0.1% of Tier 1 and Tier 2 payroll and 0.0% of OPSRP of annual covered payroll. These contributions occur in all governmental funds that have salary expenditures, which typically are the General Fund, Grant Fund, Capital Projects Fund, and the Nutrition Services Fund. 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, 2022, 2021, and 2020 were approximately \$54,000, \$71,000, and \$67,000 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, 2022, the District reported an asset of \$7,858,410 for its proportionate share of the net OPEB liability. The net OPEB liability was measured as of June 30, 2021, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of December 31, 2019, 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 2.3%, changed from 2.6% for the prior measurement date.

For the year ended June 30, 2022, the District recognized OPEB expense reduction of (\$1,141,852) related to the RHIA OPEB. At June 30, 2022, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

| | Deferred Outflow of Resources | Deferred (Inflow) of Resources | Net |
|---|-------------------------------------|--------------------------------------|-----------------------|
| Differences between expected and actual experience | \$ - | \$ (218,635) | |
| Changes of assumptions | 154,623 | (116,904) | |
| Net difference between projected and actual earnings on investments | - | (1,867,574) | |
| Changes in proportionate share | 342,258 | (1,180) | |
| Subtotal - Amortized Deferrals | 496,881 | (2,204,293) | \$ (1,707,412) |
| District contributions subsequent to measurement date | 54,334 | - | 54,334 |
| Total deferred outflow (inflow) of resources | <u>\$ 551,215</u> | <u>\$ (2,204,293)</u> | <u>\$ (1,653,078)</u> |

The \$54,334 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 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 |
|--------------------------------|-----------------------|
| 2023 | \$ (449,424) |
| 2024 | (241,675) |
| 2025 | (426,372) |
| 2026 | (589,941) |
| Total | <u>\$ (1,707,412)</u> |

Actuarial assumptions and other inputs

The net OPEB liability measured as of June 30, 2021 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, 2019 |
| Measurement date | June 30, 2021 |
| Experience Study | 2018, published July 24, 2019 |
| Actuarial assumptions: | |
| Actuarial cost method | Entry Age Normal |
| Inflation rate | 2.4 percent (previously 2.5 percent) |
| Long-term expected rate of return | 6.9 percent (previously 7.2 percent) |
| Discount rate | 6.9 percent (previously 7.2 percent) |
| Projected salary increases | 3.4 percent (previously 3.5 percent) |
| Retiree healthcare participation | Healthy retirees: 32.0%; Disabled retirees: 20.0% |
| 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, 2021 Oregon PERS Annual Comprehensive Financial Report; Table 28; page 73)

Discount Rate

The discount rate used to measure the net OPEB liability at June 30, 2021 was 6.9 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

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

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 June 2021 the PERS Board reviewed long-term assumptions developed by both Milliman’s capital market assumptions team and the Oregon Investment Council’s (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see the breakdown in Footnote 11.

(Source: June 30, 2021 Oregon PERS Annual Comprehensive 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 (5.9%) or 1-percentage-point higher (7.9%) than the current discount rate:

| | Decrease 1% 5.9% | Current Rate 6.9% | Increase 1% 7.9% |
|--|---------------------|----------------------|---------------------|
| District's proportionate share of net OPEB liability (asset) | \$ (6,949,610) | \$ (7,858,410) | \$ (8,634,743) |

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 \$7,858,410. 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.

13. 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, 2022, all of which are considered due within one year, as follows:

| | Balance June 30, 2021 | Additions | Reductions | Balance June 30, 2022 |
|----------------------|--------------------------|--------------|----------------|--------------------------|
| Compensated Absences | \$ 6,080,261 | \$ 6,535,581 | \$ (6,335,207) | \$ 6,280,635 |

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

14. 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 – \$500,000 per claim

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 but did not exceed insurance coverage for the years ended June 30, 2021 or June 30, 2022. 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:

| | 2022 | 2021 | 2020 |
|---|---------------------|---------------------|---------------------|
| Accrued claims losses, July 1 | \$ 4,140,000 | \$ 3,162,000 | \$ 3,152,000 |
| Incurred claims, including an estimate of claims incurred but not reported (IBNR) | 1,569,164 | 3,340,195 | 2,654,796 |
| Claims payments | (1,569,164) | (2,362,195) | (2,644,796) |
| Accrued claim losses, June 30 | <u>\$ 4,140,000</u> | <u>\$ 4,140,000</u> | <u>\$ 3,162,000</u> |

15. 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 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 2021-22, the District had estimated ADM_w of 46,702 and an extended ADM_w of 46,997. The Statewide estimated ADM_w is 679,044. For 2020-21, the District had a finalized ADM_w of 46,997 and an extended ADM_w of 48,840 within the Statewide

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
JUNE 30, 2022

ADMw of 708,938. The COVID-19 pandemic caused the reduction in the District ADMw as well as the state ADMw, and the ultimate effect of this on the District's future operations is not yet determinable.

16. TAX ABATEMENTS

Washington County Tax Abatements

The District's property tax revenues were reduced by approximately \$504,000 under agreements entered into by Washington County for the fiscal year ended June 30, 2022.

17. COMMITMENTS AND CONTINGENCIES

The District is committed under various accepted bid agreements and contracts for approximately \$38.6 million for goods, services, and construction of facilities.

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.

18. NEW ACCOUNTING STANDARDS IMPLEMENTED

For the fiscal year ended June 30, 2022, the District implemented the following new accounting standards:

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.

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.

GASB Statement No. 98 "*The Annual Comprehensive Financial Report.*" This Statement establishes the term *annual comprehensive financial report* and its acronym *ACFR*.

For the fiscal year ended June 30, 2022, 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.

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

For the fiscal year ended June 30, 2022, the District partially implemented the following new accounting standards that had multiple implementation dates:

GASB Statement No. 99 *“Omnibus 2022.”* This Statement clarifies requirements and accounting related to use of LIBOR, SNAP distribution, nonmonetary transactions, pledges of future revenues, terminology updates, derivative instruments, and requirements related to leases and PPPs. These aspects were implemented in the current fiscal year. This Statement also clarifies requirements related to SBITA, which is effective for fiscal years beginning after June 15, 2022. This Statement also clarifies the requirements related to financial guarantees, which is effective for fiscal years beginning after June 15, 2023.

19. 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. 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. 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. 100 *“Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62.”* This Statement provides guidance and accounting related to accounting changes and error corrections. This Statement is effective for fiscal years beginning after June 15, 2023.

GASB Statement No. 101 *“Subscription-Based Information Technology Arrangements.”* This Statement provides for accounting and financial reporting for compensated absences, including the definition of leave and guidance for measuring the liability for leave that has not been used. The Statement is effective for fiscal years beginning after December 15, 2023.

BEAVERTON SCHOOL DISTRICT
NOTES TO BASIC FINANCIAL STATEMENTS (Continued)
 JUNE 30, 2022

20. RESTATEMENT OF PRIOR YEAR NET POSITION

The District had previously entered into lease arrangements as the lessor that were recorded as revenue as the lease payments were earned. Per GASB 87, these lease arrangements are treated as receivable and deferred revenue. Additional details on these leases are in Footnote 7. A restatement of the prior year net position was required to record these leases that had previously been entered into.

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

| | |
|---|-------------------------|
| Net Position - July 1, 2021, as originally reported | \$ (118,976,141) |
| Addition of Lease Receivable | 3,266,707 |
| Addition of Lease Deferred Inflows | <u>(2,044,606)</u> |
| Net Position - July 1, 2021, as restated | <u>\$ (117,754,040)</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, 2021 as originally reported | \$ 92,270,888 | \$ 3,883,971 | \$ 90,896,695 | \$ 7,712,552 | \$ 194,764,106 |
| Addition of Lease Receivable | 2,899,089 | - | 367,618 | - | 3,266,707 |
| Addition of Lease Deferred Inflows | <u>(1,904,047)</u> | - | <u>(140,559)</u> | - | <u>(2,044,606)</u> |
| Fund Balance - July 1, 2021 as restated | <u>\$ 93,265,930</u> | <u>\$ 3,883,971</u> | <u>\$ 91,123,754</u> | <u>\$ 7,712,552</u> | <u>\$ 195,986,207</u> |

REQUIRED SUPPLEMENTARY INFORMATION



BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR PERS
JUNE 30, 2022

| 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 |
|------------------------|--|---|------------------------------|---|---|
| 2022 ⁷ | 2.38% | \$ 284,738,427 | \$ 288,434,472 | 98.7% | 87.6% |
| 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, 2022

| 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 |
|------------------------|--------------------------------------|--|---------------------------------------|-----------------|--|
| 2022 | \$ 48,742,675 | \$ 48,742,675 | \$ - | \$ 329,524,511 | 14.8% |
| 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.

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%.

⁷ The June 30, 2022 NPL reflects assumption changes reducing the inflation rate from 2.50% to 2.40%, the long-term expected rate of return from 7.20% to 6.90%, the discount rate from 7.20% to 6.90% and the projected salary increases from 3.50% to 3.40%.

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF THE PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA
JUNE 30, 2022

| 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 |
|------------------------|---|--|------------------------------|---|--|
| 2022 | 2.29% | \$ (7,858,410) | \$ 288,434,472 | -2.7% | 183.9% |
| 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, 2022

| 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 |
|------------------------|--------------------------------------|---|---------------------------------------|-----------------|---|
| 2022 | \$ 54,334 | \$ 54,334 | \$ - | \$ 329,524,511 | 0.0% |
| 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, 2022
(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 |
|------------------------|--------------|----------|----------------------------|---|--|---------------------|--|
| 2022 | \$ 1,879 | \$ 671 | \$ - | \$ 411 | \$ (5,175) | \$ (1,404) | \$ (3,618) |
| 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, 2022
(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 |
|------------------------|--------------------------------------|----------------------------------|--------------------------------|---|--|---------------|
| 2022 | \$ 29,190 | \$ (3,618) | \$ 25,572 | \$ 288,435 | 8.9% | 2.16% |
| 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, 2022

| | Budgetary Funds | | Total (reported as General Fund) |
|--|-----------------------|-----------------------|--|
| | General Fund | Long-Term Planning | |
| REVENUES: | | | |
| Property taxes | \$ 156,178,822 | \$ - | \$ 156,178,822 |
| Local option levy | 37,407,459 | - | 37,407,459 |
| Intermediate sources | 14,126,181 | - | 14,126,181 |
| State sources | 294,630,756 | - | 294,630,756 |
| Charges for services | 1,443,096 | - | 1,443,096 |
| Rentals | 622,330 | - | 622,330 |
| Investment earnings | 412,582 | 8,113 | 420,695 |
| Contributions and donations | 15,594 | - | 15,594 |
| Services to other funds | - | 6,264,665 | 6,264,665 |
| Recovery of prior years' expenditures | 16,447 | - | 16,447 |
| Other | 4,384,940 | - | 4,384,940 |
| TOTAL REVENUES | 509,238,207 | 6,272,778 | 515,510,985 |
| EXPENDITURES: | | | |
| Current: | | | |
| Instruction | 305,341,377 | - | 305,341,377 |
| Support services | 180,785,653 | - | 180,785,653 |
| Facilities acquisition and construction | 11,944 | - | 11,944 |
| Debt service: | | | |
| Principal | 1,536,842 | - | 1,536,842 |
| Interest | 62,799 | - | 62,799 |
| TOTAL EXPENDITURES | 487,738,615 | - | 487,738,615 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 21,499,592 | 6,272,778 | 27,772,370 |
| OTHER FINANCING SOURCES (USES): | | | |
| Transfers out | (3,426,461) | (2,789,111) | (6,215,572) |
| Issuance of equipment financing | 4,697,408 | - | 4,697,408 |
| Issuance of lease payables | 253,309 | - | 253,309 |
| TOTAL OTHER FINANCING SOURCES (USES) | 1,524,256 | (2,789,111) | (1,264,855) |
| NET CHANGE IN FUND BALANCES | 23,023,848 | 3,483,667 | 26,507,515 |
| FUND BALANCE, July 1, 2021 as originally reported | 85,626,331 | 6,644,557 | 92,270,888 |
| Restatement (see Note 20) | 995,042 | - | 995,042 |
| FUND BALANCE, July 1, 2021 as restated | 86,621,373 | 6,644,557 | 93,265,930 |
| FUND BALANCE, June 30, 2022 | \$ 109,645,221 | \$ 10,128,224 | \$ 119,773,445 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
(GAAP BASIS)
GENERAL FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|---------------------|---------------------|-----------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 155,000,000 | \$ 155,000,000 | \$ 156,178,822 | \$ 1,178,822 |
| Local option levy | 36,400,000 | 36,400,000 | 37,407,459 | 1,007,459 |
| Intermediate sources | 11,736,500 | 11,736,500 | 14,126,181 | 2,389,681 |
| State sources | 286,904,003 | 286,904,003 | 294,630,756 | 7,726,753 |
| Charges for services | 2,235,100 | 2,235,100 | 1,443,096 | (792,004) |
| Rentals | 720,000 | 720,000 | 622,330 | (97,670) |
| Investment earnings | 650,000 | 650,000 | 412,582 | (237,418) |
| Contributions and donations | - | - | 15,594 | 15,594 |
| Recovery of prior years' expenditures | 50,000 | 50,000 | 16,447 | (33,553) |
| Other | 3,585,000 | 3,585,000 | 4,384,940 | 799,940 |
| Total revenues | 497,280,603 | 497,280,603 | 509,238,207 | 11,957,604 |
| EXPENDITURES: | | | | |
| Instruction | 319,122,087 | 319,122,087 | 305,341,377 | 13,780,710 |
| Support services | 186,996,851 | 186,996,851 | 180,785,653 | 6,211,198 |
| Enterprise and community services | 250,000 | 250,000 | - | 250,000 |
| Facilities acquisition and construction | 100,000 | 100,000 | 11,944 | 88,056 |
| Debt service: | | | | |
| Principal | 1,634,352 | 1,634,352 | 1,536,842 | 97,510 |
| Interest | 20,000 | 20,000 | 62,799 | (42,799) |
| Contingencies | 69,271,509 | 68,878,260 | - | 68,878,260 |
| Total expenditures | 577,394,799 | 577,001,550 | 487,738,615 | 89,262,935 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (80,114,196) | (79,720,947) | 21,499,592 | 101,220,539 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (3,033,212) | (3,426,461) | (3,426,461) | - |
| Issuance of equipment financing | 4,697,408 | 4,697,408 | 4,697,408 | - |
| Issuance of lease payables | 450,000 | 450,000 | 253,309 | (196,691) |
| TOTAL OTHER FINANCING SOURCES (USES) | 2,114,196 | 1,720,947 | 1,524,256 | (196,691) |
| NET CHANGE IN FUND BALANCE | (78,000,000) | (78,000,000) | 23,023,848 | 101,023,848 |
| FUND BALANCE, July 1, 2021 as originally reported | 78,000,000 | 78,000,000 | 85,626,331 | 7,626,331 |
| Restatement (see Note 20) | - | - | 995,042 | 995,042 |
| FUND BALANCE, July 1, 2021 as restated | 78,000,000 | 78,000,000 | 86,621,373 | 8,621,373 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 109,645,221 | \$ 109,645,221 |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|-------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Intermediate sources | \$ 737,769 | \$ 737,769 | \$ 263,207 | \$ (474,562) |
| State sources | 59,651,290 | 59,651,290 | 51,725,684 | (7,925,606) |
| Federal sources | 117,210,561 | 117,210,561 | 43,559,613 | (73,650,948) |
| Contributions and donations | 2,703,565 | 2,703,565 | 430,844 | (2,272,721) |
| Recovery of prior years' expenditures | - | - | 1,985 | 1,985 |
| Total revenues | 180,303,185 | 180,303,185 | 95,981,333 | (84,321,852) |
| EXPENDITURES: | | | | |
| Instruction | 84,214,689 | 84,214,689 | 61,916,185 | 22,298,504 |
| Support services | 64,181,086 | 64,181,086 | 28,740,860 | 35,440,226 |
| Enterprise and community services | 5,287,027 | 5,287,027 | 176,532 | 5,110,495 |
| Facilities acquisition and construction | 26,620,383 | 26,620,383 | 5,147,756 | 21,472,627 |
| Total expenditures | 180,303,185 | 180,303,185 | 95,981,333 | 84,321,852 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | - | - | - | - |
| NET CHANGE IN FUND BALANCE | - | - | - | - |
| FUND BALANCE, July 1, 2021 | - | - | - | - |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ - | \$ - |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Property taxes | \$ 68,382,830 | \$ 68,382,830 | \$ 70,141,349 | \$ 1,758,519 |
| Intermediate sources | - | - | 59,766 | 59,766 |
| Investment earnings | 150,000 | 150,000 | 124,813 | (25,187) |
| Services to other funds | 22,985,970 | 22,985,970 | 25,255,961 | 2,269,991 |
| | <u>91,518,800</u> | <u>91,518,800</u> | <u>95,581,889</u> | <u>4,063,089</u> |
| EXPENDITURES: | | | | |
| Debt service: | | | | |
| Principal | 66,720,000 | 67,001,723 | 67,001,723 | - |
| Interest | 27,037,250 | 27,148,776 | 27,148,765 | 11 |
| | <u>93,757,250</u> | <u>94,150,499</u> | <u>94,150,488</u> | <u>11</u> |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | <u>(2,238,450)</u> | <u>(2,631,699)</u> | <u>1,431,401</u> | <u>4,063,100</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 1,338,450 | 1,731,699 | 1,731,699 | - |
| TOTAL OTHER FINANCING SOURCES (USES) | <u>1,338,450</u> | <u>1,731,699</u> | <u>1,731,699</u> | <u>-</u> |
| NET CHANGE IN FUND BALANCE | (900,000) | (900,000) | 3,163,100 | 4,063,100 |
| FUND BALANCE, July 1, 2021 | <u>900,000</u> | <u>900,000</u> | <u>3,883,971</u> | <u>2,983,971</u> |
| FUND BALANCE, June 30, 2022 | <u>\$ -</u> | <u>\$ -</u> | <u>\$ 7,047,071</u> | <u>\$ 7,047,071</u> |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|---------------------|---------------------|----------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Construction excise tax | \$ 3,225,000 | \$ 3,225,000 | \$ 2,110,725 | \$ (1,114,275) |
| Rentals | 90,000 | 90,000 | 388,344 | 298,344 |
| Investment earnings | 2,131,000 | 2,131,000 | 132,280 | (1,998,720) |
| Contributions and donations | 700,000 | 700,000 | 141,418 | (558,582) |
| Recovery of prior years' expenditures | 2,300,000 | 2,300,000 | 3,422,761 | 1,122,761 |
| Other | 600,000 | 600,000 | 768,083 | 168,083 |
| Total revenues | 9,046,000 | 9,046,000 | 6,963,611 | (2,082,389) |
| EXPENDITURES: | | | | |
| Support services | 3,013,157 | 3,013,157 | 633,690 | 2,379,467 |
| Facilities acquisition and construction | 97,676,054 | 97,676,054 | 44,724,054 | 52,952,000 |
| Total expenditures | 100,689,211 | 100,689,211 | 45,357,744 | 55,331,467 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (91,643,211) | (91,643,211) | (38,394,133) | 53,249,078 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Sale of or compensation for loss of capital assets | 300,000 | 300,000 | 79,088 | (220,912) |
| Transfers out | (1,209,289) | (1,209,289) | (1,209,289) | - |
| Issuance of debt | - | - | 16,200,000 | 16,200,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | (909,289) | (909,289) | 15,069,799 | 15,979,088 |
| NET CHANGE IN FUND BALANCE | (92,552,500) | (92,552,500) | (23,324,334) | 69,228,166 |
| FUND BALANCE, July 1, 2021 as originally reported | 92,552,500 | 92,552,500 | 90,896,695 | (1,655,805) |
| Restatement (see Note 20) | - | - | 227,059 | 227,059 |
| FUND BALANCE, July 1, 2021 as restated | 92,552,500 | 92,552,500 | 91,123,754 | (1,428,746) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 67,799,420 | \$ 67,799,420 |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|----------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ - | \$ - | \$ 8,113 | \$ 8,113 |
| Services to other funds | 6,450,000 | 6,450,000 | 6,264,665 | (185,335) |
| Total revenues | 6,450,000 | 6,450,000 | 6,272,778 | (177,222) |
| EXPENDITURES: | | | | |
| Contingencies | 10,273,243 | 10,273,243 | - | 10,273,243 |
| Total expenditures | 10,273,243 | 10,273,243 | - | 10,273,243 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (3,823,243) | (3,823,243) | 6,272,778 | 10,096,021 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (3,187,000) | (3,187,000) | (2,789,111) | 397,889 |
| TOTAL OTHER FINANCING SOURCES (USES) | (3,187,000) | (3,187,000) | (2,789,111) | 397,889 |
| NET CHANGE IN FUND BALANCE | (7,010,243) | (7,010,243) | 3,483,667 | 10,493,910 |
| FUND BALANCE, July 1, 2021 | 7,010,243 | 7,010,243 | 6,644,557 | (365,686) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 10,128,224 | \$ 10,128,224 |

BEAVERTON SCHOOL DISTRICT
RECONCILIATION OF BUDGETARY TO REPORTING FUNDS - COMBINING BALANCE SHEET
GENERAL FUND
JUNE 30, 2022

| | Budgetary Funds | | Total (reported as General Fund) |
|--|-----------------------|-----------------------|--|
| | General Fund | Long-Term Planning | |
| ASSETS | | | |
| Equity in pooled cash and investments | \$ 131,356,759 | \$ 9,672,401 | \$ 141,029,160 |
| Receivables | 4,769,423 | - | 4,769,423 |
| Property taxes receivable | 2,817,305 | - | 2,817,305 |
| Lease rental receivable | 2,847,176 | - | 2,847,176 |
| Due from other funds | 23,990,874 | 455,823 | 24,446,697 |
| TOTAL ASSETS | \$ 165,781,537 | \$ 10,128,224 | \$ 175,909,761 |
| LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | | | |
| Liabilities: | | | |
| Accounts payable | \$ 5,456,549 | \$ - | \$ 5,456,549 |
| Accrued salaries and benefits | 44,381,580 | - | 44,381,580 |
| Due to other funds | 2,178,139 | - | 2,178,139 |
| Other liabilities | 16,099 | - | 16,099 |
| TOTAL LIABILITIES | 52,032,367 | - | 52,032,367 |
| Deferred Inflows of Resources: | | | |
| Unavailable revenue - property taxes | 2,265,469 | - | 2,265,469 |
| Unavailable revenue - leases | 1,838,480 | - | 1,838,480 |
| TOTAL DEFERRED INFLOWS OF RESOURCES | 4,103,949 | - | 4,103,949 |
| TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES | 56,136,316 | - | 56,136,316 |
| Fund Balances: | | | |
| Committed | - | 10,128,224 | 10,128,224 |
| Unassigned | 109,645,221 | - | 109,645,221 |
| TOTAL FUND BALANCES | 109,645,221 | 10,128,224 | 119,773,445 |
| TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES | \$ 165,781,537 | \$ 10,128,224 | \$ 175,909,761 |

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.

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, 2022

| | Special Revenue Funds | | | | Total |
|--|-----------------------------------|---------------------|-------------------|-----------------------|----------------------|
| | Student Body & Special Purpose | Categorical | Scholarships | Nutrition Services | |
| ASSETS | | | | | |
| Equity in pooled cash and investments | \$ 2,684,834 | \$ 7,492,566 | \$ 454,416 | \$ 2,675,224 | \$ 13,307,040 |
| Receivables | 2,927,045 | 2,110 | - | 3,535,959 | 6,465,114 |
| Inventories | - | - | - | 782,432 | 782,432 |
| TOTAL ASSETS | <u>\$ 5,611,879</u> | <u>\$ 7,494,676</u> | <u>\$ 454,416</u> | <u>\$ 6,993,615</u> | <u>\$ 20,554,586</u> |
| LIABILITIES AND FUND BALANCES | | | | | |
| Liabilities: | | | | | |
| Accounts payable | \$ 400,291 | \$ 47,011 | \$ 1,000 | \$ 156,844 | \$ 605,146 |
| Accrued salaries and benefits | 136,118 | - | - | 923,614 | 1,059,732 |
| Due to other funds | 10,412 | - | - | 60,618 | 71,030 |
| Unearned revenue | - | 2,883,002 | - | - | 2,883,002 |
| Other liabilities | 12,974 | - | - | 373,220 | 386,194 |
| TOTAL LIABILITIES | <u>559,795</u> | <u>2,930,013</u> | <u>1,000</u> | <u>1,514,296</u> | <u>5,005,104</u> |
| Fund Balances: | | | | | |
| Nonspendable | - | - | - | 782,432 | 782,432 |
| Restricted | 5,052,084 | - | 453,416 | - | 5,505,500 |
| Committed | - | 4,564,663 | - | 4,696,887 | 9,261,550 |
| TOTAL FUND BALANCES | <u>5,052,084</u> | <u>4,564,663</u> | <u>453,416</u> | <u>5,479,319</u> | <u>15,549,482</u> |
| TOTAL LIABILITIES AND FUND BALANCES | <u>\$ 5,611,879</u> | <u>\$ 7,494,676</u> | <u>\$ 454,416</u> | <u>\$ 6,993,615</u> | <u>\$ 20,554,586</u> |

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED JUNE 30, 2022

| | Special Revenue Funds | | | | Total |
|--|--------------------------------|---------------------|-------------------|---------------------|----------------------|
| | Student Body & Special Purpose | Categorical | Scholarships | Nutrition Services | |
| REVENUES: | | | | | |
| State sources | \$ 67,268 | \$ 1,818,782 | \$ - | \$ 173,027 | \$ 2,059,077 |
| Federal sources | - | - | - | 18,742,943 | 18,742,943 |
| Charges for services | 3,549,190 | 257,910 | - | 131,072 | 3,938,172 |
| Investment earnings | 3,854 | 10,365 | 544 | - | 14,763 |
| Contributions and donations | 1,539,184 | - | 74,059 | 1,450 | 1,614,693 |
| Recovery of prior years' expenditures | 22,186 | - | - | 1,545 | 23,731 |
| Other | 3,079,498 | 428,516 | - | 1,075 | 3,509,089 |
| Total revenues | 8,261,180 | 2,515,573 | 74,603 | 19,051,112 | 29,902,468 |
| EXPENDITURES: | | | | | |
| Instruction | 6,882,091 | 28,996 | - | - | 6,911,087 |
| Support services | 733,712 | 1,625,137 | - | 12,604 | 2,371,453 |
| Enterprise and community services | 14,873 | - | 56,744 | 15,024,873 | 15,096,490 |
| Facilities, acquisition and construction | 56,523 | 295,935 | - | - | 352,458 |
| Total expenditures | 7,687,199 | 1,950,068 | 56,744 | 15,037,477 | 24,731,488 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 573,981 | 565,505 | 17,859 | 4,013,635 | 5,170,980 |
| OTHER FINANCING SOURCES (USES): | | | | | |
| Transfers in | - | 2,795,111 | 2,524 | - | 2,797,635 |
| Transfers out | (2,524) | (129,161) | - | - | (131,685) |
| TOTAL OTHER FINANCING SOURCES (USES) | (2,524) | 2,665,950 | 2,524 | - | 2,665,950 |
| NET CHANGE IN FUND BALANCES | 571,457 | 3,231,455 | 20,383 | 4,013,635 | 7,836,930 |
| FUND BALANCE, July 1, 2021 | 4,480,627 | 1,333,208 | 433,033 | 1,465,684 | 7,712,552 |
| FUND BALANCE, June 30, 2022 | \$ 5,052,084 | \$ 4,564,663 | \$ 453,416 | \$ 5,479,319 | \$ 15,549,482 |

