



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



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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.

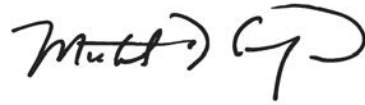
The preparation of the Annual Comprehensive Financial Report would not have been possible without the efficient and dedicated services of the entire staff of the Business Services Department. We would like to express our appreciation to all members of the department who assisted in and contributed to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