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, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| State sources | \$ - | \$ - | \$ 67,268 | \$ 67,268 |
| Charges for services | 3,700,000 | 3,700,000 | 3,549,190 | (150,810) |
| Investment earnings | - | - | 3,854 | 3,854 |
| Contributions and donations | 4,500,000 | 4,500,000 | 1,539,184 | (2,960,816) |
| Recovery of prior years' expenditures | - | - | 22,186 | 22,186 |
| Other | 500,000 | 500,000 | 3,079,498 | 2,579,498 |
| Total revenues | 8,700,000 | 8,700,000 | 8,261,180 | (438,820) |
| EXPENDITURES: | | | | |
| Instruction | 10,802,753 | 10,802,753 | 6,882,091 | 3,920,662 |
| Support services | 1,282,247 | 1,282,247 | 733,712 | 548,535 |
| Enterprise and community services | 350,000 | 350,000 | 14,873 | 335,127 |
| Facilities acquisition and construction | 2,000,000 | 2,000,000 | 56,523 | 1,943,477 |
| Total expenditures | 14,435,000 | 14,435,000 | 7,687,199 | 6,747,801 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (5,735,000) | (5,735,000) | 573,981 | 6,308,981 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (15,000) | (15,000) | (2,524) | 12,476 |
| TOTAL OTHER FINANCING SOURCES (USES) | (15,000) | (15,000) | (2,524) | 12,476 |
| NET CHANGE IN FUND BALANCE | (5,750,000) | (5,750,000) | 571,457 | 6,321,457 |
| FUND BALANCE, July 1, 2021 | 5,750,000 | 5,750,000 | 4,480,627 | (1,269,373) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 5,052,084 | \$ 5,052,084 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
CATEGORICAL FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| State sources | \$ 2,829,161 | \$ 2,829,161 | \$ 1,818,782 | \$ (1,010,379) |
| Charges for services | 325,000 | 325,000 | 257,910 | (67,090) |
| Investment earnings | 25,000 | 25,000 | 10,365 | (14,635) |
| Contributions and donations | 400,000 | 400,000 | - | (400,000) |
| Other | 25,000 | 25,000 | 428,516 | 403,516 |
| Total revenues | 3,604,161 | 3,604,161 | 2,515,573 | (1,088,588) |
| EXPENDITURES: | | | | |
| Instruction | 118,477 | 118,477 | 28,996 | 89,481 |
| Support services | 5,528,523 | 5,528,523 | 1,625,137 | 3,903,386 |
| Facilities acquisition and construction | 2,525,000 | 2,525,000 | 295,935 | 2,229,065 |
| Total expenditures | 8,172,000 | 8,172,000 | 1,950,068 | 6,221,932 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (4,567,839) | (4,567,839) | 565,505 | 5,133,344 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 3,197,000 | 3,197,000 | 2,795,111 | (401,889) |
| Transfers out | (129,161) | (129,161) | (129,161) | - |
| TOTAL OTHER FINANCING SOURCES (USES) | 3,067,839 | 3,067,839 | 2,665,950 | (401,889) |
| NET CHANGE IN FUND BALANCE | (1,500,000) | (1,500,000) | 3,231,455 | 4,731,455 |
| FUND BALANCE, July 1, 2021 | 1,500,000 | 1,500,000 | 1,333,208 | (166,792) |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 4,564,663 | \$ 4,564,663 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
SCHOLARSHIPS FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|------------------|------------------|-------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ - | \$ - | \$ 544 | \$ 544 |
| Contributions and donations | 100,000 | 100,000 | 74,059 | (25,941) |
| Total revenues | 100,000 | 100,000 | 74,603 | (25,397) |
| EXPENDITURES: | | | | |
| Enterprise and community services | 515,000 | 515,000 | 56,744 | 458,256 |
| Total expenditures | 515,000 | 515,000 | 56,744 | 458,256 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (415,000) | (415,000) | 17,859 | 432,859 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 15,000 | 15,000 | 2,524 | (12,476) |
| TOTAL OTHER FINANCING SOURCES (USES) | 15,000 | 15,000 | 2,524 | (12,476) |
| NET CHANGE IN FUND BALANCE | (400,000) | (400,000) | 20,383 | 420,383 |
| FUND BALANCE, July 1, 2021 | 400,000 | 400,000 | 433,033 | 33,033 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 453,416 | \$ 453,416 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
NUTRITION SERVICES FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|-------------------|-------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| State sources | \$ 307,900 | \$ 307,900 | \$ 173,027 | \$ (134,873) |
| Federal sources | 11,337,292 | 11,337,292 | 18,742,943 | 7,405,651 |
| Charges for services | 5,792,967 | 5,792,967 | 131,072 | (5,661,895) |
| Investment earnings | 8,000 | 8,000 | - | (8,000) |
| Contributions and donations | - | - | 1,450 | 1,450 |
| Recovery of prior years' expenditures | - | - | 1,545 | 1,545 |
| Other | 5,000 | 5,000 | 1,075 | (3,925) |
| Total revenues | 17,451,159 | 17,451,159 | 19,051,112 | 1,599,953 |
| EXPENDITURES: | | | | |
| Support services | 20,883 | 20,883 | 12,604 | 8,279 |
| Enterprise and community services | 17,426,276 | 17,426,276 | 15,024,873 | 2,401,403 |
| Total expenditures | 17,447,159 | 17,447,159 | 15,037,477 | 2,409,682 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | 4,000 | 4,000 | 4,013,635 | 4,009,635 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (4,000) | (4,000) | - | 4,000 |
| TOTAL OTHER FINANCING SOURCES (USES) | (4,000) | (4,000) | - | 4,000 |
| NET CHANGE IN FUND BALANCE | - | - | 4,013,635 | 4,013,635 |
| FUND BALANCE, July 1, 2021 | - | - | 1,465,684 | 1,465,684 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 5,479,319 | \$ 5,479,319 |

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, 2022

| | Insurance Reserve | Workers' Compensation | Total |
|-------------------------------|----------------------|--------------------------|---------------------|
| ASSETS | | | |
| Current assets: | | | |
| Pooled cash and investments | \$ 6,027,606 | \$ 5,376,228 | \$ 11,403,834 |
| Receivables | 185,300 | - | 185,300 |
| Due from other funds | 174,872 | 213,710 | 388,582 |
| | <u>6,387,778</u> | <u>5,589,938</u> | <u>11,977,716</u> |
| TOTAL ASSETS | | | |
| LIABILITIES | | | |
| Current liabilities: | | | |
| Accounts payable | 295,651 | 4,829 | 300,480 |
| Accrued claims losses | 2,375,000 | 1,765,000 | 4,140,000 |
| Accrued salaries and benefits | - | 7,962 | 7,962 |
| Due to other funds | - | 192 | 192 |
| | <u>2,670,651</u> | <u>1,777,983</u> | <u>4,448,634</u> |
| TOTAL LIABILITIES | | | |
| NET POSITION | | | |
| Unrestricted | <u>3,717,127</u> | <u>3,811,955</u> | <u>7,529,082</u> |
| TOTAL NET POSITION | | | |
| | <u>\$ 3,717,127</u> | <u>\$ 3,811,955</u> | <u>\$ 7,529,082</u> |

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | Insurance Reserve | Workers' Compensation | Total |
|---------------------------------------|----------------------|--------------------------|---------------------|
| OPERATING REVENUES: | | | |
| Services to other funds | \$ 2,670,041 | \$ 2,961,787 | \$ 5,631,828 |
| Recovery of prior years' expenditures | 272,782 | 26,264 | 299,046 |
| Other | 64,891 | - | 64,891 |
| TOTAL OPERATING REVENUES | 3,007,714 | 2,988,051 | 5,995,765 |
| OPERATING EXPENSES: | | | |
| Losses and claims | 393,395 | 1,175,769 | 1,569,164 |
| Insurance premiums and assessments | 2,595,226 | 112,239 | 2,707,465 |
| Salaries and benefits | 776,737 | 546,774 | 1,323,511 |
| Services, supplies and materials | 617,099 | 167,799 | 784,898 |
| TOTAL OPERATING EXPENSES | 4,382,457 | 2,002,581 | 6,385,038 |
| OPERATING INCOME (LOSS) | (1,374,743) | 985,470 | (389,273) |
| NONOPERATING REVENUE: | | | |
| Investment earnings | 7,349 | 6,216 | 13,565 |
| TOTAL NONOPERATING REVENUES | 7,349 | 6,216 | 13,565 |
| INCOME (LOSS) BEFORE TRANSFERS | (1,367,394) | 991,686 | (375,708) |
| TRANSFERS: | | | |
| Transfers in | 3,027,212 | - | 3,027,212 |
| TOTAL TRANSFERS | 3,027,212 | - | 3,027,212 |
| CHANGE IN NET POSITION | 1,659,818 | 991,686 | 2,651,504 |
| NET POSITION, July 1, 2021 | 2,057,309 | 2,820,269 | 4,877,578 |
| NET POSITION, June 30, 2022 | \$ 3,717,127 | \$ 3,811,955 | \$ 7,529,082 |

BEAVERTON SCHOOL DISTRICT
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

| | Insurance Reserve | Workers' Compensation | Total |
|---|-----------------------|--------------------------|----------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | |
| Received from interfund services provided | \$ 2,284,550 | \$ 2,981,449 | \$ 5,265,999 |
| Received from recovery of prior years' expenditures | 272,782 | 26,264 | 299,046 |
| Paid for goods and services | (3,200,290) | (306,851) | (3,507,141) |
| Paid to claimants | (435,345) | (1,170,045) | (1,605,390) |
| Paid to employees | (776,737) | (546,774) | (1,323,511) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | (1,855,040) | 984,043 | (870,997) |
| CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES: | | | |
| Transfer from other funds | 3,027,212 | - | 3,027,212 |
| NET CASH PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES | 3,027,212 | - | 3,027,212 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | |
| Interest received | 7,349 | 6,216 | 13,565 |
| NET CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES | 7,349 | 6,216 | 13,565 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 1,179,521 | 990,259 | 2,169,780 |
| CASH AND CASH EQUIVALENTS, July 1, 2021 | 4,848,085 | 4,385,969 | 9,234,054 |
| CASH AND CASH EQUIVALENTS, June 30, 2022 | \$ 6,027,606 | \$ 5,376,228 | \$ 11,403,834 |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | | | |
| Operating income (loss) | \$ (1,374,743) | \$ 985,470 | \$ (389,273) |
| Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities: | | | |
| Changes in assets and liabilities | | | |
| Receivables | 252,210 | 36,642 | 288,852 |
| Due from other funds | (26,330) | (17,146) | (43,476) |
| Accounts payable | 12,035 | (26,813) | (14,778) |
| Accrued salaries and benefits | (41,950) | 5,724 | (36,226) |
| Due to other funds | (3,336) | 166 | (3,170) |
| Other liabilities | (672,926) | - | (672,926) |
| NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES | \$ (1,855,040) | \$ 984,043 | \$ (870,997) |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
INSURANCE RESERVE FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ 15,000 | \$ 15,000 | \$ 7,349 | \$ (7,651) |
| Services to other funds | 2,656,057 | 2,656,057 | 2,670,041 | 13,984 |
| Recovery of prior years' expenditures | - | - | 272,782 | 272,782 |
| Other | 155,000 | 155,000 | 64,891 | (90,109) |
| Total revenues | 2,826,057 | 2,826,057 | 3,015,063 | 189,006 |
| EXPENDITURES: | | | | |
| Support services | 6,506,129 | 6,506,129 | 4,382,457 | 2,123,672 |
| Facilities acquisition and construction | 160,308 | 160,308 | - | 160,308 |
| Contingencies | 1,086,832 | 1,086,832 | - | 1,086,832 |
| Total expenditures | 7,753,269 | 7,753,269 | 4,382,457 | 3,370,812 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (4,927,212) | (4,927,212) | (1,367,394) | 3,559,818 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 3,027,212 | 3,027,212 | 3,027,212 | - |
| TOTAL OTHER FINANCING SOURCES (USES) | 3,027,212 | 3,027,212 | 3,027,212 | - |
| NET CHANGE IN FUND BALANCE | (1,900,000) | (1,900,000) | 1,659,818 | 3,559,818 |
| FUND BALANCE, July 1, 2021 | 1,900,000 | 1,900,000 | 2,057,309 | 157,309 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 3,717,127 | \$ 3,717,127 |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
WORKERS' COMPENSATION FUND
YEAR ENDED JUNE 30, 2022

| | Budget | | Actual | Variance with Final Budget |
|--|--------------------|--------------------|---------------------|-------------------------------|
| | Adopted | Final | | |
| REVENUES: | | | | |
| Investment earnings | \$ 15,000 | \$ 15,000 | \$ 6,216 | \$ (8,784) |
| Services to other funds | 2,872,188 | 2,872,188 | 2,961,787 | 89,599 |
| Recovery of prior years' expenditures | 50,000 | 50,000 | 26,264 | (23,736) |
| Total revenues | 2,937,188 | 2,937,188 | 2,994,267 | 57,079 |
| EXPENDITURES: | | | | |
| Support services | 3,510,584 | 3,510,584 | 2,002,581 | 1,508,003 |
| Contingencies | 1,926,604 | 1,926,604 | - | 1,926,604 |
| Total expenditures | 5,437,188 | 5,437,188 | 2,002,581 | 3,434,607 |
| EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES | (2,500,000) | (2,500,000) | 991,686 | 3,491,686 |
| NET CHANGE IN FUND BALANCE | (2,500,000) | (2,500,000) | 991,686 | 3,491,686 |
| FUND BALANCE, July 1, 2021 | 2,500,000 | 2,500,000 | 2,820,269 | 320,269 |
| FUND BALANCE, June 30, 2022 | \$ - | \$ - | \$ 3,811,955 | \$ 3,811,955 |



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, 2022

| | Fund 100 | Fund 200 | Fund 300 | Fund 400 | Fund 600 | Total |
|--|-----------------------|-----------------------|----------------------|----------------------|---------------------|-----------------------|
| Local Sources | | | | | | |
| 1111 Current year taxes | \$ 154,786,218 | \$ - | \$ 69,456,365 | \$ - | \$ - | \$ 224,242,583 |
| 1112 Prior year taxes | 1,366,758 | - | 675,622 | - | - | 2,042,380 |
| 1114 Payments in lieu of property taxes | 25,846 | - | 9,363 | - | - | 35,209 |
| 1121 Current year local option levy | 37,084,670 | - | - | - | - | 37,084,670 |
| 1122 Prior year local option levy | 322,789 | - | - | - | - | 322,789 |
| 1130 Construction excise tax | - | - | - | 2,110,725 | - | 2,110,725 |
| 1311 Tuition from individuals | 29,700 | - | - | - | - | 29,700 |
| 1312 Tuition from other districts within the state | 197,428 | - | - | - | - | 197,428 |
| 1330 Summer school tuition | 187,700 | - | - | - | - | 187,700 |
| 1411 Transportation fees from individuals | 11,010 | - | - | - | - | 11,010 |
| 1500 Earnings on investments | 412,582 | 22,877 | 124,813 | 132,280 | 13,565 | 706,117 |
| 1600 Food service | - | 131,072 | - | - | - | 131,072 |
| 1700 Extracurricular activities | 1,017,258 | 3,807,100 | - | - | - | 4,824,358 |
| 1910 Rentals | 622,330 | - | - | 388,344 | - | 1,010,674 |
| 1920 Contributions & Donations | 15,594 | 2,045,537 | - | 141,418 | - | 2,202,549 |
| 1950 Textbook sales | - | 26,556 | - | - | - | 26,556 |
| 1960 Recovery of prior years' expenditures | 16,447 | 25,718 | - | 3,422,761 | 299,045 | 3,763,971 |
| 1970 Services to other funds | - | 6,264,665 | 25,255,961 | - | 5,631,828 | 37,152,454 |
| 1980 Fees charged to grants | 2,570,648 | - | - | - | - | 2,570,648 |
| 1990 Miscellaneous | 1,814,292 | 3,482,530 | - | 768,084 | 64,892 | 6,129,798 |
| Total Local Sources | 200,481,270 | 15,806,055 | 95,522,124 | 6,963,612 | 6,009,330 | 324,782,391 |
| Intermediate Sources | | | | | | |
| 2101 County school fund | 1,108,531 | - | - | - | - | 1,108,531 |
| 2102 ESD apportionment | 11,595,012 | - | - | - | - | 11,595,012 |
| 2104 ESD apportionment - preschool | 417,100 | - | - | - | - | 417,100 |
| 2199 Other intermediate sources | 1,005,539 | - | 59,765 | - | - | 1,065,304 |
| 2200 Restricted revenue | - | 263,207 | - | - | - | 263,207 |
| Total Intermediate Sources | 14,126,182 | 263,207 | 59,765 | - | - | 14,449,154 |
| State Sources | | | | | | |
| 3101 State school fund | 287,550,313 | - | - | - | - | 287,550,313 |
| 3102 State school fund match | - | 124,744 | - | - | - | 124,744 |
| 3103 Common school fund | 4,613,181 | - | - | - | - | 4,613,181 |
| 3199 Other unrestricted grants-in-aid | 2,467,262 | 72,630 | - | - | - | 2,539,892 |
| 3222 State school fund - transportation equip | - | 1,746,152 | - | - | - | 1,746,152 |
| 3299 Other restricted grants-in-aid | - | 51,841,235 | - | - | - | 51,841,235 |
| Total State Sources | 294,630,756 | 53,784,761 | - | - | - | 348,415,517 |
| Federal Sources | | | | | | |
| 4200 Unrestricted through state | - | 33,953 | - | - | - | 33,953 |
| 4300 Restricted direct from federal | - | 140,816 | - | - | - | 140,816 |
| 4500 Restricted through state | - | 60,862,879 | - | - | - | 60,862,879 |
| 4700 Federal grants | - | 69,401 | - | - | - | 69,401 |
| 4910 Commodities | - | 1,195,507 | - | - | - | 1,195,507 |
| Total Federal Sources | - | 62,302,556 | - | - | - | 62,302,556 |
| Other Sources | | | | | | |
| 5110 Proceeds from the sale of bonds | - | - | - | 16,200,000 | - | 16,200,000 |
| 5160 Proceeds from leases | 4,950,717 | - | - | - | - | 4,950,717 |
| 5200 Transfers in | - | 2,797,635 | 1,731,699 | - | 3,027,212 | 7,556,546 |
| 5300 Sale/compensation for loss of capital assets | - | - | - | 79,088 | - | 79,088 |
| Total Other Sources | 4,950,717 | 2,797,635 | 1,731,699 | 16,279,088 | 3,027,212 | 28,786,351 |
| TOTAL REVENUES | \$ 514,188,925 | \$ 134,954,214 | \$ 97,313,588 | \$ 23,242,700 | \$ 9,036,542 | \$ 778,735,969 |

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

| | Object 100 | Object 200 | Object 300 | Object 400 |
|--|-----------------------|-----------------------|----------------------|----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ 64,059,836 | \$ 37,626,809 | \$ 799,209 | \$ 3,959,034 |
| 1120 Middle school programs | 30,667,643 | 16,987,220 | 382,537 | 1,975,515 |
| 1130 High school programs | 47,734,683 | 25,956,289 | 1,523,271 | 2,901,823 |
| 1140 Pre-kindergarten programs | 1,159,603 | 819,774 | - | 43,081 |
| 1210 Talented and gifted programs | 233,362 | 94,078 | 1,403 | 70,535 |
| 1220 Restrictive programs | 13,579,041 | 10,365,036 | 938,759 | 99,597 |
| 1250 Resource rooms | 8,103,002 | 4,719,591 | 406 | 15,699 |
| 1280 Alternative education | 1,834,872 | 1,025,291 | 7,721,745 | 83,574 |
| 1290 Designated programs | 12,148,876 | 7,070,321 | 141,716 | 217,128 |
| 1410 Summer school - elementary school | 268 | 89 | - | - |
| 1430 Summer school - high school | 42,000 | 15,044 | - | 21,094 |
| 1490 Other summer school | 414 | 139 | - | - |
| Total Instruction | 179,563,600 | 104,679,681 | 11,509,046 | 9,387,080 |
| Support Services | | | | |
| 2110 Attendance and social work services | 3,226,585 | 2,596,233 | 410,802 | 64,409 |
| 2120 Guidance services | 10,926,212 | 6,585,107 | 3,048 | 22,166 |
| 2130 Health services | 795,734 | 542,907 | 96,860 | 48,962 |
| 2140 Psychological services | 2,410,001 | 1,303,466 | 568 | 43,225 |
| 2150 Speech pathology and audiology services | 4,267,891 | 2,441,505 | 148,885 | 51,898 |
| 2160 Other student treatment services | 259,858 | 147,913 | 2,733 | 37,033 |
| 2190 Service direction - student support services | 3,109,909 | 1,796,059 | 280,415 | 128,391 |
| 2210 Improvement of instruction services | 1,702,444 | 922,651 | 6,398 | 5,713 |
| 2220 Educational media services | 3,407,620 | 2,638,692 | 2,452 | 554,532 |
| 2230 Assessment and testing | 52,173 | 42,315 | 432 | 229,879 |
| 2240 Instructional staff development | 1,479,629 | 1,120,408 | 569,304 | 165,392 |
| 2310 Board of education services | - | - | 410,500 | 6,264 |
| 2320 Executive administration services | 1,271,513 | 681,660 | 67,361 | 26,094 |
| 2410 Office of the principal services | 21,265,693 | 13,464,561 | 72,630 | 452,835 |
| 2490 Other support services - school administration | 1,781,413 | 1,021,328 | 51,739 | 148,493 |
| 2510 Direction of business support services | 311,035 | 151,993 | 839 | 3,427 |
| 2520 Fiscal services | 1,576,890 | 925,513 | 131,991 | 68,916 |
| 2540 Operation and maintenance of plant services | 15,271,959 | 10,357,699 | 11,316,053 | 2,588,441 |
| 2550 Student transportation services | 9,568,800 | 8,223,604 | 625,491 | 1,968,741 |
| 2570 Internal services | 664,475 | 422,981 | 324,379 | 27,498 |
| 2620 Planning and development services | 388,595 | 216,361 | 496,255 | 13,377 |
| 2630 Information services | 643,277 | 390,041 | 10,681 | 19,406 |
| 2640 Staff services | 2,311,100 | 1,496,148 | 296,358 | 170,437 |
| 2660 Technology services | 5,739,366 | 3,494,554 | 1,361,318 | 1,900,477 |
| Total Support Services | 92,432,172 | 60,983,699 | 16,687,492 | 8,746,006 |
| Facilities acquisition and construction | | | | |
| 4150 Building acquisition, construction and improvement services | - | - | - | - |
| Total facilities acquisition and construction | - | - | - | - |
| Other Uses | | | | |
| 5110 Debt Service | - | - | - | - |
| 5200 Transfers of funds | - | - | - | - |
| Total Other Uses | - | - | - | - |
| TOTAL EXPENDITURES | \$ 271,995,772 | \$ 165,663,380 | \$ 28,196,538 | \$ 18,133,086 |

BEAVERTON SCHOOL DISTRICT
GENERAL FUND (100) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2022

| | Object 500 | Object 600 | Object 700 | Total |
|--|-------------------|---------------------|---------------------|-----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ - | \$ 1,253 | \$ - | \$ 106,446,141 |
| 1120 Middle school programs | 5,645 | 4,023 | - | 50,022,583 |
| 1130 High school programs | 13,865 | 73,099 | - | 78,203,030 |
| 1140 Pre-kindergarten programs | - | - | - | 2,022,458 |
| 1210 Talented and gifted programs | - | - | - | 399,378 |
| 1220 Restrictive programs | - | 40 | - | 24,982,473 |
| 1250 Resource rooms | - | - | - | 12,838,698 |
| 1280 Alternative education | - | 2,200 | - | 10,667,682 |
| 1290 Designated programs | - | 101,846 | - | 19,679,887 |
| 1410 Summer school - elementary school | - | - | - | 357 |
| 1430 Summer school - high school | - | - | - | 78,138 |
| 1490 Other summer school | - | - | - | 553 |
| | <u>19,510</u> | <u>182,461</u> | <u>-</u> | <u>305,341,378</u> |
| Support Services | | | | |
| 2110 Attendance and social work services | 51,788 | 790 | - | 6,350,607 |
| 2120 Guidance services | - | 1,100 | - | 17,537,633 |
| 2130 Health services | - | - | - | 1,484,463 |
| 2140 Psychological services | - | - | - | 3,757,260 |
| 2150 Speech pathology and audiology services | - | - | - | 6,910,179 |
| 2160 Other student treatment services | 7,495 | - | - | 455,032 |
| 2190 Service direction - student support services | - | 71,199 | - | 5,385,973 |
| 2210 Improvement of instruction services | - | 84,829 | - | 2,722,035 |
| 2220 Educational media services | - | 100 | - | 6,603,396 |
| 2230 Assessment and testing | - | - | - | 324,799 |
| 2240 Instructional staff development | - | 88,968 | - | 3,423,701 |
| 2310 Board of education services | - | 22,140 | - | 438,904 |
| 2320 Executive administration services | - | 30,467 | - | 2,077,095 |
| 2410 Office of the principal services | - | 15,966 | - | 35,271,685 |
| 2490 Other support services - school administration | - | 4,937 | - | 3,007,910 |
| 2510 Direction of business support services | - | 1,189 | - | 468,483 |
| 2520 Fiscal services | - | 264,986 | - | 2,968,296 |
| 2540 Operation and maintenance of plant services | 821,177 | 42,565 | - | 40,397,894 |
| 2550 Student transportation services | 10,652 | 402,654 | - | 20,799,942 |
| 2570 Internal services | - | 3,649 | - | 1,442,982 |
| 2620 Planning and development services | - | 358 | - | 1,114,946 |
| 2630 Information services | - | 2,104 | - | 1,065,509 |
| 2640 Staff services | - | 2,225 | - | 4,276,268 |
| 2660 Technology services | - | 4,945 | - | 12,500,660 |
| | <u>891,112</u> | <u>1,045,171</u> | <u>-</u> | <u>180,785,652</u> |
| Facilities acquisition and construction | | | | |
| 4150 Building acquisition, construction and improvement services | 11,944 | - | - | 11,944 |
| | <u>11,944</u> | <u>-</u> | <u>-</u> | <u>11,944</u> |
| Other Uses | | | | |
| 5110 Debt Service | - | 1,599,641 | - | 1,599,641 |
| 5200 Transfers of funds | - | - | 3,426,461 | 3,426,461 |
| | <u>-</u> | <u>1,599,641</u> | <u>3,426,461</u> | <u>5,026,102</u> |
| TOTAL EXPENDITURES | <u>\$ 922,566</u> | <u>\$ 2,827,273</u> | <u>\$ 3,426,461</u> | <u>\$ 491,165,076</u> |

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

| | Object 100 | Object 200 | Object 300 | Object 400 |
|--|----------------------|----------------------|---------------------|----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ 8,526,299 | \$ 4,566,301 | \$ 415,272 | \$ 2,560,858 |
| 1120 Middle school programs | 2,678,114 | 1,305,739 | 1,319,566 | 469,303 |
| 1130 High school programs | 4,592,930 | 2,197,194 | 1,248,775 | 3,374,284 |
| 1140 Pre-kindergarten programs | 226,231 | 168,056 | 20,000 | 28,032 |
| 1210 Programs for talented & gifted | 2,000 | 738 | - | - |
| 1220 Restrictive programs | 1,633,510 | 887,352 | 250 | 18,925 |
| 1250 Resource rooms | 1,811,067 | 970,805 | - | - |
| 1270 Educationally disadvantaged | 3,450,942 | 2,138,387 | 183,535 | 535,127 |
| 1280 Alternative education | 118,417 | 58,718 | 36,002 | 15,498 |
| 1290 Designated programs | 9,522,417 | 5,336,545 | 332,891 | 932,972 |
| 1410 Summer school - elementary school | 1,081,461 | 340,946 | 6,248 | 123,991 |
| 1420 Summer school - middle school | 494,538 | 164,581 | 400 | 39,121 |
| 1430 Summer School - high school | 561,545 | 193,597 | 246,886 | 576,485 |
| 1490 Other summer school | 443,656 | 155,030 | 1,042,267 | 333,072 |
| Total Instruction | 35,143,127 | 18,483,989 | 4,852,092 | 9,007,668 |
| Support Services | | | | |
| 2110 Attendance and social work services | 5,058,585 | 3,051,495 | 49,434 | 32,877 |
| 2120 Guidance services | 719,600 | 339,810 | 262,968 | 41,365 |
| 2130 Health services | 1,721,530 | 921,428 | 13,080 | 1,945 |
| 2140 Psychological services | 1,150,607 | 731,860 | - | - |
| 2150 Speech pathology and audiology services | 674,325 | 348,953 | 75,074 | 3,500 |
| 2160 Other student treatment services | 4,000 | 1,346 | 1,559,152 | - |
| 2190 Service direction - student support services | 877,567 | 417,271 | 270 | 531,162 |
| 2210 Improvement of instruction services | 1,016,780 | 506,045 | 146,805 | 13,538 |
| 2220 Educational media services | 125,984 | 66,861 | 81,204 | 488,295 |
| 2240 Instructional staff development | 882,518 | 427,148 | 681,009 | 40,751 |
| 2410 Office of the principal services | 85,427 | 49,648 | 16,502 | 105,808 |
| 2490 Other support services - school administration | 119,234 | 69,523 | - | - |
| 2520 Fiscal services | 8,110 | 4,348 | - | - |
| 2540 Operation and maintenance of plant services | 209,422 | 117,681 | 397,566 | 735,161 |
| 2550 Student transportation services | 100,889 | 34,323 | 5,027 | 19,203 |
| 2570 Internal services | - | - | 2,324 | 146 |
| 2620 Planning and development services | - | - | 18,600 | - |
| 2630 Information services | - | - | - | 8,488 |
| 2640 Staff services | 416,535 | 228,099 | 8,671 | 8,213 |
| 2660 Technology services | 38,581 | 21,400 | 22,345 | 506,064 |
| Total Support Services | 13,209,694 | 7,337,239 | 3,340,031 | 2,536,516 |
| Enterprise and Community Services | | | | |
| 3110 Service area direction | 982,515 | 590,738 | 47,946 | 1,197,056 |
| 3120 Food preparation and dispensing services | 4,002,472 | 3,165,943 | 67,017 | 4,909,805 |
| 3140 Food services - summer school | 52,503 | 17,485 | 699 | 98,285 |
| 3190 Other food services | 77 | 26 | - | - |
| 3390 Other community services | 14,745 | 4,903 | 84,588 | 34,636 |
| Total Enterprise and Community Services | 5,052,312 | 3,779,095 | 200,250 | 6,239,782 |
| Facilities Acquisition and Construction | | | | |
| 4150 Building acquisition, construction and improvement services | 21,011 | 10,450 | 118,080 | 73,520 |
| Total Facilities Acquisition and Construction | 21,011 | 10,450 | 118,080 | 73,520 |
| Other Uses | | | | |
| 5200 Transfers of funds | - | - | - | - |
| Total Other Uses | - | - | - | - |
| TOTAL EXPENDITURES | \$ 53,426,144 | \$ 29,610,773 | \$ 8,510,453 | \$ 17,857,486 |

BEAVERTON SCHOOL DISTRICT
SPECIAL REVENUE FUNDS (200) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2022

| | Object 500 | Object 600 | Object 700 | Total |
|--|---------------------|---------------------|---------------------|-----------------------|
| Instruction | | | | |
| 1110 Elementary programs | \$ 5,000 | \$ - | \$ 969,830 | \$ 17,043,560 |
| 1120 Middle school programs | - | 2,716 | - | 5,775,438 |
| 1130 High school programs | 72,650 | 181,280 | 50,434 | 11,717,547 |
| 1140 Pre-kindergarten programs | - | - | - | 442,319 |
| 1210 Programs for talented & gifted | - | - | - | 2,738 |
| 1220 Restrictive programs | - | 1,304 | - | 2,541,341 |
| 1250 Resource rooms | - | - | - | 2,781,872 |
| 1270 Educationally disadvantaged | - | 65 | - | 6,308,056 |
| 1280 Alternative education | 7,536 | - | - | 236,171 |
| 1290 Designated programs | 48,941 | 638 | - | 16,174,404 |
| 1410 Summer school - elementary school | - | - | - | 1,552,646 |
| 1420 Summer school - middle school | - | - | - | 698,640 |
| 1430 Summer School - high school | - | - | - | 1,578,513 |
| 1490 Other summer school | - | - | - | 1,974,025 |
| | <u>134,127</u> | <u>186,003</u> | <u>1,020,264</u> | <u>68,827,270</u> |
| Total Instruction | | | | |
| Support Services | | | | |
| 2110 Attendance and social work services | - | - | - | 8,192,391 |
| 2120 Guidance services | - | 300 | - | 1,364,043 |
| 2130 Health services | - | - | - | 2,657,983 |
| 2140 Psychological services | - | - | - | 1,882,467 |
| 2150 Speech pathology and audiology services | - | - | - | 1,101,852 |
| 2160 Other student treatment services | - | - | - | 1,564,498 |
| 2190 Service direction - student support services | - | - | - | 1,826,270 |
| 2210 Improvement of instruction services | - | - | - | 1,683,168 |
| 2220 Educational media services | - | 130 | - | 762,474 |
| 2240 Instructional staff development | - | - | - | 2,031,426 |
| 2410 Office of the principal services | - | - | - | 257,385 |
| 2490 Other support services - school administration | - | - | - | 188,757 |
| 2520 Fiscal services | - | 2,570,668 | - | 2,583,126 |
| 2540 Operation and maintenance of plant services | 570,240 | - | - | 2,030,070 |
| 2550 Student transportation services | 1,527,348 | - | - | 1,686,790 |
| 2570 Internal services | - | - | - | 2,470 |
| 2620 Planning and development services | - | - | - | 18,600 |
| 2630 Information services | - | - | - | 8,488 |
| 2640 Staff services | - | - | 1,500 | 663,018 |
| 2660 Technology services | 18,557 | 90 | - | 607,037 |
| | <u>2,116,145</u> | <u>2,571,188</u> | <u>1,500</u> | <u>31,112,313</u> |
| Total Support Services | | | | |
| Enterprise and Community Services | | | | |
| 3110 Service area direction | - | 1,416 | - | 2,819,671 |
| 3120 Food preparation and dispensing services | - | 35 | - | 12,145,272 |
| 3140 Food services - summer school | - | - | - | 168,972 |
| 3190 Other food services | - | - | - | 103 |
| 3390 Other community services | - | 132 | - | 139,004 |
| | <u>-</u> | <u>1,583</u> | <u>-</u> | <u>15,273,022</u> |
| Total Enterprise and Community Services | | | | |
| Facilities Acquisition and Construction | | | | |
| 4150 Building acquisition, construction and improvement services | 5,266,724 | 10,429 | - | 5,500,214 |
| | <u>5,266,724</u> | <u>10,429</u> | <u>-</u> | <u>5,500,214</u> |
| Total Facilities Acquisition and Construction | | | | |
| Other Uses | | | | |
| 5200 Transfers of funds | - | - | 2,920,796 | 2,920,796 |
| | <u>-</u> | <u>-</u> | <u>2,920,796</u> | <u>2,920,796</u> |
| Total Other Uses | | | | |
| | <u>-</u> | <u>-</u> | <u>2,920,796</u> | <u>2,920,796</u> |
| TOTAL EXPENDITURES | <u>\$ 7,516,996</u> | <u>\$ 2,769,203</u> | <u>\$ 3,942,560</u> | <u>\$ 123,633,615</u> |

BEAVERTON SCHOOL DISTRICT
DEBT SERVICE FUNDS (300) EXPENDITURE SUMMARY
 YEAR ENDED JUNE 30, 2022

| | <u>Object 600</u> | <u>Total</u> |
|---------------------------|-----------------------------|-----------------------------|
| Other Uses | | |
| 5110 Debt service | <u>\$ 94,150,488</u> | <u>\$ 94,150,488</u> |
| Total Other Uses | <u>94,150,488</u> | <u>94,150,488</u> |
| TOTAL EXPENDITURES | <u><u>\$ 94,150,488</u></u> | <u><u>\$ 94,150,488</u></u> |

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

| | <u>Object 100</u> | <u>Object 200</u> | <u>Object 300</u> | <u>Object 400</u> |
|--|----------------------------|----------------------------|----------------------------|----------------------------|
| Support Services | | | | |
| 2510 Direction of business support services | \$ - | \$ - | \$ 75,455 | \$ - |
| 2540 Operation and maintenance of plant services | - | - | 237,372 | 39,548 |
| 2620 Planning and development services | <u>165,791</u> | <u>94,716</u> | <u>-</u> | <u>-</u> |
| Total Support Services | <u>165,791</u> | <u>94,716</u> | <u>312,827</u> | <u>39,548</u> |
| Facilities Acquisition and Construction | | | | |
| 4110 Service area direction | 3,058,158 | 1,695,291 | 17,040 | 182,077 |
| 4120 Site acquisition and development | - | - | 10,417 | 14,951 |
| 4150 Building acquisition, construction and improvement services | - | - | 2,692,035 | 2,478,454 |
| 4180 Other capital items | <u>48,037</u> | <u>32,111</u> | <u>183,391</u> | <u>2,704,612</u> |
| Total Facilities Acquisition and Construction | <u>3,106,195</u> | <u>1,727,402</u> | <u>2,902,883</u> | <u>5,380,094</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>\$ 3,271,986</u></u> | <u><u>\$ 1,822,118</u></u> | <u><u>\$ 3,215,710</u></u> | <u><u>\$ 5,419,642</u></u> |

BEAVERTON SCHOOL DISTRICT
CAPITAL PROJECTS FUNDS (400) EXPENDITURE SUMMARY (Continued)
YEAR ENDED JUNE 30, 2022

| | <u>Object 500</u> | <u>Object 600</u> | <u>Object 700</u> | <u>Total</u> |
|--|-----------------------------|--------------------------|----------------------------|-----------------------------|
| Support Services | | | | |
| 2510 Direction of business support services | \$ - | \$ - | \$ - | \$ 75,455 |
| 2540 Operation and maintenance of plant services | 19,379 | 1,426 | - | 297,725 |
| 2620 Planning and development services | - | - | - | 260,507 |
| Total Support Services | <u>19,379</u> | <u>1,426</u> | <u>-</u> | <u>633,687</u> |
| Facilities Acquisition and Construction | | | | |
| 4110 Service area direction | - | 717,751 | - | 5,670,317 |
| 4120 Site acquisition and development | 14,172,589 | 2,543 | - | 14,200,500 |
| 4150 Building acquisition, construction and improvement services | 15,713,393 | 141,830 | - | 21,025,712 |
| 4180 Other capital items | 859,377 | - | - | 3,827,528 |
| Total Facilities Acquisition and Construction | <u>30,745,359</u> | <u>862,124</u> | <u>-</u> | <u>44,724,057</u> |
| Other Uses | | | | |
| 5200 Transfers of funds | - | - | 1,209,289 | 1,209,289 |
| Total Other Uses | <u>-</u> | <u>-</u> | <u>1,209,289</u> | <u>1,209,289</u> |
| TOTAL EXPENDITURES | <u><u>\$ 30,764,738</u></u> | <u><u>\$ 863,550</u></u> | <u><u>\$ 1,209,289</u></u> | <u><u>\$ 46,567,033</u></u> |

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY
YEAR ENDED JUNE 30, 2022

| | <u>Object 100</u> | <u>Object 200</u> | <u>Object 300</u> | <u>Object 400</u> |
|--|-------------------|-------------------|-------------------|-------------------|
| Support Services | | | | |
| 2320 Executive administration services | \$ 22,681 | \$ 11,661 | \$ 90 | \$ - |
| 2520 Fiscal services | 96,065 | 54,035 | 720 | - |
| 2640 Staff services | 162,677 | 105,859 | 60,017 | - |
| 2690 Other support services | <u>549,184</u> | <u>321,349</u> | <u>641,925</u> | <u>82,147</u> |
| Total Support Services | <u>830,607</u> | <u>492,904</u> | <u>702,752</u> | <u>82,147</u> |
| TOTAL EXPENDITURES | <u>\$ 830,607</u> | <u>\$ 492,904</u> | <u>\$ 702,752</u> | <u>\$ 82,147</u> |

BEAVERTON SCHOOL DISTRICT
INTERNAL SERVICE FUNDS (600) EXPENDITURE SUMMARY (Continued)
 YEAR ENDED JUNE 30, 2022

| | <u>Object 600</u> | <u>Total</u> |
|--|---------------------|---------------------|
| Support Services | | |
| 2320 Executive administration services | \$ - | \$ 34,432 |
| 2520 Fiscal services | - | 150,820 |
| 2640 Staff services | - | 328,553 |
| 2690 Other support services | <u>4,276,629</u> | <u>5,871,234</u> |
| Total Support Services | <u>4,276,629</u> | <u>6,385,039</u> |
| TOTAL EXPENDITURES | <u>\$ 4,276,629</u> | <u>\$ 6,385,039</u> |

BEAVERTON SCHOOL DISTRICT
SUPPLEMENTAL INFORMATION AS REQUIRED BY THE OREGON DEPARTMENT OF EDUCATION
YEAR ENDED JUNE 30, 2022

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 | \$ 8,099,160 |
| Function 2550 | - |

B Replacement of Equipment - **General Fund:**
Include all General Fund expenditures in Object 542, except for the following exclusions:

| |
|------------|
| \$ 166,101 |
|------------|

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 2021-22 AND 2022-23

| | Fiscal Year | Fiscal Year |
|----------------------------|-----------------------|-----------------------|
| | 2021-22 | 2022-23 |
| <u>Resources</u> | | |
| Local Sources | \$ 198,640,100 | \$ 207,764,962 |
| Intermediate Sources | 11,736,500 | 12,853,740 |
| State Sources | 286,904,003 | 295,852,839 |
| Miscellaneous | 83,147,408 | 106,350,000 |
| Total Resources | <u>\$ 580,428,011</u> | <u>\$ 622,821,541</u> |
| <u>Expenditures</u> | | |
| Salaries | \$ 279,005,792 | \$ 297,278,053 |
| Associated Payroll Costs | 174,165,734 | 178,109,137 |
| Purchased Services | 28,940,437 | 32,495,664 |
| Supplies and Materials | 22,381,972 | 15,522,033 |
| Capital Outlay | 784,498 | 860,500 |
| Other Objects | 2,844,857 | 3,111,344 |
| Transfers | 3,426,461 | 5,182,952 |
| Other Uses of Funds | 68,878,260 | 90,261,858 |
| Total Expenditures | <u>\$ 580,428,011</u> | <u>\$ 622,821,541</u> |



STATISTICAL SECTION

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. | 121 |
| <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. | 127 |
| <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. | 131 |
| <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. | 134 |
| <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. | 136 |

Sources: The information in these schedules is derived from the comprehensive annual financial reports for fiscal years ended June 30, 2013-22, unless otherwise noted.



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

| | 2022 | 2021^a | 2020^b | 2019 | 2018 |
|---------------------------------------|------------------------|-------------------------|-------------------------|------------------------|------------------------|
| Governmental activities | | | | | |
| Net investment in capital assets | \$ 373,102,823 | \$ 363,941,382 | \$ 356,573,540 | \$ 307,682,555 | \$ 290,846,498 |
| Restricted for: | | | | | |
| Debt Service | - | - | - | 1,172,594 | - |
| Student Body & Special Programs | 5,052,084 | 4,480,627 | 3,622,843 | 3,628,068 | 3,532,119 |
| Scholarships | 453,416 | 433,033 | 377,129 | - | - |
| Unrestricted | (418,439,380) | (487,831,183) | (443,644,322) | (385,553,862) | (324,030,095) |
| Total primary government net position | <u>\$ (39,831,057)</u> | <u>\$ (118,976,141)</u> | <u>\$ (83,070,810)</u> | <u>\$ (73,070,645)</u> | <u>\$ (29,651,478)</u> |

| | 2017^c | 2016 | 2015 | 2014^d | 2013^e |
|---------------------------------------|-------------------------|----------------------|-----------------------|-------------------------|-------------------------|
| Governmental activities | | | | | |
| Net investment in capital assets | \$ 268,188,162 | \$ 262,579,965 | \$ 263,555,013 | \$ 251,817,765 | \$ 218,858,636 |
| Restricted for: | | | | | |
| Debt Service | 569,986 | 1,881,023 | 2,063,774 | 2,322,704 | 2,590,687 |
| Student Body & Special Programs | 3,178,608 | 3,379,994 | 2,866,864 | 2,943,385 | 2,732,183 |
| Scholarships | - | - | - | - | - |
| Unrestricted | (270,093,399) | (215,261,216) | (119,174,972) | (228,749,495) | (20,953,952) |
| Total primary government net position | <u>\$ 1,843,357</u> | <u>\$ 52,579,766</u> | <u>\$ 149,310,679</u> | <u>\$ 28,334,359</u> | <u>\$ 203,227,554</u> |

Note:

- ^a Fiscal year 2021 was restated due to GASB 87.
- ^b Fiscal year 2020 was restated due to GASB 84.
- ^c Fiscal year 2017 was restated due to GASB 75.
- ^d Fiscal year 2014 was restated due to GASB 68.
- ^e 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)

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|
| Expenses | | | | | |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 270,132,377 | \$ 301,704,813 | \$ 288,892,592 | \$ 279,440,871 | \$ 261,781,198 |
| Special programs | 94,507,464 | 93,251,469 | 90,491,175 | 95,302,554 | 90,816,316 |
| Summer school programs | 5,782,132 | 1,708,621 | 1,109,484 | 1,350,107 | 1,599,044 |
| Total instruction | 370,421,973 | 396,664,903 | 380,493,251 | 376,093,532 | 354,196,558 |
| Support Services: | | | | | |
| Student support services | 59,059,795 | 58,409,842 | 51,821,053 | 48,475,828 | 43,245,977 |
| Instructional staff support | 17,218,227 | 16,446,478 | 17,777,675 | 21,880,138 | 21,579,054 |
| General administration support | 2,500,741 | 2,676,096 | 2,693,105 | 2,293,158 | 2,233,419 |
| School administration | 37,832,998 | 43,089,145 | 40,686,686 | 38,378,126 | 36,716,727 |
| Business support services | 68,887,798 | 66,107,841 | 67,425,522 | 65,984,943 | 62,356,966 |
| Central activities support | 26,176,314 | 30,977,881 | 29,615,964 | 27,475,179 | 24,743,049 |
| Supplemental retirement | - | - | - | - | 9,830 |
| Total support services | 211,675,873 | 217,707,283 | 210,020,005 | 204,487,372 | 190,885,022 |
| Enterprise and Community Services: | | | | | |
| Food services | 14,940,601 | 13,225,696 | 14,989,398 | 15,965,965 | 14,889,225 |
| Community services | 138,439 | 210,475 | 77,473 | 7,829 | 15,453 |
| Custody and care of children services | - | 2,376,891 | - | - | - |
| Total enterprise and community services: | 15,079,040 | 15,813,062 | 15,066,871 | 15,973,794 | 14,904,678 |
| Interest on long-term debt | 37,710,251 | 42,847,357 | 9,742,394 | 36,313,634 | 34,035,456 |
| Total primary government expenses | 634,887,137 | 673,032,605 | 615,322,521 | 632,868,332 | 594,021,714 |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Charges for services | | | | | |
| Instruction | 4,598,960 | 1,693,119 | 4,499,211 | 5,428,180 | 5,270,449 |
| Support Services | 1,021,684 | 566,836 | 1,321,345 | 1,251,795 | 1,562,046 |
| Enterprise and community services | 131,072 | - | 3,633,227 | 5,478,412 | 4,884,146 |
| Operating grants and contributions | 118,995,924 | 63,896,255 | 38,950,024 | 41,978,368 | 37,291,667 |
| Capital grants and contributions | 1,180,349 | 312,280 | 314,535 | 622,611 | 472,169 |
| Total primary government program revenues | 125,927,989 | 66,468,490 | 48,718,342 | 54,759,366 | 49,480,477 |
| Net (Expense)/Revenue | | | | | |
| Total primary government net expense | \$ (508,959,148) | \$ (606,564,115) | \$ (566,604,179) | \$ (578,108,966) | \$ (544,541,237) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Property taxes levied for general purposes | \$ 156,112,692 | \$ 150,517,521 | \$ 143,814,106 | \$ 137,034,319 | \$ 128,140,820 |
| Local option taxes levied for general purposes | 37,407,459 | 35,807,436 | 34,194,060 | 33,330,338 | 31,005,163 |
| Property taxes levied for debt service | 70,141,350 | 67,493,267 | 60,651,036 | 62,457,809 | 58,897,201 |
| Construction excise tax | 2,110,725 | 2,780,732 | 2,465,595 | 3,391,946 | 3,217,459 |
| State school fund - general support | 287,550,313 | 285,817,276 | 281,611,303 | 257,695,444 | 258,157,569 |
| Common school fund | 4,613,181 | 4,534,297 | 4,036,355 | 4,499,398 | 4,191,413 |
| Unrestricted state and local sources | 16,850,583 | 16,099,070 | 15,954,525 | 15,218,199 | 17,260,645 |
| Earnings on investments | 706,117 | 1,028,129 | 6,728,554 | 12,172,451 | 4,943,574 |
| Gain on sale of capital asset | 79,088 | 487,858 | 382,800 | 284,741 | 298,016 |
| Miscellaneous | 11,310,623 | 6,093,198 | 6,388,551 | 8,605,154 | 6,934,542 |
| Total primary government | 586,882,131 | 570,658,784 | 556,226,885 | 534,689,799 | 513,046,402 |
| Change in Net Position | | | | | |
| Total primary government | \$ 77,922,983 | \$ (35,905,331) | \$ (10,377,294) | \$ (43,419,167) | \$ (31,494,835) |

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

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---|------------------|------------------|------------------|------------------|------------------|
| Expenses | | | | | |
| Governmental activities: | | | | | |
| Instruction: | | | | | |
| Regular programs | \$ 251,640,423 | \$ 278,194,402 | \$ 151,695,546 | \$ 171,453,815 | \$ 153,974,885 |
| Special programs | 81,559,619 | 85,436,319 | 52,710,940 | 62,155,870 | 60,687,497 |
| Summer school programs | 1,202,441 | 1,446,450 | 823,881 | 746,800 | 357,718 |
| Total instruction | 334,402,483 | 365,077,171 | 205,230,367 | 234,356,485 | 215,020,100 |
| Support Services: | | | | | |
| Student support services | 38,745,667 | 39,284,776 | 21,318,056 | 25,864,345 | 24,161,236 |
| Instructional staff support | 20,507,887 | 20,225,200 | 10,122,238 | 10,435,278 | 9,478,534 |
| General administration support | 2,144,094 | 2,325,564 | 1,453,617 | 1,560,440 | 1,445,588 |
| School administration | 33,442,147 | 34,893,849 | 19,465,092 | 24,474,041 | 23,217,806 |
| Business support services | 56,468,112 | 55,384,931 | 41,631,222 | 46,057,995 | 43,841,715 |
| Central activities support | 21,562,471 | 22,841,783 | 13,373,047 | 16,829,201 | 15,844,328 |
| Supplemental retirement | 39,736 | 38,011 | 100,893 | 796,395 | 1,357,685 |
| Total support services | 172,910,114 | 174,994,114 | 107,464,165 | 126,017,695 | 119,346,892 |
| Enterprise and Community Services: | | | | | |
| Food services | 14,006,876 | 15,413,542 | 11,736,797 | 12,763,646 | 12,801,512 |
| Community services | 4,571 | 12,273 | 47,469 | 138,592 | 128,385 |
| Custody and care of children services | - | - | - | - | - |
| Total enterprise and community services: | 14,011,447 | 15,425,815 | 11,784,266 | 12,902,238 | 12,929,897 |
| Interest on long-term debt | 30,307,560 | 36,159,370 | 34,413,599 | 16,163,540 | 35,719,584 |
| Total primary government expenses | 551,631,604 | 591,656,470 | 358,892,397 | 389,439,958 | 383,016,473 |
| Program Revenues | | | | | |
| Governmental activities: | | | | | |
| Charges for services | | | | | |
| Instruction | 6,031,333 | 6,964,291 | 10,217,286 | 10,098,793 | 10,003,939 |
| Support Services | 1,428,741 | 860,873 | 877,606 | 904,645 | 878,076 |
| Enterprise and community services | 4,431,211 | 4,426,767 | 4,190,202 | 4,137,738 | 4,335,594 |
| Operating grants and contributions | 30,565,670 | 28,805,495 | 28,314,126 | 29,592,463 | 26,430,911 |
| Capital grants and contributions | 361,917 | 1,226,334 | - | - | - |
| Total primary government program revenues | 42,818,872 | 42,283,760 | 43,599,220 | 44,733,639 | 41,648,520 |
| Net (Expense)/Revenue | | | | | |
| Total primary government net expense | \$ (508,812,732) | \$ (549,372,710) | \$ (315,293,177) | \$ (344,706,319) | \$ (341,367,953) |
| General Revenues and Other Changes in Net Position | | | | | |
| Governmental activities: | | | | | |
| Property taxes levied for general purposes | \$ 125,870,990 | \$ 120,530,968 | \$ 114,933,952 | \$ 110,583,679 | \$ 106,074,191 |
| Local option taxes levied for general purposes | 28,882,071 | 26,192,500 | 24,213,931 | 19,060,210 | - |
| Property taxes levied for debt service | 52,900,525 | 51,502,850 | 51,440,929 | 49,732,072 | 47,152,740 |
| Construction excise tax | 3,829,430 | 3,069,069 | 2,997,116 | 2,407,510 | 1,863,969 |
| State school fund - general support | 231,739,269 | 228,865,870 | 216,460,563 | 199,569,316 | 172,475,674 |
| Common school fund | 5,011,850 | 4,691,786 | 3,796,074 | 3,537,242 | 3,655,130 |
| Unrestricted state and local sources | 14,767,326 | 13,006,206 | 15,770,697 | 12,110,552 | 8,490,373 |
| Earnings on investments | 2,351,393 | 3,198,636 | 2,541,728 | 517,574 | 503,144 |
| Gain on sale of capital asset | 139,540 | 15,250 | 200 | 767,803 | - |
| Miscellaneous | 2,377,106 | 1,568,662 | 4,114,307 | 1,760,973 | 3,243,765 |
| Total primary government | 467,869,500 | 452,641,797 | 436,269,497 | 400,046,931 | 343,458,986 |
| Change in Net Position | | | | | |
| Total primary government | \$ (40,943,232) | \$ (96,730,913) | \$ 120,976,320 | \$ 55,340,612 | \$ 2,091,033 |

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

| | 2022 | 2021 ^a | 2020 ^a | 2019 | 2018 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| General Fund | | | | | |
| Committed | \$ 10,128,224 | \$ 6,644,557 | \$ 6,149,838 | \$ 24,369,523 | \$ 22,852,024 |
| Unassigned | 109,645,221 | 85,626,331 | 56,424,054 | 16,915,100 | 29,660,002 |
| Total General Fund | \$ 119,773,445 | \$ 92,270,888 | \$ 62,573,892 | \$ 41,284,623 | \$ 52,512,026 |
| All Other Governmental Funds | | | | | |
| Non-spendable, reported in: | | | | | |
| Nutrition Services Fund | \$ 782,432 | \$ 759,225 | \$ 836,651 | \$ 493,950 | \$ 515,050 |
| Restricted, reported in: | | | | | |
| Debt Service Fund | 3,849,042 | 2,711,616 | 2,276,890 | 3,363,872 | 561,085 |
| Capital Projects Fund | 55,276,427 | 79,487,229 | 132,786,906 | 205,728,055 | 288,305,160 |
| Student Body Fund | 5,052,084 | 4,480,627 | 3,622,843 | 3,628,068 | 3,532,119 |
| Scholarship Fund | 453,416 | 433,033 | 377,129 | - | - |
| Committed, reported in: | | | | | |
| Debt Service Fund | 3,198,029 | 1,172,355 | 44,730 | 73,778 | 1,638,504 |
| Capital Projects Fund | 12,522,993 | 11,409,466 | 8,783,219 | 6,771,418 | 8,258,658 |
| Special Purpose Fund | - | - | 926,859 | 1,754,025 | 1,110,005 |
| Categorial Fund | 4,564,663 | 1,333,208 | 1,566,476 | 2,726,046 | 2,705,099 |
| Nutrition Services Fund | 4,696,887 | 706,459 | 463,041 | 2,758,146 | 3,247,047 |
| Total Other Governmental Funds | \$ 90,395,973 | \$ 102,493,218 | \$ 151,684,744 | \$ 227,297,358 | \$ 309,872,727 |
| Total Governmental Funds | \$ 210,169,418 | \$ 194,764,106 | \$ 214,258,636 | \$ 268,581,981 | \$ 362,384,753 |

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|---------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| General Fund | | | | | |
| Committed | \$ 21,717,173 | \$ 20,852,418 | \$ 1,599,028 | \$ 789,822 | \$ 969,517 |
| Unassigned | 38,054,174 | 42,979,287 | 55,398,731 | 31,344,339 | 7,550,548 |
| Total General Fund | \$ 59,771,347 | \$ 63,831,705 | \$ 56,997,759 | \$ 32,134,161 | \$ 8,520,065 |
| All Other Governmental Funds | | | | | |
| Non-spendable, reported in: | | | | | |
| Nutrition Services Fund | \$ 287,514 | \$ 287,230 | \$ 290,613 | \$ 391,594 | \$ 346,922 |
| Restricted, reported in: | | | | | |
| Debt Service Fund | 3,380 | 764,450 | 1,245,261 | 180,468 | 595,664 |
| Capital Projects Fund | 382,060,011 | 261,642,449 | 407,078,800 | 1,555,310 | 11,918,770 |
| Student Body Fund | 3,178,608 | 3,379,994 | 2,866,864 | 2,943,385 | 2,732,183 |
| Scholarship Fund | - | - | - | - | - |
| Committed, reported in: | | | | | |
| Debt Service Fund | 2,153,717 | 2,766,289 | 2,160,737 | 1,259,156 | 1,387,645 |
| Capital Projects Fund | 4,854,576 | 3,218,712 | 3,110,890 | 3,965,378 | 2,360,010 |
| Special Purpose Fund | 1,247,371 | 838,734 | 670,848 | 588,877 | 715,269 |
| Categorial Fund | 2,534,954 | 688,591 | 631,280 | 707,232 | 1,049,292 |
| Nutrition Services Fund | 3,381,526 | 2,961,635 | 2,816,392 | 2,986,839 | 2,973,352 |
| Total Other Governmental Funds | \$ 399,701,657 | \$ 276,548,084 | \$ 420,871,685 | \$ 14,578,239 | \$ 24,079,107 |
| Total Governmental Funds | \$ 459,473,004 | \$ 340,379,789 | \$ 477,869,444 | \$ 46,712,400 | \$ 32,599,172 |

Note:

^a Fiscal year 2021 was restated due to GASB 87. 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)

| | 2022 | 2021 | 2020 | 2019 | 2018 |
|--|----------------------|------------------------|------------------------|------------------------|------------------------|
| Revenues | | | | | |
| Local sources: | | | | | |
| Property taxes | \$ 226,320,171 | \$ 218,119,523 | \$ 204,311,973 | \$ 202,636,212 | \$ 189,669,800 |
| Local option levy | 37,407,459 | 35,807,436 | 34,194,060 | 33,330,338 | 31,005,163 |
| Construction excise tax | 2,110,725 | 2,780,732 | 2,465,595 | 3,391,946 | 3,217,459 |
| Investment earnings | 692,551 | 1,010,187 | 6,691,430 | 12,046,450 | 4,843,830 |
| Charges for services | 5,381,268 | 2,246,850 | 8,790,501 | 11,767,575 | 11,407,264 |
| Services to other funds | 31,520,626 | 23,677,219 | 21,762,753 | 19,535,532 | 20,374,626 |
| Contributions and donations | 2,202,549 | 2,292,311 | 3,535,013 | 5,355,478 | 5,212,260 |
| Other local revenues | 13,137,710 | 6,469,648 | 8,227,334 | 11,113,001 | 8,933,422 |
| Intermediate sources | 14,449,154 | 12,620,904 | 12,372,470 | 12,491,150 | 12,114,483 |
| State sources | 348,415,517 | 319,547,604 | 300,638,138 | 273,870,719 | 273,744,443 |
| Federal sources | 62,302,556 | 35,643,161 | 22,747,867 | 25,888,701 | 24,170,167 |
| Total Revenues | 743,940,286 | 660,215,575 | 625,737,134 | 611,427,102 | 584,692,917 |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction | 374,168,649 | 328,538,575 | 314,700,334 | 322,031,311 | 310,493,539 |
| Support services | 212,531,656 | 181,404,463 | 179,375,571 | 180,658,052 | 170,779,264 |
| Enterprise and community services | 15,273,022 | 14,403,671 | 13,557,428 | 14,886,084 | 14,045,480 |
| Debt service | | | | | |
| Principal | 68,538,565 | 62,646,686 | 44,306,137 | 39,783,743 | 44,497,060 |
| Interest | 27,211,564 | 28,953,628 | 42,405,921 | 44,274,820 | 37,526,453 |
| Other debt service | - | - | 2,156,275 | - | - |
| Capital outlay | | | | | |
| Facilities acquisition and construction | 50,236,212 | 59,552,327 | 83,951,295 | 103,489,877 | 105,693,226 |
| Total Expenditures | 747,959,668 | 675,499,350 | 680,452,961 | 705,123,887 | 683,035,022 |
| Excess (deficiency) of Revenues over (under) Expenditures | (4,019,382) | (15,283,775) | (54,715,827) | (93,696,785) | (98,342,105) |
| Other Financing Sources (Uses) | | | | | |
| Sale of or compensation for loss of capital assets | 79,088 | 487,858 | 380,835 | 272,873 | 277,750 |
| Transfers in | 4,529,334 | 2,308,355 | 19,760,266 | 4,375,321 | 3,228,905 |
| Transfers out | (7,556,546) | (7,085,567) | (22,644,914) | (5,285,321) | (3,228,905) |
| Issuance of equipment financing | 4,697,408 | - | - | - | - |
| Issuance of leases payables | 253,309 | 78,599 | 358,390 | 531,140 | 976,104 |
| Issuance of long-term debt | 16,200,000 | - | 432,745,000 | - | - |
| Premium on long-term debt issued | - | - | - | - | - |
| Payment to refunded bond escrow agent | - | - | (430,584,224) | - | - |
| PERS UAL lump sum payment | - | - | - | - | - |
| Total Other Financing Sources (Uses) | 18,202,593 | (4,210,755) | 15,353 | (105,987) | 1,253,854 |
| Net Change in Fund Balances | \$ 14,183,211 | \$ (19,494,530) | \$ (54,700,474) | \$ (93,802,772) | \$ (97,088,251) |
| Expenditures for capital assets | \$ 48,768,475 | \$ 55,715,500 | \$ 82,221,446 | \$ 98,911,794 | \$ 107,103,467 |
| Debt service as a percentage of noncapital expenditures | 13.69% | 14.78% | 14.49% | 13.87% | 14.24% |

BEAVERTON SCHOOL DISTRICT
CHANGES IN FUND BALANCE AND DEBT SERVICE RATIO (Continued)

LAST TEN FISCAL YEARS ENDED JUNE 30

(modified accrual basis of accounting)

| | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|-----------------------|-------------------------|-----------------------|----------------------|-----------------------|
| Revenues | | | | | |
| Local sources: | | | | | |
| Property taxes | \$ 177,968,233 | \$ 171,027,470 | \$ 166,521,730 | \$ 159,534,598 | \$ 153,683,804 |
| Local option levy | 28,882,071 | 26,192,500 | 24,213,931 | 19,060,210 | - |
| Construction excise tax | 3,829,430 | 3,069,069 | 2,997,116 | 2,407,510 | 1,863,969 |
| Investment earnings | 2,279,583 | 3,153,780 | 2,512,389 | 493,400 | 479,582 |
| Charges for services | 7,467,920 | 6,261,873 | 8,208,884 | 14,459,273 | 14,533,443 |
| Services to other funds | 19,795,795 | 20,272,819 | 15,993,367 | 12,594,515 | 11,437,776 |
| Contributions and donations | 3,243,358 | 2,954,499 | 2,437,253 | 6,713,267 | 2,543,885 |
| Other local revenues | 7,814,013 | 9,097,126 | 11,377,538 | 2,107,157 | 3,104,806 |
| Intermediate sources | 10,102,679 | 10,454,984 | 14,746,576 | 10,387,971 | 6,687,868 |
| State sources | 243,417,143 | 237,573,946 | 222,399,682 | 204,829,139 | 177,953,309 |
| Federal sources | 24,406,856 | 23,887,298 | 24,331,919 | 22,879,196 | 23,887,026 |
| Total Revenues | 529,207,081 | 513,945,364 | 495,740,385 | 455,466,236 | 396,175,468 |
| Expenditures | | | | | |
| Current: | | | | | |
| Instruction | 287,283,072 | 272,408,774 | 252,459,576 | 227,532,904 | 207,207,837 |
| Support services | 155,791,952 | 142,452,087 | 131,991,858 | 118,182,184 | 111,511,979 |
| Enterprise and community services | 13,160,253 | 13,664,440 | 13,341,410 | 12,714,904 | 12,715,302 |
| Debt service | | | | | |
| Principal | 41,157,802 | 36,742,349 | 33,850,765 | 45,375,306 | 41,348,283 |
| Interest | 35,381,003 | 36,726,785 | 33,567,947 | 19,620,481 | 22,468,382 |
| Other debt service | - | 158,054 | 544,615 | - | 1,013,347 |
| Capital outlay | | | | | |
| Facilities acquisition and construction | 208,045,840 | 147,718,421 | 42,591,476 | 16,608,797 | 6,889,659 |
| Total Expenditures | 740,819,922 | 649,870,910 | 508,347,647 | 440,034,576 | 403,154,789 |
| Excess (deficiency) of Revenues over (under) Expenditures | (211,612,841) | (135,925,546) | (12,607,262) | 15,431,660 | (6,979,321) |
| Other Financing Sources (Uses) | | | | | |
| Sale of or compensation for loss of capital assets | 138,684 | 8,325 | 200 | 767,803 | 6,312 |
| Transfers in | 3,427,609 | 22,002,909 | 3,121,052 | 3,581,820 | 3,177,796 |
| Transfers out | (4,427,609) | (23,737,909) | (5,351,052) | (5,668,055) | (4,177,796) |
| Issuance of equipment financing | - | - | - | - | - |
| Issuance of leases payables | 3,447,000 | - | - | - | - |
| Issuance of long-term debt | 297,850,265 | 16,260,000 | 461,368,784 | - | 159,400,000 |
| Premium on long-term debt issued | 30,270,107 | 1,766,329 | 63,295,961 | - | 20,961,752 |
| Payment to refunded bond escrow agent | - | (17,863,763) | - | - | (179,342,751) |
| PERS UAL lump sum payment | - | - | (78,670,639) | - | - |
| Total Other Financing Sources (Uses) | 330,706,056 | (1,564,109) | 443,764,306 | (1,318,432) | 25,313 |
| Net Change in Fund Balances | \$ 119,093,215 | \$ (137,489,655) | \$ 431,157,044 | \$ 14,113,228 | \$ (6,954,008) |
| Expenditures for capital assets | \$ 203,724,073 | \$ 131,532,269 | \$ 35,461,753 | \$ 20,107,951 | \$ 7,518,248 |
| Debt service as a percentage of noncapital expenditures | 14.25% | 14.17% | 14.26% | 15.48% | 16.13% |

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 |
|--------------------|--|---|----------------------------|--------------------------------------|
| 2022 | \$ 32,541,176,670 | \$ 1,060,372,187 | 33,601,548,857 | \$ 8.030 |
| 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 |

| 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 |
|--------------------|---|--|--------------------------------|--|
| 2022 | \$ 61,241,234,050 | \$ 1,091,118,801 | \$ 62,332,352,851 | 53.91% |
| 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 |
|-------------|-----------------|--------------|----------|----------|
| 2022 | \$ 4.693 | \$ 1.250 | \$ 2.087 | \$ 8.030 |
| 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 |

Overlapping Rates:

| Fiscal Year | Portland Community | | | Tualatin Hills | | | |
|-------------|--------------------|-------------------|------------------|----------------|-------------------|-------------------------------|--|
| | College | City of Hillsboro | City of Portland | City of Tigard | Park & Recreation | Tualatin Valley Fire & Rescue | |
| 2022 | \$ 0.663 | \$ 5.387 | \$ 9.171 | \$ 3.146 | \$ 1.598 | \$ 2.116 | |
| 2021 | 0.680 | 5.387 | 8.165 | 3.134 | 1.594 | 2.117 | |
| 2020 | 0.685 | 5.387 | 7.883 | 2.852 | 1.614 | 2.073 | |
| 2019 | 0.687 | 5.387 | 7.980 | 2.863 | 1.624 | 2.084 | |
| 2018 | 0.605 | 5.387 | 7.884 | 2.871 | 1.611 | 2.078 | |
| 2017 | 0.679 | 5.387 | 7.971 | 4.967 | 1.619 | 2.098 | |
| 2016 | 0.586 | 5.387 | 7.763 | 6.283 | 1.625 | 2.108 | |
| 2015 | 0.722 | 5.387 | 7.892 | 4.178 | 1.717 | 1.891 | |
| 2014 | 0.734 | 5.387 | 7.980 | 3.376 | 1.728 | 1.906 | |
| 2013 | 0.665 | 7.541 | 7.363 | 6.350 | 1.730 | 1.915 | |

| Fiscal Year | City of Beaverton | Washington County | Metro Service District | Port of Portland | Multnomah County | NW Regional ESD |
|-------------|-------------------|-------------------|------------------------|------------------|------------------|-----------------|
| | 2022 | \$ 4.417 | \$ 3.006 | \$ 0.570 | \$ 0.701 | \$ 4.989 |
| 2021 | 4.408 | 2.956 | 0.590 | 0.070 | 4.393 | 0.154 |
| 2020 | 4.419 | 2.958 | 0.663 | 0.070 | 4.393 | 0.154 |
| 2019 | 4.426 | 2.958 | 0.473 | 0.070 | 4.393 | 0.154 |
| 2018 | 4.345 | 2.958 | 0.409 | 0.070 | 4.393 | 0.154 |
| 2017 | 4.375 | 2.959 | 0.397 | 0.070 | 4.393 | 0.154 |
| 2016 | 4.377 | 2.838 | 0.388 | 0.070 | 4.487 | 0.154 |
| 2015 | 4.377 | 2.838 | 0.459 | 0.070 | 4.491 | 0.154 |
| 2014 | 4.376 | 2.968 | 0.467 | 0.070 | 4.511 | 0.154 |
| 2013 | 4.238 | 2.970 | 0.404 | 0.070 | 5.424 | 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**

Principal Property Taxpayers - Beaverton School District

| Taxpayer | June 2022 Taxable Assessed | | % of Total Taxable Value | June 2013 Taxable Assessed | | % of Total Taxable Value |
|--------------------------------------|---------------------------------------|-------------|---|---------------------------------------|-------------|---|
| | Value | Rank | | Value | Rank | |
| Nike, Inc. | \$ 1,404,246,163 | 1 | 4.2% | \$ 386,234,533 | 1 | 1.7% |
| Maxim Intergrated Products Inc. | 148,411,520 | 5 | 0.4 | 108,396,540 | 8 | 0.5 |
| PPR Washington Square LLC | 126,766,103 | 6 | 0.4 | 112,624,281 | 7 | 0.5 |
| Beaverton LLC | 118,470,960 | 7 | 0.4 | 100,961,280 | 9 | 0.4 |
| Portland 2 LLC | 73,547,120 | 8 | 0.2 | | | |
| Providence Health & Services-Oregon | 85,648,495 | 10 | 0.3 | | | |
| MG Pallas Apartments MOS LLC ET AL | | | 0.0 | | | |
| PS Business Parks LP | | | | 112,151,006 | 4 | 0.5 |
| Bernard Properties Partnership | | | | 58,656,390 | 10 | 0.3 |
| Public Utilities | | | | | | |
| Portland General Electric Co. | 229,586,720 | 2 | 0.7 | 155,284,620 | 2 | 0.7 |
| Northwest Natural Gas | 181,879,500 | 3 | 0.5 | 126,229,500 | 6 | 0.5 |
| Comcast Corporation | 147,741,000 | 4 | 0.4 | 132,852,200 | 3 | 0.6 |
| Northwest Fiber LLC | 92,818,600 | 8 | 0.3 | | | |
| Frontier Communications | | | | 118,074,000 | 5 | 0.5 |
| Subtotal of Ten Largest Taxpayers | 2,609,116,181 | | 7.8 | 1,411,464,350 | | 6.1 |
| All Other Taxpayers | 30,992,432,676 | | 92.2 | 21,909,698,430 | | 93.9 |
| Total Assessed Value of Tax District | \$ 33,601,548,857 | | 100.0% | \$ 23,321,162,780 | | 100.0% |

Principal Property Taxpayers - Washington County

| Taxpayer | June 2022 Taxable Assessed | | % of Total Taxable Value | June 2013 Taxable Assessed | | % of Total Taxable Value |
|--------------------------------------|---------------------------------------|-------------|---|---------------------------------------|-------------|---|
| | Value | Rank | | Value | Rank | |
| Intel | \$ 1,892,355,244 | 1 | 2.5% | \$ 1,317,485,109 | 1 | 2.7% |
| Nike, Inc. | 1,450,518,012 | 2 | 2.0 | 458,134,800 | 2 | 0.9 |
| Pacific Realty Associates | 426,502,345 | 4 | 0.6 | 301,554,205 | 4 | 0.6 |
| Genentech Inc. | 281,929,300 | 7 | 0.4 | | | |
| Lam Research Corporation | 204,291,922 | 9 | 0.3 | | | |
| BV Cen tercall LLC | | | 0.0 | | | |
| Fred Meyer Stores, Inc | | | | 149,532,916 | 8 | 0.3 |
| Maxim Intergrated Products Inc. | | | | 142,776,738 | 9 | 0.3 |
| PS Business Parks LP | | | | 112,151,006 | 10 | 0.2 |
| Public Utilities | | | | | | |
| Portland General Electric Co. | 951,592,080 | 3 | 1.3 | 430,132,692 | 3 | 0.9 |
| Northwest Natural Gas | 430,076,890 | 5 | 0.6 | 303,517,250 | 5 | 0.6 |
| Verizon Communications | 338,930,000 | 6 | 0.5 | | | |
| Comcast Corporation | 267,644,000 | 8 | 0.4 | 247,208,700 | 6 | 0.5 |
| Northwest Fiber LLC | 195,724,800 | 10 | 0.3 | | | |
| Frontier Communications | | | | 250,268,000 | 7 | 0.5 |
| Subtotal of Ten Largest Taxpayers | 6,439,564,593 | | 8.7 | 3,712,761,416 | | 7.5 |
| All Other Taxpayers | 67,932,349,712 | | 91.3 | 45,642,897,659 | | 92.5 |
| Total Assessed Value of Tax District | \$ 74,371,914,305 | | 100.0% | \$ 49,355,659,075 | | 100.0% |

Note: Ranked based on taxes levied.

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 |
|--------------------|---|---|---------------------------|--|----------------------------------|---------------------------|
| 2022 | \$ 269,943,032 | \$ 259,650,108 | 96.19% | \$ - | \$ 259,650,108 | 96.19% |
| 2021 | 260,249,429 | 250,062,137 | 96.09 | 2,013,083 | 252,075,220 | 96.86 |
| 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 |

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 | Net General Bonded Debt | | | | | |
|-------------|-------------------------|----------------------|-------------------------------------|----------------------------------|----------|-------------------------|
| | General | Un-amortized Premium | Less Amount Available for Repayment | As Percentage of Actual Value of | | |
| | Obligation Bonds | | | General Bonded Debt | Property | Per Capita ^a |
| 2022 | \$ 713,350 | \$ 29,576 | \$ - | \$ 742,926 | 1.192% | \$ 2,610 |
| 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 |

| Fiscal Year | Total Debt | | | | | | | |
|-------------|-------------------------------|------------------|------------------------------------|--------|------------|--------------------------------|---------------|--|
| | Pension | FFC | Equipment | Lease | Primary | As Percentage of Taxable Value | As Percentage | |
| | Obligation Bonds ^b | Obligation Bonds | Financing Obligations ^c | | | | Government | Percentage of Personal Income ^a |
| 2022 | \$ 146,725 | \$ 30,448 | \$ 3,523 | \$ 944 | \$ 924,566 | 2.852% | n/a | \$ 3,248 |
| 2021 | 162,825 | 15,305 | - | 1,054 | 978,805 | 3.155 | n/a | 3,289 |
| 2020 | 177,630 | 16,050 | - | 1,292 | 1,048,223 | 3.379 | 2.599% | 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 |

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.

^c Equipment Financing included in Lease Obligations prior to the GASB 87 implemented in 2022.

BEAVERTON SCHOOL DISTRICT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
AS OF JUNE 30, 2022

| Governmental Unit | Net Property-Tax Backed Debt Outstanding ^a | Percent Within School District | Estimated Share of Direct and Overlapping Debt ^b |
|---|---|-----------------------------------|---|
| Metro | \$ 873,470,000 | 15.42% | \$ 134,715,278 |
| Portland Community College | 496,110,000 | 19.38 | 96,161,001 |
| Washington County | 181,868,051 | 47.78 | 86,810,504 |
| Tualatin Hills Park and Recreation District | 54,782,795 | 97.06 | 53,171,578 |
| City of Beaverton | 31,357,988 | 98.38 | 30,849,738 |
| Tualatin Valley Fire and Rescue | 60,075,000 | 48.48 | 29,126,523 |
| City of Hillsboro | 66,260,000 | 11.98 | 7,940,267 |
| City of Tigard | 20,064,001 | 17.93 | 3,596,894 |
| Multnomah County | 627,742,035 | 0.10 | 608,282 |
| City of Portland | 407,674,643 | 0.10 | 405,229 |
| Hillsboro School District-Washington Cty SD 1J | 529,453,543 | 0.01 | 54,534 |
| Subtotal, overlapping debt | | | <u>443,439,828</u> |
| Beaverton School District, direct debt ^c | | | <u>924,566,749</u> |
| Total direct and overlapping debt | | | <u>\$ 1,368,006,577</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 | | Total Net Debt Applicable to the Limit as a Percentage of Debt | |
|-------------|------------------|---------------------|----------------------|--|--------|
| | | Applicable to Limit | Legal Debt Margin | Limit | Limit |
| 2022 | \$ 4,955,422,052 | \$ 713,350,000 | \$ 4,242,072,052 | | 14.40% |
| 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 |

Legal Debt Margin Calculation for Fiscal Year 2022

| | | |
|---|-------------------|--------------------------------|
| Real Market Value | \$ 62,332,352,851 | |
| Debt Limit (7.95% of Real Market Value ¹) | | \$ 4,955,422,052 |
| Debt Applicable to Limit | | <u>713,350,000</u> |
| Legal Debt Margin | | <u><u>\$ 4,242,072,052</u></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 | <u>3.00%</u> |
| Allowable Percentage | <u><u>7.95%</u></u> |

BEAVERTON SCHOOL DISTRICT
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN CALENDAR YEARS

| Calendar Year | Population ^a | Personal Income ^b | Per Capita | Unemployment Rate ^c |
|---------------|-------------------------|------------------------------|----------------------------|--------------------------------|
| | <i>Estimated</i> | <i>(in thousands)</i> | Personal Income | <i>(Washington County)</i> |
| 2022 | 284,669 | n/a | n/a | n/a |
| 2021 | 297,638 | n/a | n/a | 4.4% |
| 2020 | 294,437 | \$ 40,333,177 | \$ 66,831 | 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 |

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, 2021 | Rank | % of Total Employment | December 31, 2012 | Rank | % of Total Employment |
| Ten Largest Employers | | | | | | |
| Intel Corp. | 21,000 | 1 | 1.65% | 16,250 | 1 | 1.46% |
| Providence Health Services | 21,000 | 2 | 1.65 | 14,389 | 2 | 1.30 |
| Oregon Health & Science University | 18,048 | 3 | 1.42 | 13,733 | 4 | 1.24 |
| Nike Inc. | 13,964 | 4 | 1.10 | 7,000 | 9 | 0.63 |
| Legacy Health | 13,120 | 5 | 1.03 | 9,662 | 6 | 0.87 |
| Kaiser Permanente | 11,163 | 6 | 0.88 | 9,195 | 7 | 0.83 |
| Fred Meyer Stores | 9,525 | 7 | 0.75 | 10,389 | 5 | 0.94 |
| Portland Public Schools | 6,847 | 8 | 0.54 | 6,544 | 10 | 0.59 |
| City of Portland | 6,635 | 9 | 0.52 | 8,951 | 8 | 0.81 |
| Multnomah County | 5,096 | 10 | 0.40 | | | |
| US Federal Government | | | | 13,900 | 3 | 1.25 |
| Subtotal of Ten Largest Employers | 126,398 | | 9.91 | 110,013 | | 9.92 |
| All Other Employers | 1,148,724 | | 90.09 | 999,286 | | 90.08 |
| Total Portland PMSA¹ Employment | 1,275,122 | | 100.00% | 1,109,299 | | 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

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 |
|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| <u>Instruction</u> | | | | | | | | | | |
| Certified | 1,690.9 | 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 |
| Support | 121.1 | 113.4 | 118.0 | 125.0 | 136.1 | 131.7 | 127.3 | 103.0 | 109.3 | 98.5 |
| <u>Special Programs</u> | | | | | | | | | | |
| Certified | 478.8 | 403.9 | 394.3 | 448.7 | 456.2 | 442.9 | 420.9 | 413.0 | 383.9 | 393.4 |
| Support | 206.1 | 190.0 | 216.0 | 249.2 | 258.9 | 260.8 | 236.1 | 228.2 | 213.8 | 225.1 |
| Administration | 0.1 | - | - | - | - | - | - | - | - | - |
| <u>Student Support Services</u> | | | | | | | | | | |
| Certified | 324.3 | 245.2 | 237.3 | 235.3 | 222.7 | 219.9 | 213.8 | 192.6 | 176.6 | 170.8 |
| Support | 129.0 | 120.8 | 115.1 | 120.7 | 112.6 | 98.2 | 85.9 | 73.6 | 66.6 | 64.4 |
| Administration | 8.8 | 6.9 | 6.9 | 7.0 | 7.0 | 6.0 | 5.0 | 4.0 | 4.0 | 3.9 |
| <u>Instructional Staff Support</u> | | | | | | | | | | |
| Certified | 53.3 | 45.6 | 47.7 | 68.3 | 62.3 | 67.8 | 52.1 | 32.0 | 20.3 | 16.3 |
| Support | 44.3 | 43.4 | 45.8 | 48.1 | 45.9 | 47.0 | 47.8 | 45.5 | 43.6 | 43.6 |
| Administration | 3.0 | 3.0 | 3.0 | 3.0 | 4.0 | 3.8 | 2.9 | 3.0 | 3.0 | 3.0 |
| <u>General Administration Support</u> | | | | | | | | | | |
| Support | 4.6 | 5.2 | 5.4 | 5.0 | 5.3 | 5.7 | 5.3 | 5.3 | 5.0 | 1.5 |
| Administration | 3.8 | 3.8 | 3.8 | 3.8 | 3.5 | 3.6 | 3.7 | 2.8 | 2.8 | 2.8 |
| <u>School Administration</u> | | | | | | | | | | |
| Certified | 10.3 | 10.7 | 8.7 | 9.7 | 11.7 | 11.3 | 9.4 | 9.2 | 12.4 | 15.2 |
| Support | 120.4 | 119.5 | 119.4 | 121.1 | 122.4 | 120.3 | 110.2 | 103.8 | 103.8 | 103.1 |
| Administration | 112.5 | 109.8 | 108.3 | 113.2 | 112.4 | 109.5 | 103.7 | 97.3 | 88.6 | 83.7 |
| <u>Business Support Services</u> | | | | | | | | | | |
| Support | | | | | | | | | | |
| General Business | 21.0 | 20.5 | 19.2 | 20.3 | 17.7 | 16.8 | 16.9 | 16.4 | 15.0 | 12.3 |
| Facilities | 258.1 | 254.3 | 262.8 | 265.5 | 257.3 | 228.8 | 214.5 | 208.9 | 201.6 | 190.5 |
| Transportation | 160.1 | 164.4 | 174.6 | 187.7 | 185.1 | 173.1 | 165.6 | 167.6 | 170.1 | 169.0 |
| Other Support | 9.7 | 10.3 | 10.3 | 9.9 | 10.6 | 9.8 | 8.4 | 7.7 | 8.8 | 8.0 |
| Administration | 4.0 | 4.3 | 4.0 | 4.7 | 5.2 | 5.2 | 5.3 | 5.3 | 4.3 | 3.7 |
| <u>Central Activities Support</u> | | | | | | | | | | |
| Certified | 6.1 | 5.1 | 5.1 | 5.2 | 4.8 | 4.6 | 5.0 | 4.5 | 4.2 | 4.5 |
| Support | 102.5 | 99.9 | 99.2 | 100.2 | 101.7 | 99.1 | 87.7 | 69.5 | 67.1 | 60.0 |
| Administration | 10.3 | 10.6 | 10.0 | 9.7 | 9.9 | 9.0 | 8.1 | 7.8 | 7.0 | 7.0 |
| <u>Food Services</u> | | | | | | | | | | |
| Support | 97.3 | 95.7 | 103.6 | 109.4 | 107.9 | 101.5 | 101.2 | 100.5 | 102.1 | 97.8 |
| Administration | 1.0 | 1.0 | 0.9 | 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 |
| Support | - | - | - | - | - | - | - | - | 1.3 | 1.1 |
| <u>Facilities Acquisition and Construction</u> | | | | | | | | | | |
| Certified | 4.7 | 4.8 | 4.8 | 5.0 | 5.0 | 5.0 | 4.2 | 1.0 | - | - |
| Support | 26.0 | 31.6 | 27.9 | 31.0 | 29.4 | 33.6 | 29.5 | 17.1 | 4.5 | 3.6 |
| Administration | 1.0 | 1.0 | 1.0 | 1.1 | 1.0 | 1.0 | 1.0 | 1.0 | 1.9 | 1.2 |
| Total | 4,013.1 | 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 |

| | Low | High | Number of Teachers |
|-------------------------------|-----------|-----------|--------------------|
| Bachelor's Range | \$ 47,748 | \$ 90,275 | 322 |
| Master's Range | 51,839 | 97,984 | 2,387 |
| Average Teacher Salary | \$ 81,364 | | |

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

Source: Beaverton School District records.

BEAVERTON SCHOOL DISTRICT
OPERATING STATISTICS
 LAST TEN FISCAL YEARS

| Fiscal Year | Enrollment | ADMw | Operating | | | Expenses ^b (in thousands) | Cost per Student | % Change | Cert. Staff ^c | Student-Certified Staff Ratio | % of Students Receiving Free or Reduced-Price Meals ^d |
|-------------|------------|--------|---|------------------|----------|---|------------------|----------|--------------------------|-------------------------------|--|
| | | | Expenditures ^a (in thousands) | Cost per Student | % Change | | | | | | |
| 2022 | 39,376 | 47,987 | \$ 601,973 | \$ 15,288 | 15.78% | \$ 747,960 | \$ 18,995 | 11.67% | 2,709 | 14.54 | 26.03% |
| 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 |

^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**

| | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 | 2013 | Average Age of Buildings (in years) |
|--------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--|
| SCHOOLS | | | | | | | | | | | |
| Elementary | | | | | | | | | | | |
| Buildings | 34 | 34 | 34 | 34 | 34 | 33 | 33 | 33 | 33 | 33 | 51 |
| Square feet ^a | 2,214 | 2,214 | 2,214 | 2,214 | 2,173 | 2,040 | 2,012 | 2,012 | 2,012 | 2,012 | |
| Capacity | 21,438 | 21,438 | 22,757 | 22,795 | 22,609 | 21,417 | 21,377 | 21,312 | 21,189 | 21,207 | |
| Enrollment ^b | 16,203 | 16,147 | 18,129 | 18,193 | 18,326 | 18,073 | 18,345 | 17,919 | 17,987 | 17,952 | |
| Percent used | 76% | 75% | 80% | 80% | 81% | 84% | 86% | 84% | 85% | 85% | |
| Middle | | | | | | | | | | | |
| Buildings | 9 | 9 | 9 | 9 | 9 | 8 | 8 | 8 | 8 | 8 | 42 |
| Square feet ^a | 1,192 | 1,192 | 1,192 | 1,192 | 1,183 | 1,017 | 1,017 | 1,017 | 1,017 | 1,017 | |
| Capacity | 8,258 | 8,258 | 8,373 | 8,373 | 8,366 | 8,394 | 8,520 | 8,394 | 8,254 | 8,254 | |
| Enrollment | 8,922 | 7,015 | 7,656 | 7,663 | 7,623 | 9,356 | 9,200 | 9,067 | 8,870 | 8,842 | |
| Percent used | 108% | 85% | 91% | 92% | 91% | 111% | 108% | 108% | 107% | 107% | |
| High | | | | | | | | | | | |
| Buildings | 10 | 10 | 10 | 10 | 10 | 9 | 9 | 9 | 9 | 9 | 54 |
| Square feet ^a | 2,025 | 2,025 | 1,929 | 1,929 | 1,999 | 1,669 | 1,653 | 1,653 | 1,653 | 1,665 | |
| Capacity | 15,110 | 15,110 | 14,994 | 14,994 | 15,508 | 12,428 | 12,322 | 12,306 | 12,302 | 12,374 | |
| Enrollment ^c | 12,498 | 13,126 | 13,302 | 13,035 | 13,506 | 11,801 | 11,588 | 11,405 | 11,262 | 11,227 | |
| Percent used | 83% | 87% | 89% | 87% | 87% | 95% | 94% | 93% | 92% | 91% | |
| Other | | | | | | | | | | | |
| Buildings | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 38 |
| Square feet ^a | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | 41 | |
| ADMINISTRATIVE | | | | | | | | | | | |
| Buildings | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 51 |
| Square feet ^a | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | 36 | |
| TRANSPORTATION | | | | | | | | | | | |
| Garages/Buildings | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 4 | 46 |
| Buses | 284 | 291 | 284 | 291 | 299 | 310 | 311 | 357 | 318 | 317 | |

^a Square feet in thousands.

^b Elementary enrollment included all K-8.

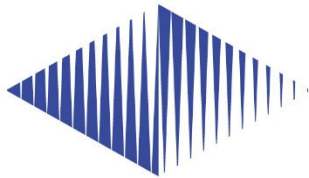
^c High school enrollment includes all 6-12 and options schools, and excludes Early College.

Source: Adopted Budget 2022-23 and District Facilities



SINGLE AUDIT SECTION

Single Audit Section



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Beaverton School District, Washington County, Oregon (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 5, 2022.

Report on 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 or significant deficiencies may exist that were not identified.

Report on 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*.

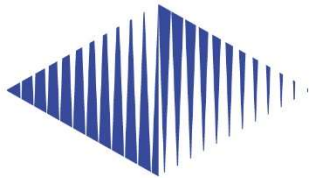
Purpose of This Report

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.

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 5, 2022



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

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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

Opinion on Each Major Federal Program

We have audited Beaverton School District (the District)'s compliance with the types of compliance requirements identified as subject to audit 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, 2022. 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.

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, 2022.

Basis for Opinion on Each Major Federal Program

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* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Beaverton School District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as

fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances 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 the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on 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 a 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 Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

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.

Grove, Mueller & Swank, P.C.

CERTIFIED PUBLIC ACCOUNTANTS

December 5, 2022

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

| Program Title | Federal Assistance | | Period Covered | Grant Amount | 2021-22 | |
|---|--------------------|----------------------------|---------------------|--------------|--------------------------|----------------------|
| | Listings Number | Pass Through Entity Number | | | Revenue and Expenditures | |
| U.S. Department of Education | | | | | | |
| Direct: | | | | | | |
| Indian Education Grants to Local Education Agencies | 84.060A | S060A192500 | 07/01/19 - 09/30/21 | \$ 23,025 | \$ | 40 |
| Indian Education Grants to Local Education Agencies | 84.060A | S060A202500 | 07/01/20 - 06/30/22 | 29,377 | | 12,060 |
| Indian Education Grants to Local Education Agencies | 84.060A | S060A212500 | 07/01/21 - 06/30/22 | 29,839 | | 20,116 |
| Total Indian Education Grants to Local Education Agencies | | | | | | <u>32,216</u> |
| Total Direct | | | | | | <u><u>32,216</u></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 | | 4,141 |
| Title I Grants to Local Educational Agencies | 84.010 | 53219 | 07/01/19 - 09/30/22 | 5,686,517 | | 12,660 |
| Title I Grants to Local Educational Agencies | 84.010 | 54321 | 07/01/19 - 09/30/21 | 44,750 | | 13,855 |
| Title I Grants to Local Educational Agencies | 84.010 | 66924 | 09/01/21 - 09/30/22 | 6,267,968 | | 4,413,575 |
| Title I Grants to Local Educational Agencies | 84.010 | 60355 | 07/01/20 - 09/30/22 | 41,170 | | 41,170 |
| Title I Grants to Local Educational Agencies | 84.010 | 65077 | 07/01/20 - 09/30/22 | 41,329 | | 41,329 |
| Title I Grants to Local Educational Agencies | 84.010 | 67938 | 07/01/21 - 09/30/23 | 40,946 | | 4,432 |
| Title I Grants to Local Educational Agencies | 84.010 | 58214 | 07/01/20 - 09/30/22 | 6,324,406 | | 1,936,508 |
| Total Title I | | | | | | <u>6,467,670</u> |
| Migrant Education | | | | | | |
| Migrant Education State Grant Program | 84.011 | 68112 | 07/01/21 - 09/30/22 | 705,504 | | 553,269 |
| Migrant Education State Grant Program | 84.011 | 57308 | 03/14/20 - 09/30/22 | 112,621 | | 14,377 |
| Migrant Education State Grant Program | 84.011 | 58929 | 07/01/20 - 09/30/23 | 660,669 | | 177,829 |
| Migrant Education State Grant Program | 84.011 | 68141 | 07/01/21 - 09/30/22 | 33,833 | | 24,455 |
| Migrant Education State Grant Program | 84.011 | 58911 | 07/01/20 - 09/30/23 | 31,822 | | 24,641 |
| Migrant Education State Grant Program | 84.011 | 66103 | 07/01/20 - 09/30/23 | 160,538 | | 88,910 |
| Migrant Education State Grant Program | 84.011 | 52835 | 07/01/19 - 09/30/22 | 575,553 | | 67,240 |
| Total Migrant Education Program | | | | | | <u>950,721</u> |
| Supporting Effective Instruction | | | | | | |
| Supporting Effective Instruction State Grants | 84.367 | 53481 | 07/01/19 - 09/30/22 | 913,135 | | 94,444 |
| Supporting Effective Instruction State Grants | 84.367 | 58712 | 07/01/20 - 09/30/23 | 1,013,500 | | 385,897 |
| Supporting Effective Instruction State Grants | 84.367 | 49258 | 07/01/18 - 09/30/21 | 948,642 | | 28,668 |
| Supporting Effective Instruction State Grants | 84.367 | 67357 | 07/01/21 - 09/30/22 | 997,704 | | 538,945 |
| Total Supporting Effective Instruction | | | | | | <u>1,047,954</u> |
| English Language Acquisition | | | | | | |
| English Language Acquisition State Grants | 84.365 | 53402 | 07/01/19 - 09/30/22 | 626,773 | | 122,492 |
| English Language Acquisition State Grants | 84.365 | 58454 | 07/01/20 - 09/30/23 | 695,939 | | 166,891 |
| English Language Acquisition State Grants | 84.365 | 67119 | 07/01/21 - 09/30/22 | 655,223 | | 109,859 |
| Total English Language Acquisition | | | | | | <u>399,242</u> |
| Career and Technical Education | | | | | | |
| Career and Technical Education - Basic Grants to States | 84.048 | 66132 | 07/01/21 - 09/30/22 | 321,050 | | 237,783 |
| Total Career and Technical Education | | | | | | <u>237,783</u> |
| COVID 19 - Education Stabilization Fund | | | | | | |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425D | 57761 | 03/13/20 - 09/30/22 | 4,681,997 | | 109,281 |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425D | 64531 | 03/13/20 - 09/30/23 | 20,656,919 | | 13,121,647 |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425D | 64836 | 03/13/20 - 09/30/24 | 46,425,044 | | 13,188,915 |
| COVID 19 - Education Stabilization Fund (ESSER) | 84.425 | 69279 | 04/23/21 - 09/30/24 | 100,453 | | 7,975 |
| Total COVID 19 - Education Stabilization Fund | | | | | | <u>26,427,818</u> |
| Special Education Cluster (IDEA) | | | | | | |
| Special Education Grants to States | 84.027 | 53755 | 07/01/19 - 09/30/21 | 6,754,982 | | 121,432 |
| Special Education Grants to States | 84.027 | 73159 | 07/01/20 - 09/30/21 | 9,341 | | 9,341 |
| Special Education Grants to States | 84.027 | 68573 | 07/01/21 - 09/30/23 | 6,364,341 | | 3,727,845 |
| Special Education Grants to States | 84.027 | 60613 | 07/01/20 - 09/30/22 | 5,906,834 | | 2,334,565 |
| Special Education Grants to States | 84.027 | 68324 | 07/01/21 - 09/30/23 | 1,686,186 | | 555,627 |
| Special Education Grants to States | 84.027 | 61413 | 07/01/20 - 09/30/21 | 255,726 | | 185,971 |
| Special Education Grants to States | 84.027 | 56600 | 07/01/19 - 09/30/21 | 107,164 | | 237 |
| Total Special Education | | | | | | <u>6,935,018</u> |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

| Program Title | Federal Assistance Listings Number | Pass Through Entity Number | Period Covered | Grant Amount | 2021-22 Revenue and Expenditures |
|---|---|-----------------------------------|-----------------------|---------------------|---|
| U.S. Department of Education (continued) | | | | | |
| Passed through Oregon Department of Education (continued) | | | | | |
| Special Education Cluster (IDEA) (continued) | | | | | |
| Special Education Preschool Grants | 84.173 | 53919 | 07/01/19 - 09/30/21 | \$ 25,167 | \$ 4,506 |
| Special Education Preschool Grants | 84.173 | 60460 | 07/01/20 - 09/30/22 | 23,829 | 23,829 |
| Special Education Preschool Grants | 84.173 | 68863 | 07/01/21 - 09/30/23 | 29,048 | 29,048 |
| Total Special Education Preschool | | | | | <u>57,383</u> |
| Total Special Education Cluster (IDEA) | | | | | <u>6,992,401</u> |
| Student Support and Academic Enrichment Program | | | | | |
| Student Support and Academic Enrichment Program | 84.424 | 58531 | 07/01/20 - 09/30/23 | 418,797 | 19,426 |
| Student Support and Academic Enrichment Program | 84.424 | 54471 | 07/01/19 - 09/30/22 | 468,596 | 39,021 |
| Student Support and Academic Enrichment Program | 84.424 | 66713 | 07/01/21 - 09/30/22 | 453,489 | 189,773 |
| Total Student Support and Academic Enrichment Program | | | | | <u>248,220</u> |
| Twenty-First Century Community Learning Centers | | | | | |
| Twenty-First Century Community Learning Centers | 84.287 | 49085 | 07/01/18 - 09/30/21 | 499,936 | 3,425 |
| Twenty-First Century Community Learning Centers | 84.287 | 61139 | 07/01/20 - 09/31/22 | 499,936 | 201,388 |
| Twenty-First Century Community Learning Centers | 84.287 | 68776 | 07/01/21 - 09/30/23 | 374,952 | 111,368 |
| Twenty-First Century Community Learning Centers | 84.287 | 54255 | 07/01/19 - 09/30/22 | 499,936 | 67,931 |
| Total Twenty-First Century Community Learning Centers | | | | | <u>384,112</u> |
| Total Passed through Oregon Department of Education: | | | | | <u>43,155,921</u> |
| Total U.S. Department of Education | | | | | <u>43,188,137</u> |
| U.S. Department of Health & Human Services | | | | | |
| Passed through Administration for Children and Families | | | | | |
| CCDF Cluster | | | | | |
| Child Care and Development Block Grant | 93.575 | 169367 | 07/01/21 - 06/30/22 | 152,784 | 33,285 |
| Total CCDF Cluster | | | | | <u>33,285</u> |
| Total U.S. Department of Health & Human Services | | | | | <u>33,285</u> |
| U.S. Department of Agriculture | | | | | |
| Passed through Oregon Department of Education: | | | | | |
| Child Nutrition Cluster | | | | | |
| School Breakfast Program | 10.553 | N/A | 07/01/21 - 06/30/22 | 2,503,705 | 2,503,705 |
| National School Lunch Program | 10.555 | N/A | 07/01/21 - 06/30/22 | 14,812,160 | 14,812,160 |
| National School Lunch Program Commodities | 10.555 | N/A | 07/01/21 - 06/30/22 | 1,162,166 | 1,162,166 |
| Summer Food Service Program for Children | 10.559 | N/A | 07/01/21 - 06/30/22 | 127,692 | 127,692 |
| Summer Food Service Program for Children Commodities | 10.559 | N/A | 07/01/21 - 06/30/22 | 33,341 | 33,341 |
| Fresh Fruits and Vegetable Program | 10.582 | 69487 | 10/01/21 - 09/30/22 | 37,000 | 36,006 |
| Fresh Fruits and Vegetable Program | 10.582 | 69488 | 10/01/21 - 09/30/22 | 27,300 | 5,107 |
| Fresh Fruits and Vegetable Program | 10.582 | 69486 | 10/01/21 - 09/30/22 | 30,850 | 22,162 |
| Total Child Nutrition Cluster | | | | | <u>18,702,339</u> |
| Child and Adult Care Food Program | 10.558 | 3402006 | 10/01/21 - 09/30/22 | 1,872 | 1,872 |
| Child and Adult Care Food Program | 10.558 | N/A | 07/01/21 - 06/30/22 | 98,065 | 98,065 |
| Total Child and Adult Food Care Program | | | | | <u>99,937</u> |
| COVID 19 - Pandemic EBT Administrative Funds | 10.649 | N/A | 07/01/21 - 06/30/22 | 5,814 | 5,814 |
| Total U.S. Department of Agriculture | | | | | <u>18,808,090</u> |
| 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 | 38,207 |
| Federal Transit - Formula Grants (Urbanized Area) | 20.507 | 367327 | 07/01/21 - 06/30/23 | 5,000 | 3,146 |
| Total Federal Transit Cluster | | | | | <u>41,353</u> |

BEAVERTON SCHOOL DISTRICT
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

| Program Title | Federal Assistance Listings Number | Pass Through Entity Number | Period Covered | Grant Amount | 2021-22 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 | 21HU1025 | 10/01/20 - 09/30/22 | \$ 243,719 | <u>\$ 85,142</u> |
| Total Highway Planning and Construction Cluster | | | | | <u>85,142</u> |
| Total U.S. Department of Transportation | | | | | <u><u>126,495</u></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 | N/A | 07/01/21 - 06/30/22 | 108,600 | <u>108,600</u> |
| Total U.S. Department of Homeland Security | | | | | <u><u>108,600</u></u> |
| U.S. Department of Treasury | | | | | |
| Passed through Washington County | | | | | |
| COVID 19 - Coronavirus Relief Fund | 21.027 | 22-0157 | 02/01/22 - 06/30/23 | 65,838 | <u>28,049</u> |
| Total U.S. Department of Treasury | | | | | <u><u>28,049</u></u> |
| National Endowment for the Humanities | | | | | |
| Passed through State of Oregon | | | | | |
| COVID 19 - State Library COVID Mini-Grants | 45.310 | COVID-19 | 04/28/21 - 08/31/21 | 9,900 | <u>9,900</u> |
| Total National Endowment for the Humanities | | | | | <u><u>9,900</u></u> |
| Total Federal Awards | | | | | <u><u>\$ 62,302,556</u></u> |

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

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, 2022. 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, 2022.

BEAVERTON SCHOOL DISTRICT
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (Continued)
FOR THE YEAR ENDED JUNE 30, 2022

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, 2022

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 |

Identification of major federal programs:

| <u>Assistance Listing Number(s)</u> | <u>Name of Federal Program or Cluster</u> |
|-------------------------------------|--|
| 84.010 | Title I Grants to Local Educational Agencies |
| 84.425 | Education Stabilization Fund |

| | |
|--|-------------|
| Dollar threshold used to distinguish between type A and type B programs: | \$1,869,077 |
| Auditee qualified as low-risk auditee? | Yes |

FINANCIAL STATEMENT FINDINGS

None.

FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.

PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None.

PRIOR YEAR FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None.



COMPLIANCE SECTION

INDEPENDENT AUDITOR’S REPORT
REQUIRED BY OREGON STATE REGULATIONS

Oregon Administrative Rules 162-10-000 through 162-10-320 incorporated in the *Minimum Standards for Audits of Oregon Municipal Corporations*, prescribed by the Secretary of State in cooperation with the Oregon State Board of Accountancy; enumerate the financial statements, schedules, and comments and disclosures required in all audit reports. The required statements and schedules are set forth in the preceding sections of this report. Required independent auditor’s report and comments and disclosures related to the audit of such statements and schedules are set forth in the following pages.





GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

475 Cottage Street NE, Suite 200, Salem, OR 97301
(503) 581-7788 • FAX (503) 581-0152 • www.gms.cpa

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, 2022, and have issued our report thereon dated December 5, 2022.

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.

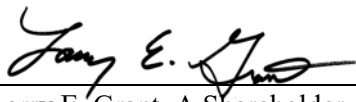
Internal Control

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
December 5, 2022



MONTHLY FINANCIAL UPDATE

BACKGROUND

Attached is the financial report as of November 30, 2022:

- General fund activity and forecast
- Summary of revenue, expenditures and encumbrances for all funds except general fund
- 2022-23 classroom teacher staffing by school as of November 30, 2022
- Portfolio management summary
- Investments by sector and group
- Investments summary by issuer - grouped by fund

NOTES:

- General Fund
 - Increased State School Fund revenue due to ODE formula adjustment for fewer ADMw state-wide.
 - Will review interest earnings and property taxes next month.
- Investments
 - Significant investments due to first capital construction bond sale

RECOMMENDATION

Staff will present the financial update for the Board to receive and discuss. No action is needed at this time.

Beaverton School District
Year-To-Date Activity and Forecast
General Fund
As of November 30, 2022
(\$ in millions)

| | Adopted Budget | Final Budget | YTD Actuals | Current Encumb. | Actuals & Encumb. | Prior Year-End Forecast |
|------------------------|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------------|
| REVENUES: | | | | | | |
| Beginning Fund Balance | \$ 105.8 | \$ 105.8 | \$ 109.6 | \$ - | \$ 109.6 | \$ 109.6 |
| State School Fund: | | | | | | |
| State School Fund | 289.8 | 289.8 | 143.9 | - | 143.9 | 290.1 |
| Property Taxes | 163.0 | 163.0 | 102.2 | - | 102.2 | 163.0 |
| Common School Fund | 4.3 | 4.3 | - | - | - | 4.3 |
| County School Fund | 1.0 | 1.0 | 0.5 | - | 0.5 | 1.0 |
| Local Option Levy | 38.2 | 38.2 | 25.1 | - | 25.1 | 38.2 |
| Investment Earnings | 0.6 | 0.6 | - | - | - | 0.6 |
| NWRESD Appointment | 11.0 | 11.0 | 5.0 | - | 5.0 | 12.0 |
| Other | 9.1 | 9.1 | 1.5 | - | 1.5 | 9.1 |
| Total | \$ 622.8 | \$ 622.8 | \$ 387.8 | \$ - | \$ 387.8 | \$ 627.9 |
| EXPENDITURES: | | | | | | |
| Salaries | \$ 297.3 | \$ 297.3 | \$ 97.0 | \$ - | \$ 97.0 | \$ 293.3 |
| Benefits | 178.1 | 178.1 | 56.7 | - | 56.7 | 176.1 |
| Purchased services | 32.5 | 32.5 | 12.0 | 14.5 | 26.5 | 32.5 |
| Supplies & materials | 15.5 | 15.5 | 4.6 | 2.2 | 6.8 | 15.5 |
| Capital outlay | 0.9 | 0.9 | 0.2 | 0.2 | 0.4 | 0.9 |
| Other | 3.1 | 3.1 | 1.9 | 0.3 | 2.2 | 3.1 |
| Transfers out | 5.2 | 5.2 | 5.2 | - | 5.2 | 5.2 |
| Contingency | 90.2 | 90.2 | - | - | - | 90.2 |
| Total | \$ 622.8 | \$ 622.8 | \$ 177.6 | \$ 17.2 | \$ 194.8 | \$ 616.8 |

| | |
|--|-----------------|
| Projected Surplus / (Deficit) from Operations | \$ (8.3) |
| Excludes beginning fund balance and contingency | |
| Projected Ending Fund Balance | \$ 101.3 |
| Projected ending fund balance percentage of actual (forecast) revenue at 6/30/2022 * | |
| | 16.1% |

| | | |
|--|----------|---------------|
| *Projected ending fund balance breakdown: | | Projected EFB |
| General Operating Fund | \$ 101.2 | 16.0% |
| Local Option Levy Fund | 0.1 | 0.1% |

| | Adopted Budget | Final Budget | YTD Actuals | Current Encumb. | Actuals & Encumb. | Year-End Forecast |
|--------------------------------|-----------------|-----------------|-----------------|-----------------|-------------------|-------------------|
| APPROPRIATIONS: | | | | | | |
| Instruction | \$ 330.4 | \$ 330.4 | \$ 102.6 | \$ 3.8 | \$ 106.4 | \$ 325.9 |
| Support Services | 194.8 | 194.8 | 68.4 | 13.1 | 81.5 | 193.3 |
| Enterprise & Community Svc | 0.3 | 0.3 | - | - | - | 0.3 |
| Facilities Acquisition & Const | 0.1 | 0.1 | - | - | - | 0.1 |
| Other Uses | 7.0 | 7.0 | 6.6 | 0.3 | 6.9 | 7.0 |
| Contingencies | 90.2 | 90.2 | - | - | - | 90.2 |
| Total | \$ 622.8 | \$ 622.8 | \$ 177.6 | \$ 17.2 | \$ 194.8 | \$ 616.8 |

Beaverton School District
Summary of Revenue, Expenditures and Encumbrances
All Funds Except General Fund
As of November 30, 2022

| Funds | Final Budget (incl Beg Fund Bal) | YTD Revenue (incl Beg Fund Bal) | YTD Expenditures (Incl transfers out) | Encumb. | YTD Expenditures & Encumb. | Percent | Fund Balance |
|----------------------------|---|--|--|----------------------|---|----------------|-----------------------|
| Student Body Fund | \$ 13,569,000 | \$ 7,433,316 | \$ 1,680,866 | \$ 500,870 | \$ 2,181,736 | 16.08% | \$ 5,251,580 |
| Categorical | 7,256,000 | 6,860,059 | 952,509 | 3,814,741 | 4,767,250 | 65.70% | 2,092,809 |
| Scholarship Fund | 515,000 | 476,201 | 42,884 | 30,000 | 72,884 | 14.15% | 403,317 |
| Grant Fund | 164,670,491 | 14,131,908 | 32,724,044 | 4,675,554 | 37,399,598 | 22.71% | (23,267,690) |
| Sustainability Fund | 16,050,000 | 12,362,860 | - | - | - | 0.00% | 12,362,860 |
| Nutrition Services Fund | 19,383,736 | 5,659,560 | 4,344,736 | 4,586,621 | 8,931,357 | 46.08% | (3,271,797) |
| Debt Service Fund | 105,760,013 | 67,319,694 | 12,961,797 | - | 12,961,797 | 12.26% | 54,357,897 |
| Capital Projects Fund | 567,095,950 | 404,956,655 | 19,158,413 | 42,116,290 | 61,274,703 | 10.80% | 343,681,952 |
| Insurance Reserve Fund | 8,151,475 | 9,042,471 | 3,035,302 | 1,057,661 | 4,092,963 | 50.21% | 4,949,508 |
| Workers' Compensation Fund | 5,944,823 | 4,801,282 | 936,353 | 80,111 | 1,016,464 | 17.10% | 3,784,818 |
| Total | \$ 908,396,488 | \$ 533,044,006 | \$ 75,836,904 | \$ 56,861,848 | \$ 132,698,752 | | \$ 400,345,254 |



**2022-23 Classroom Teacher Staffing By School
As of 11/30/2022**

| School | | | | Budgeted APU | | | | | Actual APU | | | | |
|---|---------------------|----------------------|-------------------|--------------|--------------|-------------|----------|--------------|--------------|--------------|-------------|----------|--------------|
| | Budgeted Enrollment | 9/30/2022 Enrollment | Enrollment Change | General Fund | Levy | SIA | ESSER | TOTAL | General Fund | Levy | SIA | ESSER | TOTAL |
| Aloha Huber (K-8) | 866 | 892 | 26 | 29.0 | 8.0 | 2.0 | - | 39.0 | 29.0 | 8.0 | 2.0 | - | 39.0 |
| Barnes | 506 | 478 | (28) | 16.0 | 5.0 | 1.0 | - | 22.0 | 14.2 | 5.0 | 1.0 | - | 20.2 |
| Beaver Acres | 726 | 757 | 31 | 22.0 | 7.0 | 3.0 | - | 32.0 | 22.0 | 7.0 | 3.0 | - | 32.0 |
| Bethany | 388 | 429 | 41 | 10.0 | 4.0 | 1.0 | - | 15.0 | 13.0 | 4.0 | 1.0 | - | 18.0 |
| Bonny Slope | 643 | 683 | 40 | 17.0 | 6.0 | 2.0 | - | 25.0 | 18.0 | 6.0 | 2.0 | - | 26.0 |
| Cedar Mill | 365 | 356 | (9) | 11.0 | 3.0 | 1.0 | - | 15.0 | 11.0 | 3.0 | 1.0 | - | 15.0 |
| Chehalem | 381 | 384 | 3 | 11.0 | 4.0 | 1.0 | - | 16.0 | 12.0 | 4.0 | 1.0 | - | 17.0 |
| Cooper Mountain | 414 | 412 | (2) | 10.0 | 3.0 | 2.0 | - | 15.0 | 13.0 | 3.0 | 2.0 | - | 18.0 |
| Elmonica | 462 | 418 | (44) | 14.0 | 4.0 | 2.0 | - | 20.0 | 12.0 | 4.0 | 2.0 | - | 18.0 |
| Errol Hassell | 357 | 355 | (2) | 11.0 | 3.0 | 1.0 | - | 15.0 | 11.0 | 3.0 | 1.0 | - | 15.0 |
| Findley | 484 | 527 | 43 | 13.0 | 5.0 | 1.0 | - | 19.0 | 14.0 | 5.0 | 1.0 | - | 20.0 |
| Fir Grove | 378 | 362 | (16) | 11.0 | 3.0 | 2.0 | - | 16.0 | 11.0 | 3.0 | 2.0 | - | 16.0 |
| FLEX (K-5) | 312 | 128 | (184) | 8.0 | 1.0 | 2.0 | - | 11.0 | 3.0 | 1.0 | 2.0 | - | 6.0 |
| Greenway | 289 | 278 | (11) | 9.0 | 3.0 | 1.0 | - | 13.0 | 8.0 | 3.0 | 1.0 | - | 12.0 |
| Hazeldale | 440 | 430 | (10) | 13.0 | 4.0 | 2.0 | - | 19.0 | 13.0 | 4.0 | 2.0 | - | 19.0 |
| Hiteon | 498 | 488 | (10) | 15.0 | 4.0 | 1.0 | - | 20.0 | 14.9 | 4.0 | 1.0 | - | 19.9 |
| Jacob Wismer | 593 | 592 | (1) | 17.0 | 5.0 | 1.0 | - | 23.0 | 17.0 | 5.0 | 1.0 | - | 23.0 |
| Kinnaman | 519 | 487 | (32) | 16.0 | 5.0 | 2.0 | - | 23.0 | 16.5 | 5.0 | 2.0 | - | 23.5 |
| McKay | 286 | 262 | (24) | 8.0 | 3.0 | 1.0 | - | 12.0 | 8.0 | 3.0 | 1.0 | - | 12.0 |
| McKinley | 646 | 648 | 2 | 20.0 | 6.0 | 2.0 | - | 28.0 | 20.0 | 6.0 | 2.0 | - | 28.0 |
| Montclair | 290 | 283 | (7) | 9.0 | 2.0 | 1.0 | - | 12.0 | 9.0 | 2.0 | 1.0 | - | 12.0 |
| Nancy Ryles | 507 | 507 | - | 15.0 | 5.0 | 1.0 | - | 21.0 | 15.0 | 5.0 | 1.0 | - | 21.0 |
| Oak Hills | 518 | 496 | (22) | 15.0 | 4.0 | 2.0 | - | 21.0 | 14.0 | 4.0 | 2.0 | - | 20.0 |
| Raleigh Hills (K-8) | 306 | 307 | 1 | 10.0 | 3.0 | 1.0 | - | 14.0 | 10.0 | 3.0 | 1.0 | - | 14.0 |
| Raleigh Park | 334 | 308 | (26) | 9.0 | 3.0 | 2.0 | - | 14.0 | 9.0 | 3.0 | 2.0 | - | 14.0 |
| Ridgewood | 387 | 394 | 7 | 11.0 | 4.0 | 1.0 | - | 16.0 | 13.0 | 4.0 | 1.0 | - | 18.0 |
| Rock Creek | 425 | 431 | 6 | 12.0 | 4.0 | 1.0 | - | 17.0 | 12.0 | 4.0 | 1.0 | - | 17.0 |
| Sato | 779 | 776 | (3) | 21.0 | 7.0 | 2.0 | - | 30.0 | 21.0 | 7.0 | 2.0 | - | 30.0 |
| Scholls Heights | 652 | 635 | (17) | 19.0 | 5.0 | 2.0 | - | 26.0 | 18.0 | 5.0 | 2.0 | - | 25.0 |
| Sexton Mountain | 477 | 467 | (10) | 14.0 | 4.0 | 1.0 | - | 19.0 | 14.0 | 4.0 | 1.0 | - | 19.0 |
| Springville (K-8) | 818 | 767 | (51) | 23.0 | 7.0 | 3.0 | - | 33.0 | 22.0 | 7.0 | 3.0 | - | 32.0 |
| Terra Linda | 292 | 278 | (14) | 9.0 | 2.0 | 1.0 | - | 12.0 | 9.0 | 2.0 | 1.0 | - | 12.0 |
| Vose | 718 | 707 | (11) | 23.0 | 7.0 | 2.0 | - | 32.0 | 21.9 | 7.0 | 2.0 | - | 30.9 |
| West TV | 312 | 305 | (7) | 8.0 | 3.0 | 1.0 | - | 12.0 | 8.9 | 3.0 | 1.0 | - | 12.9 |
| William Walker | 525 | 534 | 9 | 17.0 | 5.0 | 2.0 | - | 24.0 | 17.0 | 5.0 | 2.0 | - | 24.0 |
| Elementary School Total | 16,893 | 16,561 | (332) | 496.0 | 151.0 | 54.0 | - | 701.0 | 494.2 | 151.0 | 54.0 | - | 699.2 |
| Average Elementary School Staffing Ratio | | | | 34.1 | 26.1 | 24.1 | | | 33.5 | 25.7 | 23.7 | | |



2022-23 Classroom Teacher Staffing By School
As of 11/30/2022

| School | Budgeted Enrollment | 9/30/2022 Enrollment | Enrollment Change | Budgeted APU | | | | | Actual APU | | | | |
|---|---------------------|----------------------|-------------------|----------------|--------------|-------------|-------------|----------------|----------------|--------------|-------------|-------------|----------------|
| | | | | General Fund | Levy | SIA | ESSER | TOTAL | General Fund | Levy | SIA | ESSER | TOTAL |
| Cedar Park | 650 | 641 | (9) | 23.0 | 4.4 | 1.0 | 0.6 | 29.0 | 23.0 | 4.4 | 1.0 | 0.6 | 29.0 |
| Conestoga | 797 | 788 | (9) | 26.4 | 5.2 | 1.4 | 0.8 | 33.8 | 26.6 | 5.2 | 1.4 | 0.8 | 34.0 |
| Five Oaks | 762 | 767 | 5 | 27.4 | 5.6 | 1.2 | 0.8 | 35.0 | 26.4 | 5.6 | 1.2 | 0.8 | 34.0 |
| Highland Park | 658 | 669 | 11 | 21.8 | 4.2 | 1.0 | 0.6 | 27.6 | 21.9 | 4.2 | 1.0 | 0.6 | 27.7 |
| Meadow Park | 727 | 689 | (38) | 29.2 | 5.4 | 1.2 | 0.8 | 36.6 | 25.9 | 5.4 | 1.2 | 0.8 | 33.3 |
| Mountain View | 874 | 874 | - | 32.6 | 6.4 | 1.6 | 1.0 | 41.6 | 31.0 | 6.4 | 1.6 | 1.0 | 40.0 |
| Stoller | 920 | 925 | 5 | 27.4 | 5.6 | 1.2 | 1.0 | 35.2 | 28.4 | 5.6 | 1.2 | 1.0 | 36.2 |
| Tumwater | 973 | 979 | 6 | 29.2 | 5.8 | 1.4 | 1.0 | 37.4 | 29.5 | 5.8 | 1.4 | 1.0 | 37.7 |
| Whitford | 792 | 789 | (3) | 30.0 | 5.4 | 1.4 | 0.8 | 37.6 | 29.0 | 5.4 | 1.4 | - | 35.8 |
| Middle School Total | 7,153 | 7,121 | (32) | 247.0 | 48.0 | 11.4 | 7.4 | 313.8 | 241.7 | 48.0 | 11.4 | 6.6 | 307.7 |
| Average Middle School Staffing Ratio | | | | 29.0 | 24.2 | 23.3 | 22.8 | | 29.5 | 24.6 | 23.6 | 23.1 | |
| Aloha | 1,683 | 1,652 | (31) | 65.0 | 12.2 | 3.2 | - | 80.4 | 59.9 | 12.2 | 3.2 | - | 75.3 |
| Beaverton | 1,386 | 1,445 | 59 | 54.4 | 9.6 | 2.4 | - | 66.4 | 53.9 | 9.6 | 2.4 | - | 65.9 |
| Mountainside | 1,663 | 1,726 | 63 | 53.2 | 10.2 | 2.4 | - | 65.8 | 53.2 | 10.2 | 2.4 | - | 65.8 |
| Southridge | 1,462 | 1,489 | 27 | 51.0 | 9.8 | 2.6 | - | 63.4 | 50.6 | 9.8 | 2.6 | - | 63.0 |
| Sunset | 1,942 | 1,939 | (3) | 58.4 | 11.6 | 3.0 | - | 73.0 | 57.9 | 11.6 | 3.0 | - | 72.5 |
| Westview | 2,300 | 2,393 | 93 | 74.0 | 14.6 | 3.8 | - | 92.4 | 72.6 | 14.6 | 3.8 | - | 91.0 |
| High School Total | 10,436 | 10,644 | 208 | 356.0 | 68.0 | 17.4 | - | 441.4 | 348.2 | 68.0 | 17.4 | - | 433.6 |
| Average High School Staffing Ratio | | | | 29.3 | 24.6 | 23.6 | | | 30.6 | 25.6 | 24.5 | - | |
| Arts & Communication Magnet Academy (6-12) | 697 | 693 | (4) | 26.8 | 4.8 | 1.2 | - | 32.8 | 24.3 | 4.8 | 1.2 | - | 30.3 |
| Beaverton Academy of Science and Engineering (6-12) | 842 | 823 | (19) | 31.0 | 5.4 | 1.4 | - | 37.8 | 30.4 | 5.4 | 1.4 | - | 37.2 |
| Community School (9-12) | 82 | 130 | 48 | 7.2 | 1.2 | 0.4 | - | 8.8 | 6.8 | 1.2 | 0.4 | - | 8.4 |
| FLEX Online School (6-12) | 738 | 428 | (310) | 22.6 | 2.6 | 1.4 | - | 26.6 | 20.7 | 2.6 | 1.4 | - | 24.7 |
| International School of Beaverton (6-12) | 860 | 887 | 27 | 32.0 | 5.2 | 1.4 | - | 38.6 | 32.1 | 5.2 | 1.4 | - | 38.7 |
| Options Schools Total | 3,219 | 2,961 | (258) | 119.6 | 19.2 | 5.8 | - | 144.6 | 114.3 | 19.2 | 5.8 | - | 139.3 |
| Average Options Staffing Ratio | | | | 26.9 | 23.2 | 22.3 | | | 25.9 | 22.2 | 21.3 | - | |
| Address Extreme Class Size K-12 | - | - | - | 35.0 | - | - | - | 35.0 | - | - | - | - | - |
| District Total | 37,701 | 37,287 | (414) | 1,253.6 | 286.2 | 88.6 | 7.4 | 1,635.8 | 1,198.4 | 286.2 | 88.6 | 6.6 | 1,579.8 |

Note: Enrollment includes general education student projections plus specialized program students for elementary and general education student projections plus ALC, EGC, and SCC students for secondary. Classroom teachers are budgeted based on a staffing ratio found in the Staffing Allocation Methodology (SAM) on pages 209-228 in the 2022-23 Adopted Budget Document. Elementary music and PE specialists are not included in the classroom teacher allocations.

Postings for open positions are also not included in this report. This report represents actual filled positions.

Beaverton School District
Portfolio Management
Portfolio Summary
November 30, 2022

| Investments | Par Value | Market Value | Book Value | % of Portfolio | Days to Maturity | YTM |
|----------------------------------|-----------------------|-----------------------|-----------------------|----------------|------------------|--------------|
| Commercial Paper Disc. -At Cost | 29,000,000.00 | 28,698,590.00 | 28,583,735.83 | 4.31 | 105 | 4.597 |
| Federal Agency Coupon Securities | 25,000,000.00 | 24,404,750.00 | 25,034,300.00 | 3.78 | 592 | 3.079 |
| Federal Agency Disc. -At Cost | 104,500,000.00 | 102,539,065.00 | 102,499,928.61 | 15.47 | 138 | 4.114 |
| Treasury Coupon Securities | 294,800,000.00 | 279,777,906.00 | 282,976,213.63 | 42.70 | 494 | 2.989 |
| Treasury Discounts -At Cost | 81,000,000.00 | 80,651,270.00 | 80,340,525.29 | 12.12 | 38 | 3.122 |
| LGIP | 143,246,813.72 | 143,246,813.72 | 143,246,813.72 | 21.62 | 1 | 1.900 |
| Investments | 677,546,813.72 | 659,318,394.72 | 662,681,517.08 | 100.00% | 264 | 3.017 |

| Total Earnings | November 30 Month Ending | Fiscal Year To Date |
|---------------------------------|--------------------------|-----------------------|
| Current Year | 650,433.97 | 2,487,140.77 |
| Average Daily Balance | 520,752,118.78 | 488,209,231.86 |
| Effective Rate of Return | 1.52% | 1.22% |

This report of the investment portfolio is in accordance with Board Policy DFA - Investment of Funds.

Beaverton School District, Prepared By Business Office

Beaverton School District
Investments by Sector and Group
Index: Investment Policy
Limitation based on Book Value
November 30, 2022

| CUSIP | Investment # | Issuer | Maturity Date | Par Value | Book Value | Market Value | Allocation Target % | Actual % |
|--------------------------------------|--------------|-------------------------------|-----------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|
| Federal Agency | | | | | | | | |
| Federal Agricultural Mortgage | | | | | | | | |
| 31315KCV0 | 11271 | Federal Agricultural Mortgage | 03/09/2023 | 5,000,000.00 | 4,910,375.00 | 4,939,050.00 | | 0.74 |
| 31315KEP1 | 11272 | Federal Agricultural Mortgage | 04/20/2023 | 5,000,000.00 | 4,890,722.22 | 4,911,600.00 | | 0.73 |
| 31315KFZ8 | 11273 | Federal Agricultural Mortgage | 05/24/2023 | 5,000,000.00 | 4,876,625.00 | 4,890,750.00 | | 0.73 |
| | | | Subtotal | 15,000,000.00 | 14,677,722.22 | 14,741,400.00 | 35.00 | 2.21 |
| Federal Farm Credit Bank | | | | | | | | |
| 3133ENA91 | 11280 | Federal Farm Credit Bank | 07/15/2024 | 25,000,000.00 | 25,034,300.00 | 24,404,750.00 | | 3.77 |
| | | | Subtotal | 25,000,000.00 | 25,034,300.00 | 24,404,750.00 | 35.00 | 3.78 |
| Federal Home Loan Bank | | | | | | | | |
| 313385U20 | 11278 | Federal Home Loan Bank | 12/22/2022 | 5,000,000.00 | 4,944,987.50 | 4,987,700.00 | | 0.74 |
| 313385S80 | 11291 | Federal Home Loan Bank | 12/12/2022 | 3,500,000.00 | 3,468,795.56 | 3,495,310.00 | | 0.52 |
| 313385U20 | 11293 | Federal Home Loan Bank | 12/22/2022 | 2,000,000.00 | 1,989,866.67 | 1,995,080.00 | | 0.30 |
| 313384DJ5 | 11294 | Federal Home Loan Bank | 03/22/2023 | 5,000,000.00 | 4,919,750.00 | 4,931,100.00 | | 0.74 |
| 313384CD9 | 11295 | Federal Home Loan Bank | 02/21/2023 | 2,000,000.00 | 1,974,748.33 | 1,979,600.00 | | 0.29 |
| 313384DJ5 | 11296 | Federal Home Loan Bank | 03/22/2023 | 15,000,000.00 | 14,759,250.00 | 14,793,300.00 | | 2.22 |
| 313384GX1 | 11305 | Federal Home Loan Bank | 06/15/2023 | 20,000,000.00 | 19,498,197.22 | 19,512,020.00 | | 2.94 |
| 313384FQ7 | 11306 | Federal Home Loan Bank | 05/15/2023 | 10,000,000.00 | 9,790,425.00 | 9,746,850.00 | | 1.47 |
| 313384FQ7 | 11307 | Federal Home Loan Bank | 05/15/2023 | 25,000,000.00 | 24,491,625.00 | 24,367,125.00 | | 3.69 |
| | | | Subtotal | 87,500,000.00 | 85,837,645.28 | 85,808,085.00 | 35.00 | 12.95 |
| | | | Total | 127,500,000.00 | 125,549,667.50 | 124,954,235.00 | 100.00 | 18.95 |
| Corporate Indebtedness | | | | | | | | |
| Toyota Cap Corp | | | | | | | | |
| 89233HTC8 | 11301 | Toyota Cap Corp | 06/12/2023 | 5,000,000.00 | 4,851,415.28 | 4,861,800.00 | | 0.73 |
| 89233HP65 | 11309 | Toyota Cap Corp | 02/06/2023 | 19,000,000.00 | 18,844,601.11 | 18,836,790.00 | | 2.84 |
| 89233HSF2 | 11310 | Toyota Cap Corp | 05/15/2023 | 5,000,000.00 | 4,887,719.44 | 5,000,000.00 | | 0.73 |
| | | | Subtotal | 29,000,000.00 | 28,583,735.83 | 28,698,590.00 | 5.00 | 4.31 |
| | | | Total | 29,000,000.00 | 28,583,735.83 | 28,698,590.00 | 35.00 | 4.31 |
| OR Treas Local Govt Inv Pool | | | | | | | | |
| Local Government Inv Pool | | | | | | | | |
| LGIP 4010 | FUND 000 | LGIP | | 122,216,977.08 | 122,216,977.08 | 122,216,977.08 | | 18.44 |
| LGIP 5173 | FUND 300 | LGIP | | 12,195,904.85 | 12,195,904.85 | 12,195,904.85 | | 1.84 |
| LGIP 4966 | FUND 416 | LGIP | | 98,024.06 | 98,024.06 | 98,024.06 | | 0.01 |

Beaverton School District
Investments by Sector and Group
Limitation based on Book Value

| CUSIP | Investment # | Issuer | Maturity Date | Par Value | Book Value | Market Value | Allocation Target % | Actual % |
|-------------------------------------|--------------|---------------|-----------------|-----------------------|-----------------------|-----------------------|---------------------|--------------|
| OR Treas Local Govt Inv Pool | | | | | | | | |
| LGIP 4972 | FUND 417 | LGIP | | 3,471,359.30 | 3,471,359.30 | 3,471,359.30 | | 0.52 |
| LGIP 6440 | FUND 418 | LGIP | | 5,264,548.43 | 5,264,548.43 | 5,264,548.43 | | 0.79 |
| | | | Subtotal | 143,246,813.72 | 143,246,813.72 | 143,246,813.72 | 100.00 | 21.62 |
| | | | Total | 143,246,813.72 | 143,246,813.72 | 143,246,813.72 | 100.00 | 21.62 |
| US Treasuries | | | | | | | | |
| US Treasuries | | | | | | | | |
| 313384AN9 | 11298 | U.S. Treasury | 01/13/2023 | 2,000,000.00 | 1,984,561.11 | 1,989,580.00 | | 0.29 |
| 91282CCK5 | 11274 | U.S. Treasury | 06/30/2023 | 55,000,000.00 | 53,517,578.13 | 53,554,050.00 | | 8.07 |
| 91282CAP6 | 11275 | U.S. Treasury | 10/15/2023 | 50,000,000.00 | 48,253,900.00 | 48,031,500.00 | | 7.28 |
| 91282CCX7 | 11276 | U.S. Treasury | 09/15/2024 | 50,000,000.00 | 47,257,450.00 | 46,424,000.00 | | 7.13 |
| 91282CDS7 | 11277 | U.S. Treasury | 01/15/2025 | 55,000,000.00 | 52,490,625.00 | 51,298,500.00 | | 7.92 |
| 9128282N9 | 11279 | U.S. Treasury | 07/31/2024 | 15,000,000.00 | 14,746,875.00 | 14,390,700.00 | | 2.22 |
| 912828ZW3 | 11286 | U.S. Treasury | 06/30/2025 | 20,000,000.00 | 18,410,937.50 | 18,064,000.00 | | 2.77 |
| 91282CCG4 | 11287 | U.S. Treasury | 06/15/2024 | 15,000,000.00 | 14,283,300.00 | 14,014,500.00 | | 2.15 |
| 9128282D1 | 11288 | U.S. Treasury | 08/31/2023 | 10,800,000.00 | 10,599,228.00 | 10,531,296.00 | | 1.59 |
| 91282CCD1 | 11297 | U.S. Treasury | 05/31/2023 | 9,000,000.00 | 8,781,120.00 | 8,801,010.00 | | 1.32 |
| 91282CCD1 | 11299 | U.S. Treasury | 05/31/2023 | 15,000,000.00 | 14,635,200.00 | 14,668,350.00 | | 2.20 |
| 912821DK8 | 11265 | U.S. Treasury | 12/15/2022 | 19,000,000.00 | 18,830,900.00 | 18,971,690.00 | | 2.84 |
| 912796XR5 | 11282 | U.S. Treasury | 01/12/2023 | 5,000,000.00 | 4,933,393.06 | 4,977,300.00 | | 0.74 |
| 912796T33 | 11285 | U.S. Treasury | 02/23/2023 | 5,000,000.00 | 4,921,250.00 | 4,950,700.00 | | 0.74 |
| 912796YL7 | 11292 | U.S. Treasury | 03/16/2023 | 2,000,000.00 | 1,969,126.67 | 1,974,880.00 | | 0.29 |
| 912796YY9 | 11300 | U.S. Treasury | 12/13/2022 | 10,000,000.00 | 9,966,500.00 | 9,987,400.00 | | 1.50 |
| 912796XS3 | 11302 | U.S. Treasury | 01/19/2023 | 10,000,000.00 | 9,923,755.56 | 9,946,000.00 | | 1.49 |
| 912796Y60 | 11303 | U.S. Treasury | 02/21/2023 | 10,000,000.00 | 9,881,927.78 | 9,904,500.00 | | 1.49 |
| 912796R27 | 11304 | U.S. Treasury | 12/29/2022 | 20,000,000.00 | 19,913,672.22 | 19,938,800.00 | | 3.00 |
| | | | Subtotal | 377,800,000.00 | 365,301,300.03 | 362,418,756.00 | 100.00 | 55.12 |
| | | | Total | 377,800,000.00 | 365,301,300.03 | 362,418,756.00 | 100.00 | 55.12 |
| Grand Total | | | | 677,546,813.72 | 662,681,517.08 | 659,318,394.72 | | |

Beaverton School District
Summary by Issuer
November 30, 2022
Grouped by Fund

| Issuer | | Number of Investments | Par Value | Book Value | % of Portfolio | Average YTM 365 | Average Days to Maturity |
|---|--------------------------|--------------------------|-----------------------|-----------------------|-------------------|--------------------|-----------------------------|
| Fund: Pooled Cash | | | | | | | |
| | Subtotal | 11 | 250,216,977.08 | 248,606,090.69 | 37.51 | 2.916 | 43 |
| Fund: 300 Debt Service | | | | | | | |
| | Subtotal | 3 | 40,695,904.85 | 40,156,325.41 | 6.06 | 3.601 | 102 |
| Fund: 416 Capital Projects Non-Tax | | | | | | | |
| | Subtotal | 5 | 8,098,024.06 | 8,016,326.84 | 1.21 | 4.108 | 62 |
| Fund: 417 Capital Projects Taxable | | | | | | | |
| | Subtotal | 3 | 33,471,359.30 | 32,865,809.30 | 4.96 | 4.207 | 131 |
| Fund: 418 Bond Issue Fund | | | | | | | |
| | Subtotal | 18 | 345,064,548.43 | 333,036,964.84 | 50.25 | 2.911 | 466 |
| | Total and Average | 40 | 677,546,813.72 | 662,681,517.08 | 100.00 | 3.033 | 264 |



LOCAL OPTION LEVY

BACKGROUND

Beaverton schools' teacher staffing is supported by a local option levy which provides funding beyond what is provided to all Oregon schools through the State School Fund. The levy currently funds 286 teaching positions, allocated to all 54 schools in the district: 150 in Beaverton's elementary schools, 48 in middle schools, 68 in high schools and 20 in option schools. Levy revenues remain 100% in the Beaverton School District to preserve teachers and protect class sizes.

Voters approved Measure # 34-321 to the November 8, 2022 ballot to renew the levy for five years at the same tax rate of \$1.25 per \$1,000 assessed property value (not real market value). The levy will provide a projected \$39–\$43 million per year in school years 2023–24 through 2027–28, to continue to fund teaching positions, maintain class sizes and help prepare students for post-high school success.

RECOMMENDATION

Staff will provide an update on the certified election results for the local option levy renewal measure.



BONNY SLOPE–FINDLEY ELEMENTARY SCHOOLS BOUNDARY ADJUSTMENT

BACKGROUND

Pursuant to Board Policy JC, the Superintendent proposed, and the Board adopted, two Objectives to guide the study and recommendation of a boundary adjustment for Bonny Slope and Findley elementary schools. The Superintendent presents a boundary adjustment proposal for the Board's consideration.

The resident student population of the Bonny Slope Elementary School attendance area currently exceeds and is projected to continue to exceed the permanent capacity of the school building. Bonny Slope's growth in enrollment is linked to the increase in the general population within its current attendance boundary. The increase is attributable, in large part, to new residential development in the areas north of Thompson Road. These and other areas of Bonny Slope still have additional residential development capacity, which will continue to place enrollment pressure upon the school.

Findley Elementary School, located to the east of Bonny Slope, has experienced a declining enrollment since 2015, when enrollment was 826 general education students. In 2019, prior to the pandemic, Findley's enrollment was 641. Enrollment at Findley declined further in 2020 and 2021 during the pandemic. The pre-pandemic declining enrollment is likely due to the natural aging of the neighborhoods and families living within them.

In May 2022, staff presented the need for a boundary adjustment to the Bonny Slope Elementary School attendance area and recommended that the three northernmost grid codes of the attendance area be considered for reassignment to Findley Elementary School. The three grid codes are located north of Thompson Road. At the June 2022 Board meeting, the Board adopted the following objectives to help relieve potential student overcrowding at Bonny Slope:

Objective 1: Create an attendance boundary amendment that will provide overcrowding relief for Bonny Slope Elementary School for the SY 2023-24 school year.

Objective 2: To the degree feasible, balance future enrollment with each affected school's capacity.

In September 2022, staff mailed a notice of the pending attendance boundary adjustment to all property owners within the three northernmost grid codes in the Bonny Slope attendance area. Notice was also sent to all families with students attending Bonny Slope Elementary School via Parent Square. The notice informed all parties of public meetings that would be held on October 10, and October 12, 2022 concerning the proposed attendance boundary adjustment. The October 10 meeting was a virtual meeting during which all persons wanting to provide oral testimony were permitted to do so. The October 12 meeting was in person at Findley Elementary School. All interested persons were invited to attend during which time the school principal provided a description of the school's culture and an

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

The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes.

orientation of the school building. A public comment period of 18 days in October was provided to allow the community to provide written comments on the proposed attendance boundary adjustment. More than 70 community members submitted over 120 written comments to the record.

Superintendent Balderas issued his decision on the boundary adjustment on November 21, 2022. An additional public comment period was opened on November 21 and concluded on December 2, 2022. The additional public comment period was for the community to offer its feedback on the boundary decision. 50 comments were received. Superintendent Balderas has reviewed all comments and does not propose to amend the November 21 decision.

RECOMMENDATION

Staff recommend the Board consider the attached November 21, 2022 decision report. If the Board finds that its June 2022 Objectives were met, and the factors outlined in Policy JC were considered, staff recommend that in the following Board meeting in January 2023 the Board approve the boundary adjustment proposal for Bonny Slope and Findley elementary schools.

Bonny Slope – Findley Elementary Schools Boundary Adjustment
Superintendent’s Decision
(November 21, 2022)

A. Introduction

The Bonny Slope – Findley Elementary Schools Boundary Adjustment project began in June 2022 with the School Board adopting objectives for the boundary adjustment project. A public notice was mailed to all property owners in the affected grid codes of the Bonny Slope Elementary School attendance area in September 2022 with public meetings occurring on October 10 and 12, 2022. A public comment period of 18 days was provided to allow the community to provide written comments on the proposed boundary adjustment.

I want to express my appreciation to the community for their participation in this process. More than 70 community members submitted over 120 written comments to the record. All testimony has been read and considered prior to my decision.

B. Decision – Attendance Boundary Map

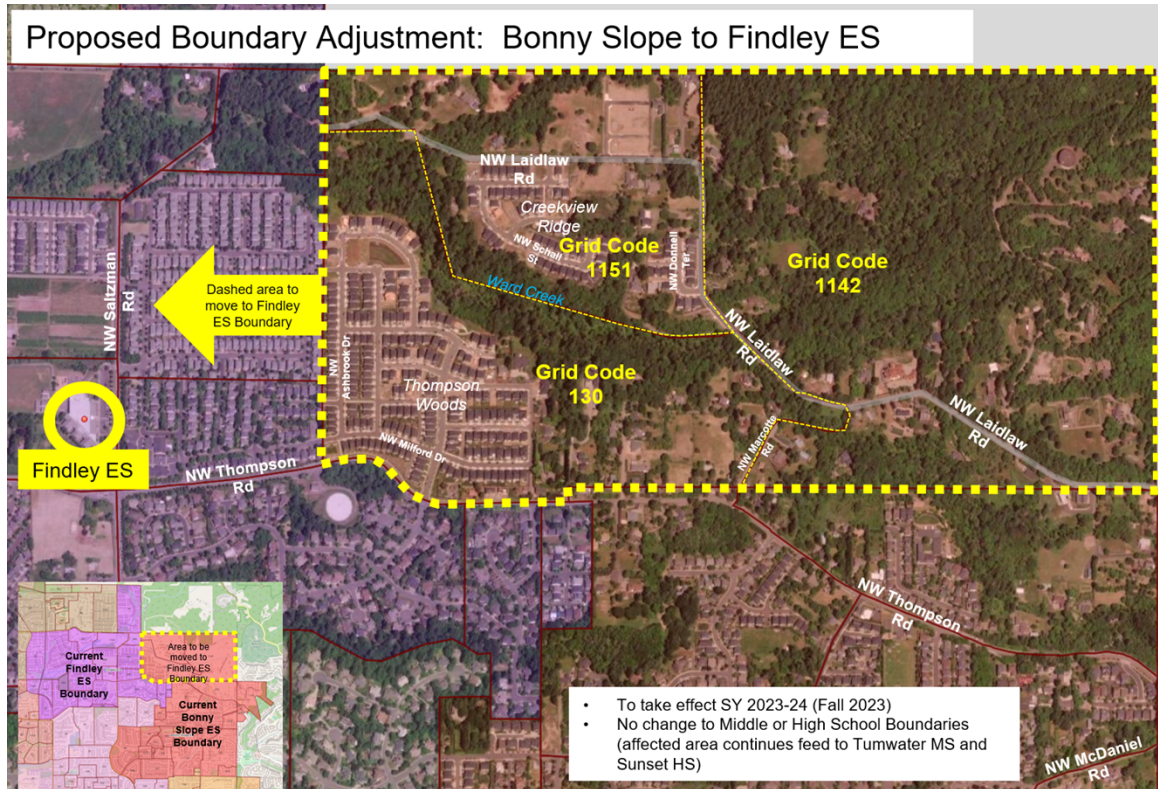
I have reviewed the record established by staff and understand the concerns and issues expressed by the community. I have consulted with district staff and have reviewed written testimony submitted to the record. I find that there are two potential options that may address the over enrollment at Bonny Slope.

Option 1 - Move three grid codes (Nos. 130, 1142, 1151) to the Findley attendance boundary as identified by staff.

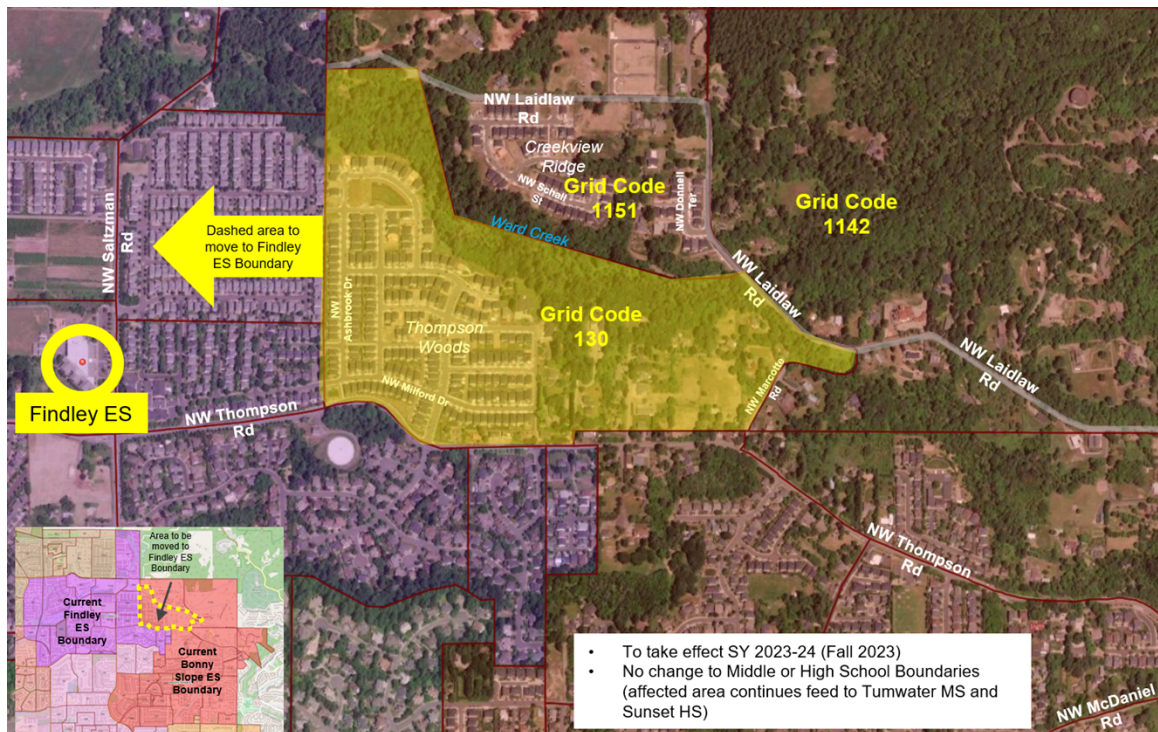
Option 2 – Move one grid code (No. 130) to the Findley attendance boundary as proposed by some members of the community

I find that the staff have provided a thorough analysis of the two options consistent with the Board’s objectives and Board Policy JC. As a result of my review of the record and staff analysis of the options, I conclude that Option 2 best meets the Board objectives and Board Policy JC. The following are my findings in determining how the Option 2 map meets the objectives and policy factors.

Map 1: Option 1 – Initial Staff Proposed Boundary Adjustment Map



Map 2: Option 2 – Superintendent's Recommended Boundary Adjustment Map



C. Board Objectives

The School Board considered draft objectives at its May 23, 2022 regular meeting and adopted its objectives at the June 21, 2022 regular meeting. The Board objectives are as follows:

1. Create an attendance boundary amendment that will provide overcrowding relief for Bonny Slope Elementary School for the 2023-2024 school year.
2. To the degree feasible, balance future enrollment with each affected school's capacity.

Findings

The key Board objective is to lower the size of the enrollment at Bonny Slope due to the capacity limitations of the school building and the inability to locate portable classrooms on the school site. Findley is a logical location for relocating Bonny Slope enrollment for several reasons as identified below in my findings for the Board Policy JC factors.

The projection for the resident student population for the Bonny Slope and Findley attendance areas for the Option 2 map may not completely address the concern with the future size of enrollment at Bonny Slope. However, the map will substantially address the concern about over enrollment at Bonny Slope and will not create a new overcrowding issue at Findley, which I believe is a potential outcome associated with the Option 1 map. The resulting capacity utilization ratios for both Bonny Slope and Findley will be substantially similar to one another in the Option 2 map.

I recommend to the School Board that the Option 2 map will meet the Board's adopted objectives.

D. Board Policy JC Factors

Board Policy JC has been adopted to address any attendance boundary adjustments. Contained within the Board Policy are four factors for evaluating boundary adjustments. The factors are of equal priority and are as follows:

- *Student body composition*
- *Current and future availability of space at a school*
- *Feeder patterns from elementary, middle to high school*
- *Neighborhood proximity and accessibility.*

Findings

1. *Student body composition*

Student body composition consists of socio-economic indicators such as Free and Reduced Lunch (FRL) eligibility numbers and other demographic indicators such as racial and ethnic identity. Eligibility for FRL at both Bonny Slope and Findley is lower than the district average, and the boundary adjustment will not alter the numbers for either school. With respect to the racial and ethnic makeup of both schools under the Option 2 map, the demographic changes for the resident students are estimated as follows:

Table 1: Estimated Demographic Impact of Option 2

| Bonny Slope ES: | Findley ES: |
|---|---|
| White students increase from 49% to 51% | White students increase from 30% to 31% |
| Asian students decline from 30% to 27% | Asian students decline from 53% to 52% |
| Minimal shifts are seen in other race/ethnic groups | Minimal shifts are seen in other race/ethnic groups |

I find that there will be minimal impact to the composition of the student bodies at both Bonny Slope and Findley as a result of the attendance boundary adjustment.

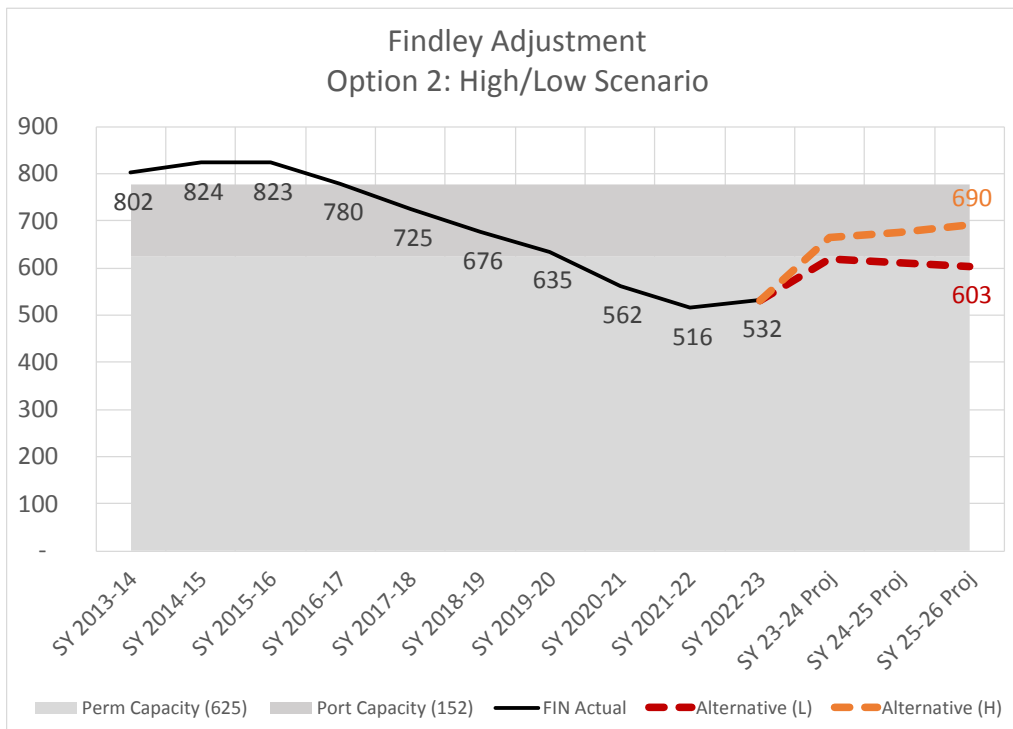
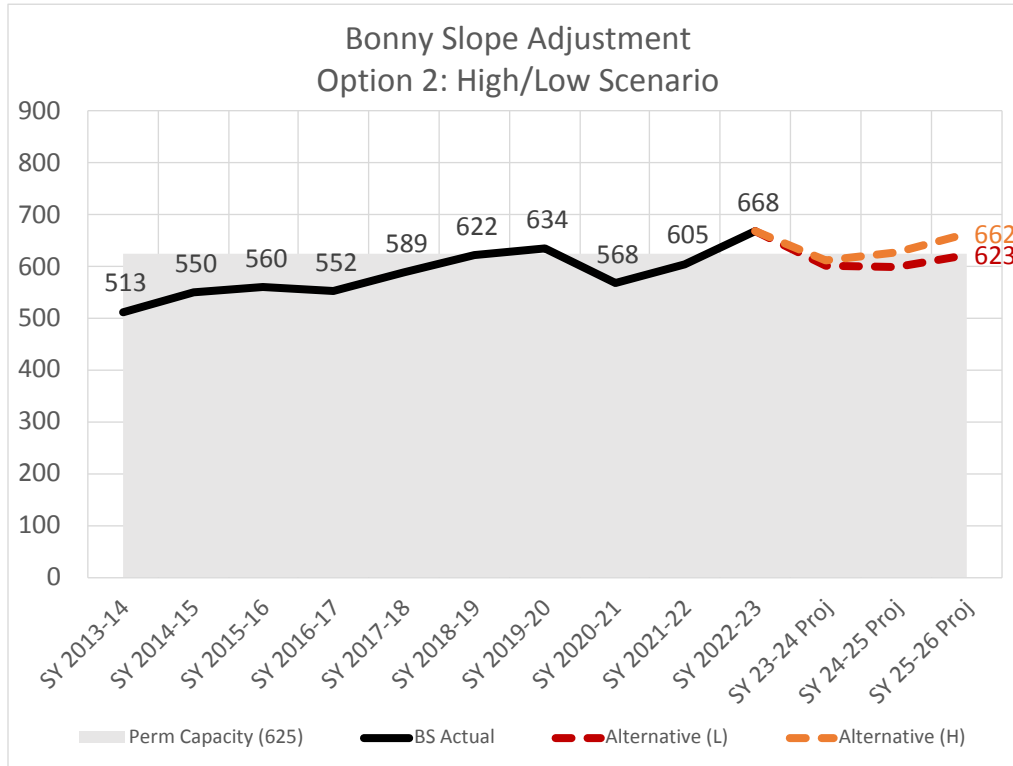
2. *Current and future availability of space at a school*

Exceeding the permanent structure capacity at Bonny Slope is a critical issue; hence, the Board's objective to reduce enrollment. I find that the new attendance boundary will reduce the current and projected overcrowding at Bonny Slope.

Graph 1 illustrates the number of resident students at Bonny Slope since SY 2013-2014. In SY 2022-2023, the number of K-5 resident students is 668. Bonny Slope has 25 general education classrooms which equates to a permanent capacity of 625 students. The resident population will be reduced to a level which will be near capacity of the building and may exceed the capacity under a high growth assumption by SY 2025-2026. However, the high growth projection can be reasonably accommodated in the building.

Graph 2 illustrates the number of resident students at Findley since SY 2013-2014. Findley has seen a rapid decline in enrollment since the high of 824 students in SY 2014-2015. This has been a result of the surrounding neighborhoods aging since their initial construction and occupation of families. The current enrollment is approximately 90 students below the permanent capacity of the building and almost 250 students below the total capacity when the existing portable classrooms are added to the total number of available seats.

Graphs 1 & 2: Actual and Projected Resident Student Population for Boundary Adjustment Option 2



E. Decision – Legacy Student Option

Extensive public comment was provided by the community concerning the scope of a legacy student program option for those students who would be impacted by the boundary adjustment. Staff have proposed that only those students who are in the 4th grade in SY 2022-2023 be eligible for legacy status. Staff have made this proposal for the following reasons:

- Students will not be subject to attending three different schools in three consecutive school years.
- The proposal would provide a substantive reduction in enrollment at Bonny Slope in SY 2023-2024.
- Special transportation route(s) will be limited to one school year.

While the staff recommendations have merit, I find it appropriate to extend the legacy program option to those students who are in the 3rd and 4th grades in SY 2022-2023 and will be in 4th and 5th grades next year. Using the current enrollment of 3rd and 4th grades at Bonny Slope as a guide, staff have estimated that the enrollment in SY 2023-2024 will exceed the capacity at Bonny Slope by as many as 40 students. I find that this condition will be acceptable since the enrollment will be approximate to Bonny Slope's pre-pandemic enrollment.

My decision to have both the current 3rd and 4th grade students be eligible for the legacy program option is unique to this attendance boundary adjustment decision due to the educational, emotional and social impacts that students have experienced as a result of the recent COVID-19 pandemic. Not all students currently enrolled at Bonny Slope will be eligible, and I understand the potential impacts that families may experience. However, the District must take immediate meaningful steps to address the over enrollment at Bonny Slope.

Bus transportation will be provided to those eligible students who opt to remain at Bonny Slope under the legacy student program. Transportation will be provided for the duration of the legacy enrollment at Bonny Slope, during SY 2023-2024 and SY 2024-2025.

Public comment also was received requesting to allow siblings of the legacy students to also be eligible for the legacy program. I have decided not to expand the legacy student program option. Expanding the legacy student program will not address the current over enrollment issue at Bonny Slope. The legacy student program is an optional program which may be chosen by families with qualifying students. If having students at two elementary school locations is problematic, that issue can be mitigated by not choosing to remain at Bonny Slope.

I have directed district staff to develop and publish materials to implement the legacy student program in January 2023 if the School Board approves the legacy student program.

F. Public Comments

As noted in this document, my decision is based on the factors specified in Board Policy JC, and the Board will make a decision on the Board objectives for this boundary adjustment process. I have reviewed all of the public comments submitted and wish to make the following observations in response to some of those comments.

The make-up and characteristics of the Beaverton School District will continue to evolve over time. Attendance boundary adjustments are a routine and normal undertaking across the district. I acknowledge the anxiety and uncertainty that exists when boundary adjustments occur in a given neighborhood. However, we must consider the impacts of imbalanced enrollments between schools. Along these lines, the Bonny Slope attendance area was one of several areas in need of a boundary adjustment in 2017. Due to prioritization of other boundary processes and the impact of the COVID-19 pandemic, the District was not able to initiate the Bonny Slope and Findley boundary adjustment until September 2022. Staff will continue to monitor the enrollment of Bonny Slope and all other schools in the district.

Public comment also expressed concerns about the utilization of portable classrooms at Findley. Findley will see a construction project in summer 2023 funded by the 2014 Bond to construct permanent floor-to-ceiling walls in the existing classroom pods. This project will create an opportunity to use more classroom spaces in the building. However, due to the enrollment size associated with the boundary adjustment, there may be a need to continue to use some of the portables. This is important to acknowledge since Bonny Slope does not have the site area to accommodate the placement of a portables. The need to use portables may exist and utilizing existing resources is a reasonable option.

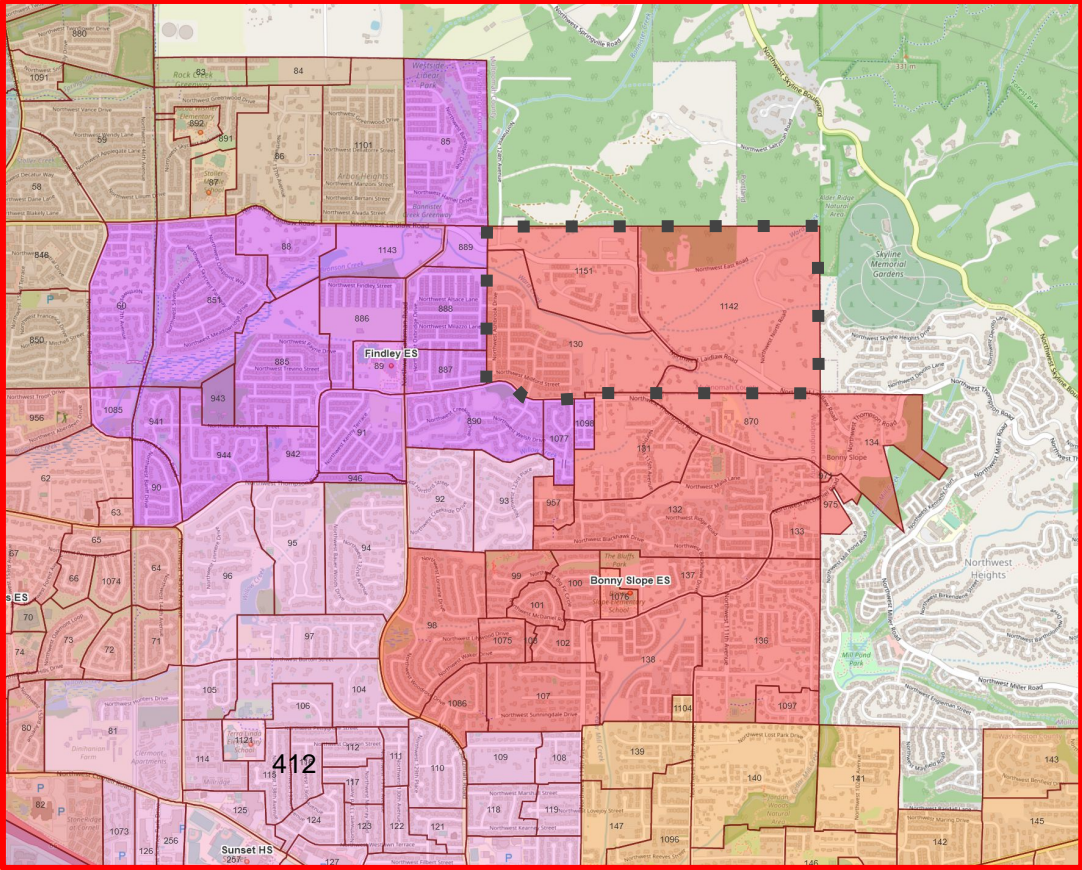
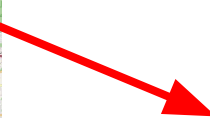
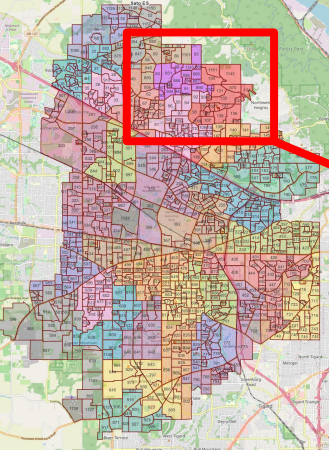
Finally, some community members suggested the room in which the Bonny Slope pre-K is located could be made into an elementary school classroom. The room in question is the Resource Room for Bonny Slope. If the District removes the pre-K program from Bonny Slope, the room will be returned to its designed purpose, not a classroom.

Bonny Slope & Findley Elementary Schools Attendance Boundary Adjustment Decision

School Board First Reading
December 12, 2022

411

Bonny Slope & Findley Elementary Boundary Study Area



Project Timeline

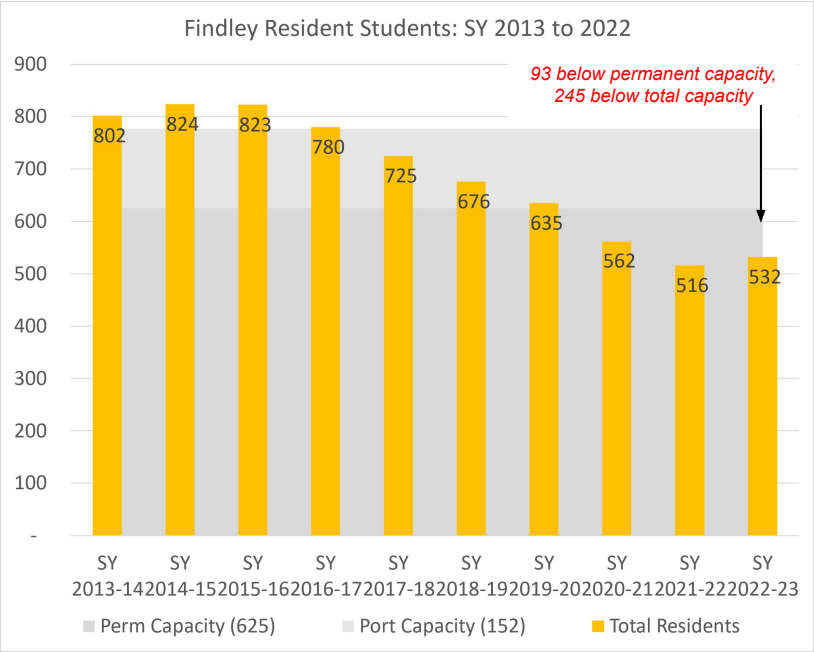
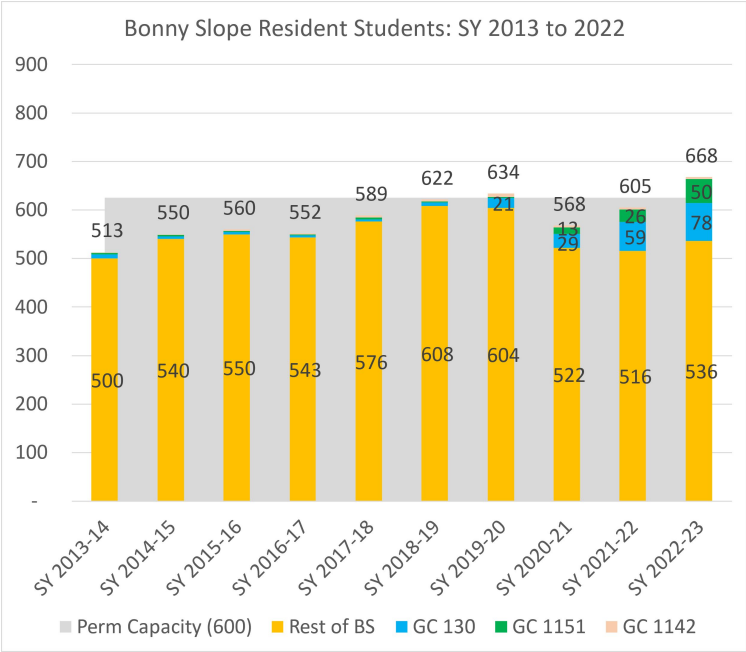
- June 21, 2022 School Board adopts Objectives for the Bonny Slope and Findley Elementary School boundary adjustment
- September: Notification letters mailed to all properties in affected area
- October 10, 2022 Virtual Community Meeting: Approximately 70 Attendees / 22 provided verbal testimony
- October 12, 2022 In-Person Findley Elementary Community Visit: Approximately 50 Attendees
- Online public comments received: 142
- Monday, November 21, 2022: Superintendent Decision Published
- Friday, December 2, 2022: Public Comment Period Closes – 50 public comments received
- School Board First Reading: December 12, 2022
- School Board Adoption: January 17th, 2023
- Legacy Enrollment: February 2023 (Becomes part of the Options Enrollment process)

413

Board Objectives

1. Create an attendance boundary amendment that will provide overcrowding relief for Bonny Slope Elementary School for the 2023-2024 school year.
2. To the degree feasible, balance future enrollment with each affected school's capacity.

Historic Resident Students in Bonny Slope & Findley Boundaries

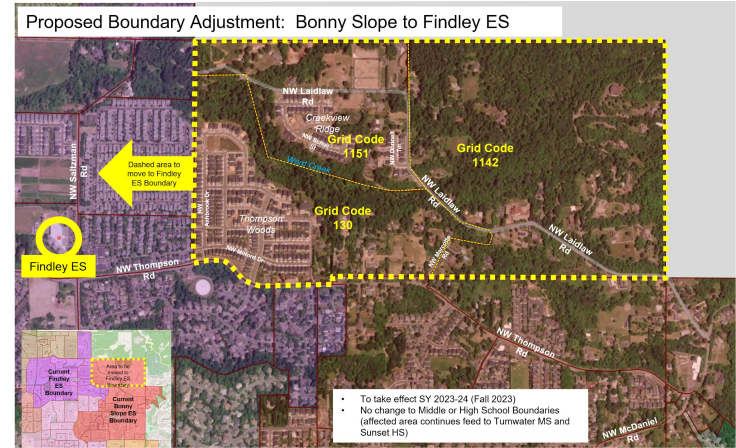


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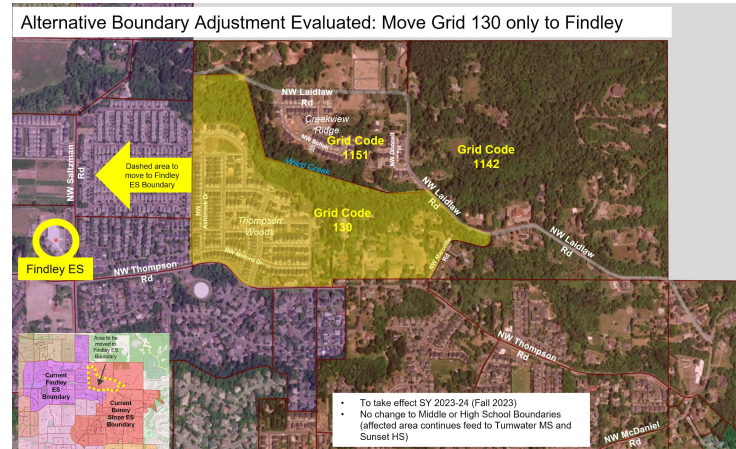
Two Options for the Boundary Adjustment

- The initial boundary adjustment proposed moving three Grid Codes from Bonny Slope to Findley (Option 1)
- Option 2 was proposed by some community members during the public input phase of the project: to move just Grid Code 130. This proposal would affect neighborhoods within an expanded Findley walk-to-school zone.
- Both options were evaluated, and **Option 2** was selected for implementation.

Staff-Proposed Option 1

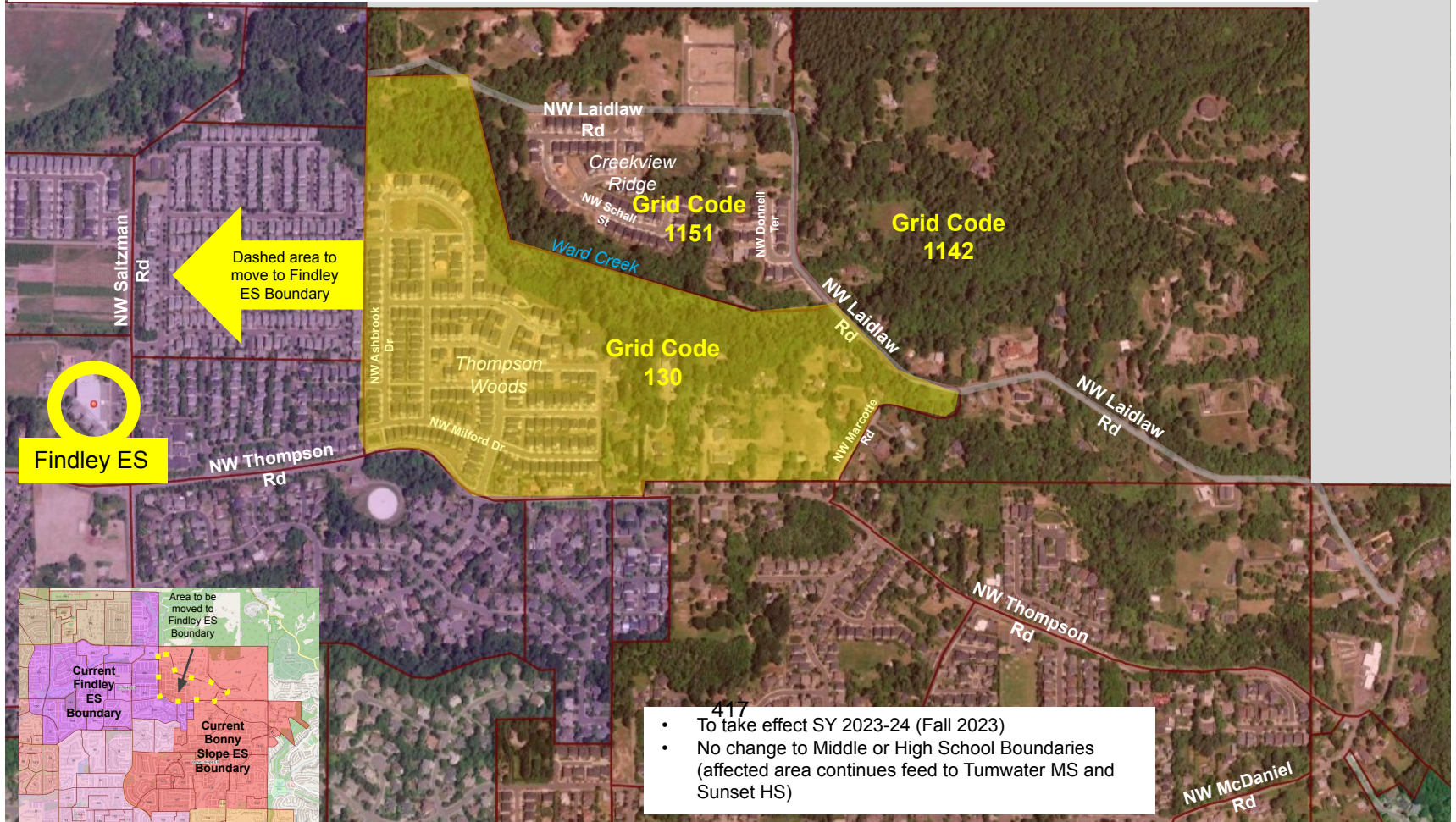


Option 2



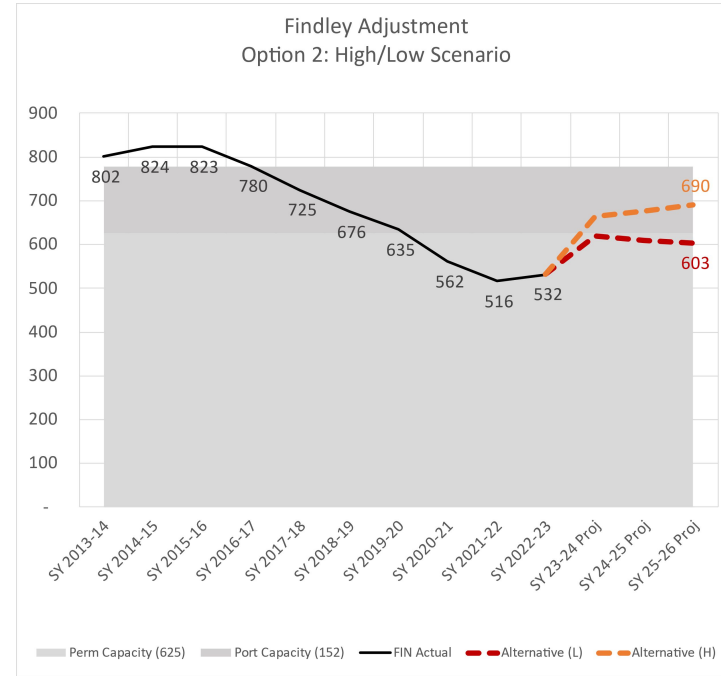
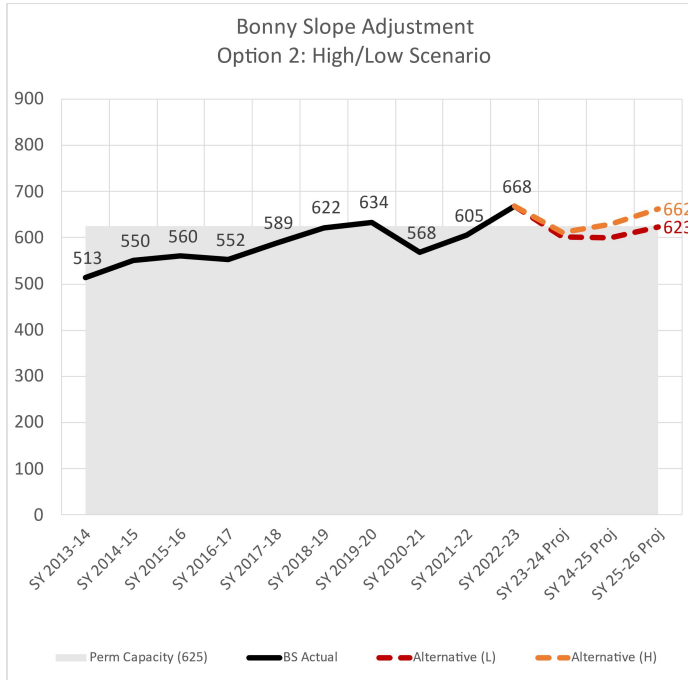
416

Recommended Boundary Adjustment (Option 2): Move Grid 130 only to Findley



Recommended (Option 2) with High/Low Projected Resident Students

Move Grid Code 130



418

Recommended Legacy Program: For current 3rd & 4th Graders (2023-24 4th & 5th Graders)

Eligible Students: Current Bonny Slope 3rd & 4th Graders (2023-24 4th & 5th Graders)

1. The legacy program is an optional program. Families will need to **opt-in to participate**.
2. Only 3rd or 4th grade students currently enrolled at Bonny Slope ES **on or before February 2, 2023 will be eligible** for the legacy program.
3. All students who choose to remain at Bonny Slope ES under the legacy program **will be provided bus transportation** to Bonny Slope ES for **two years: SY 2023-24 and SY 2024-25**
4. In this case, eligibility of two grade levels is due to the **educational, emotional, and social impacts** that students have experienced as a result of the recent COVID-19 pandemic.
5. Under the legacy program a student currently in 3rd or 4th grade may **remain at Bonny Slope ES through 5th grade**, provided they are enrolled continuously.
6. Legacy materials will be published for families to apply for the legacy program in **January 2023**. The materials will be published on the District's website.

420

Thank you

Questions & Discussion

421



DISPOSING OF SURPLUS PROPERTY (MERLE DAVIES BUILDING)

BACKGROUND

The Beaverton School District Policy DN establishes the expectations for disposing of district property. The specific situation for the Board's consideration is to declare the Merle Davies building located on the Beaverton High School campus as surplus and authorize the disposal of this structure.

A major project with the 2022 Capital Bond is the redevelopment of the Beaverton High School site to construct a new Beaverton High School. The new school building will be constructed on the north side of the campus along the SW Farmington Road frontage. This will require the demolition of the Merle Davies building.

The City of Beaverton has designated the Merle Davies building as a local historic structure. Because the building has a local historic designation, the District will be required to file a Historic Review (Demolition) land use application. Prior to demolition, the City of Beaverton requires owners of historic structures to make the buildings available for purchase and to be moved to another site. In order for the District to attempt to sell and move the Merle Davies building, the structure must be found to be surplus by the Board.

If no person(s) proposes to acquire and move the structure, the District will demolish the building consistent with the development plans for the site at a future date.

RECOMMENDATION

It is recommended that the School Board declare the Merle Davies building as surplus, authorize District facilities staff to attempt to sell the structure, and place any revenue generated through a sale in the General Fund.



DISPOSING OF SURPLUS PROPERTY (PORTABLE STRUCTURES)

BACKGROUND

The Beaverton School District Policy DN establishes the expectations for disposing of district property. The specific situation for the Board's consideration is to declare specific portable classroom structures as surplus and authorize the disposal of these portable structures.

The Board discussed the second phase of declaring specific portables as surplus property at its November 17, 2022 regular meeting. As noted at the November 17 meeting, the portable structures to be declared surplus property are located at Barnes ES (2 portables), Cedar Park MS (3 portables), Kinnaman ES (2 portables), Merlo Community School (1 portable), Oak Hills ES (7 portables), Rock Creek ES (4 portables), Stoller MS (7 portables), and Sunset HS (2 portables). The reasons for declaring the portables as surplus property include, but are not limited to, bond funded classroom additions, declining enrollment, and condition of the structures.

Staff will dispose of the portables over time by either selling or demolishing the portable structures. Staff will first attempt to sell the portable structures using the website GovDeals.com. The district has used this website in the past for selling portables.

RECOMMENDATION

It is recommended that the School Board declare the twenty-seven (27) portable structures as surplus, authorize District facilities staff to sell or otherwise dispose of the portable structures, and place any revenue generated through the sale in the General Fund.



APPOINT BOND ACCOUNTABILITY COMMITTEE FOR THE 2022 CAPITAL IMPROVEMENT BOND

BACKGROUND

The Beaverton School Board will appoint a Bond Accountability Committee (BAC) to assist in monitoring the progress of executing the 2022 Capital Improvement Bond. The BAC provides a vital role in supporting the School Board by monitoring, reporting, and making recommendations on the progress of the bond program. The charter for the BAC is located on the district's website:

<https://www.beaverton.k12.or.us/departments/facilitiesmaintenance/bond-accountability-committee>

The BAC consists of volunteer members who will serve two or three year terms. BSD staff have received and reviewed applications for community members who desired to serve on the BAC, and selected seven applicants to recommend for appointment. Two of the seven recommended committee members have served on the 2014 BAC and have a significant depth of knowledge of the current 2014 Capital Improvement Bond. All seven recommended members provide a range of experience and expertise in construction/project management, engineering/architecture design, real estate and education.

An orientation for the 2022 BAC members is scheduled for January 11, 2023, and the first meeting is scheduled for January 18, 2023. The meetings held from January through May 2023 will be a combined meeting with the members of the 2014 BAC and 2022 BAC. These meetings will include tours of new school rebuilds that were completed in the 2014 Capital Improvement Bond, as well as tours of Beaverton High School and Raleigh Hills Elementary Schools (scheduled to be rebuilt in the 2022 Capital Improvement Bond).

BAC members serve three-year terms; however, it is recommended that three of the seven members serve two-year terms and the remaining four members serve three-year terms. This will be done so there is not a complete turnover of BAC membership in the summer of 2025. The members who are currently serving on the 2014 BAC will serve a two-year term for the 2022 BAC. The remaining two- or three-year terms will be determined by 2022 BAC in the first meetings of 2023.

The proposed members for the 2022 Bond Accountability Committee are:

- David Remos: current 2014 BAC Vice Chair; two-year term will end May 30, 2024
- Dick Harbert: current 2014 BAC member; two-year term will end May 30, 2024
- Lenore Johansen
- Randal Smith
- Ryan Bansbach
- John Mitcham
- Aaron Watt

RECOMMENDATION

It is recommended the School Board approve the selection of the proposed members to serve on the 2022 Bond Accountability Committee.

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

The District prohibits discrimination and harassment based on any basis protected by law, including but not limited to, an individual's actual or perceived race, color, religion, sex, sexual orientation, gender identity, gender expression, national or ethnic origin, marital status, age, mental or physical disability, pregnancy, familial status, economic status, veteran status, or because of a perceived or actual association with any other persons within these protected classes.



METRO POLICY ADVISORY COUNCIL

BACKGROUND

The Metro Policy Advisory Committee, established by the Metro Charter in 1992, advises the Metro Council on a range of topics. These topics include regional transportation planning, management of the urban growth boundary, protection of lands for natural resources, future urban or other uses, and other growth management and land use planning matters required by state law or determined by the Council to be of regional concern.

MPAC comprises 21 voting members representing cities, counties, special districts and the public, and six non-voting members. Three Metro Councilors also participate as non-voting liaisons. Since the issues MPAC addresses of these issues may be of concern to schools, school districts are represented on the committee. Candidates must be nominated by official action of a member board within the region.

The Beaverton School Board in August nominated Susan Greenberg to serve as the MPAC member representing school districts in the region. The Hillsboro School Board has nominated Mark Watson to serve as the alternate member. Each school board must act on both nominations to complete the process.

RECOMMENDATION

It is recommended that the Board approve the following resolution to nominate school representatives to the Metro Policy Advisory Committee:

BE IT RESOLVED that the Board approves the nomination of Beaverton School Board member Susan Greenberg to serve on the Metro Policy Advisory Committee representing school boards in the region. BE IT FURTHER RESOLVED that the Board approves the nomination of Hillsboro School Board member Mark Watson to serve as the alternate on the Metro Policy Advisory Committee representing school boards in the region.



OSBA BOARD OF DIRECTORS ELECTION

BACKGROUND

Beaverton School District is a member of the Oregon School Boards Association. OSBA is a statewide association that serves K–12 public school boards, education service district boards, community college boards and the state board of education.

OSBA is governed by a member-elected board with up to 23 elected representatives established across geographic regions. Directors are elected on a regional basis to terms of two calendar years. Candidates to serve on the OSBA board must be nominated by official action of a member board within the region. Member boards in each region then vote to elect candidates to their region’s OSBA board positions.

Board members are asked to vote on the positions listed below:

1. OSBA Board Position 15 – Susan Greenberg, Beaverton 48J
2. OSBA Board Position 16 – Maureen Wolf, Northwest Regional ESD

Voting will be open from November 15 to December 15, 2022. Each member board has one vote in the regional election. On December 12 the board will vote as a body and staff will record the vote with OSBA.

RECOMMENDATION

The Board may approve the following resolution for the OSBA board election:

WHEREAS, the Beaverton School District is a member of the Oregon School Board Association; therefore, BE IT RESOLVED that the Beaverton School District elects Susan Greenberg for OSBA Board of Director Position #15 and Maureen Wolf for OSBA Board of Directors Position #16.



OSBA LEGISLATIVE PRIORITIES

BACKGROUND

The Oregon School Boards Association’s primary legislative goal is to serve as the collective voice for all Oregon public school boards. OSBA’s Legislative Policy Committee, which consists of the OSBA board of directors and 19 representatives nominated and elected by local public school boards across the state, develops OSBA’s legislative policies and priorities and recommends them to the membership for approval in November of even-numbered years.

OSBA member school boards are asked to vote on the OSBA resolution to adopt the OSBA 2022–23 legislative priorities and principles as recommended by the OSBA Legislative Policy Committee, and submit the official outcome of the vote to OSBA by December 15, 2022.

RECOMMENDATION

The Board may approve the following resolution:

WHEREAS, the Beaverton School District is a member of the Oregon School Boards Association; therefore, BE IT RESOLVED that the Beaverton School Board supports OSBA’s resolution to adopt the 2022–23 OSBA Legislative Priorities and Principles as recommended by the Legislative Policy Committee.



Resolution to adopt the OSBA Legislative Priorities and Principles as recommended by the Legislative Policy Committee

WHEREAS, the OSBA Legislative Policy Committee is charged under the OSBA Bylaws with developing the association's recommended Legislative Priorities and Principles, and

WHEREAS, the OSBA Legislative Policy Committee has crafted the Proposed OSBA Legislative Priorities and Principles as a foundational document in guiding the legislative and advocacy work of OSBA members and staff, and

WHEREAS, the OSBA Legislative Policy Committee has determined these Proposed OSBA Legislative Priorities and Principles to be in alignment with the OSBA Board of Directors equity goals, and

WHEREAS, the OSBA Legislative Policy Committee met in January and April to review the Proposed OSBA Legislative Priorities and Principles, and

WHEREAS, the OSBA Legislative Policy Committee approved the Proposed OSBA Legislative Priorities and Principles at its April meeting and urged the OSBA Board of Directors to approve the Proposed OSBA Legislative Priorities and Principles and place them before the membership for approval.

THEREFORE, BE IT RESOLVED by the OSBA Board of Directors that the Proposed OSBA Legislative Priorities and Principles be placed before the membership for consideration during the 2022 OSBA election season, and

BE IT FURTHER RESOLVED that the Proposed OSBA Legislative Priorities and Principles and a copy of this resolution be forwarded to all member boards of the Association in accordance with the OSBA Board of Directors adopted elections calendar.

Legislative Priorities and Principles

Preamble

OSBA's mission is to improve student success and education equity through advocacy, leadership, and service to Oregon public school boards. Education equity ensures:

- All students are accepted as their authentic selves, are heard and valued, feel they belong, and achieve high academic and personal standards that empower them to thrive.
- Student success will not be predicted nor predetermined by race, ethnicity, family economics, location, gender, gender identity, sexual orientation, disability status, religion, culture, or any other identity.

Public school boards have unique insights on how to address education equity and systems change in their districts. OSBA is committed to supporting boards in their just and fair distribution of resources based upon each student's needs.

Equity is the driving force behind the Student Success Act, and OSBA is dedicated to advancing legislation designed to raise academic achievement for all students and reduce academic disparities for historically underserved students.

In support of OSBA's Call for Equity, and on behalf of Oregon students, we are committed to promoting equity, combatting injustices, and disrupting bias and systemic racism in education policies through our advocacy at the state level.

OSBA believes a strong and equitable public education system is the best investment Oregonians can make to assure student success, strengthen our economy, create thriving communities, and improve the quality of life for every Oregonian.

Approved by the Legislative Policy Committee: April 23, 2022

Approved by the OSBA Board: September 23, 2022

Approved by the OSBA Membership:



Priorities

Promote Adequate, Predictable, and Stable Funding

The State School Fund rises and falls every two years because Oregon's revenue-raising and funding systems have substantial variance. Stable and adequate funding is crucial to providing a quality education to all students across the education continuum. To ensure stable and adequate funding, OSBA will actively promote legislation that accurately calculates current service level funding for school districts.

Protect the 2019 Student Success Act

The Student Success Act provides local school districts and education service districts unprecedented opportunities to target new funding toward educational programs. OSBA will actively promote legislation to protect the funding allocated for the Student Success Act in order to deliver equitable outcomes for all K-12 students.

Close the Opportunity Gap

In every community a disparity in academic achievement exists between student groups. OSBA will support legislation aimed at closing achievement and opportunity gaps that exist across Oregon's public schools.

Contain Cost Drivers

The costs associated with health care and retirement benefits are eating into funding available for instructional opportunities for students. OSBA will promote legislation that provides relief for districts related to benefit costs controlled by the State.

Support Local Governance and Oppose Mandates

Locally elected officials, local education professionals, and the local community are in the best position to respond to the needs of all students. New mandates must have necessary funding and be researched-based with results indicating increased achievement for all students.

Support Capital Improvements

Students need schools that are safe, comfortable, and appropriate for a modern and/or digital learning environment. OSBA will actively promote the allocation of state-level resources to help pay for construction and capital improvement. OSBA will promote legislation aimed at diversifying the funding methods available to school districts.

Ensure Access to Post-Secondary Credits

All students should have access to post-secondary credit opportunities. OSBA will advocate for a seamless transfer of credits throughout Oregon's higher education system.

Address Education Workforce Shortages

OSBA will promote efforts both state and at the local level to preserve and improve initiatives that combat the workforce shortage. OSBA will advocate for programs that will help districts recruit and retain a diverse and well-prepared workforce.

Principles

Finance

OSBA supports the allocation of state resources to ensure school districts and education service districts have the necessary resources to equitably and fully support all students' instructional, behavioral, and programmatic needs. OSBA supports appropriate financial tax policy to make Oregon schools competitive, nationally, and globally, including the preservation of other funding options for local district consideration.

Student Programs

OSBA supports high-quality programs that equitably serve all students in obtaining a comprehensive and well-rounded education. OSBA supports new and continued partnerships with education stakeholders to increase educational and career opportunities for students.

Student Safety and Wellness

OSBA supports safe and secure school environments, the physical health and overall well-being of all students, and services that promote social, emotional, and behavioral health.

Personnel

OSBA supports attracting and retaining effective employees to create a healthy, diverse, culturally responsible, safe, and sustainable workforce. OSBA supports local management, local contract negotiations, and continued conversations regarding professional development, licensure, and career advancement for personnel.

Governance and Operations

OSBA believes locally elected school district, ESD, and community college boards are best equipped to make decisions in the best interest of students and communities. OSBA supports cross-system collaboration, alignment, and accountability among education stakeholders and partners.

Federal Education Issues

OSBA will advocate for the federal government to prioritize, streamline, and fully fund programs that support students.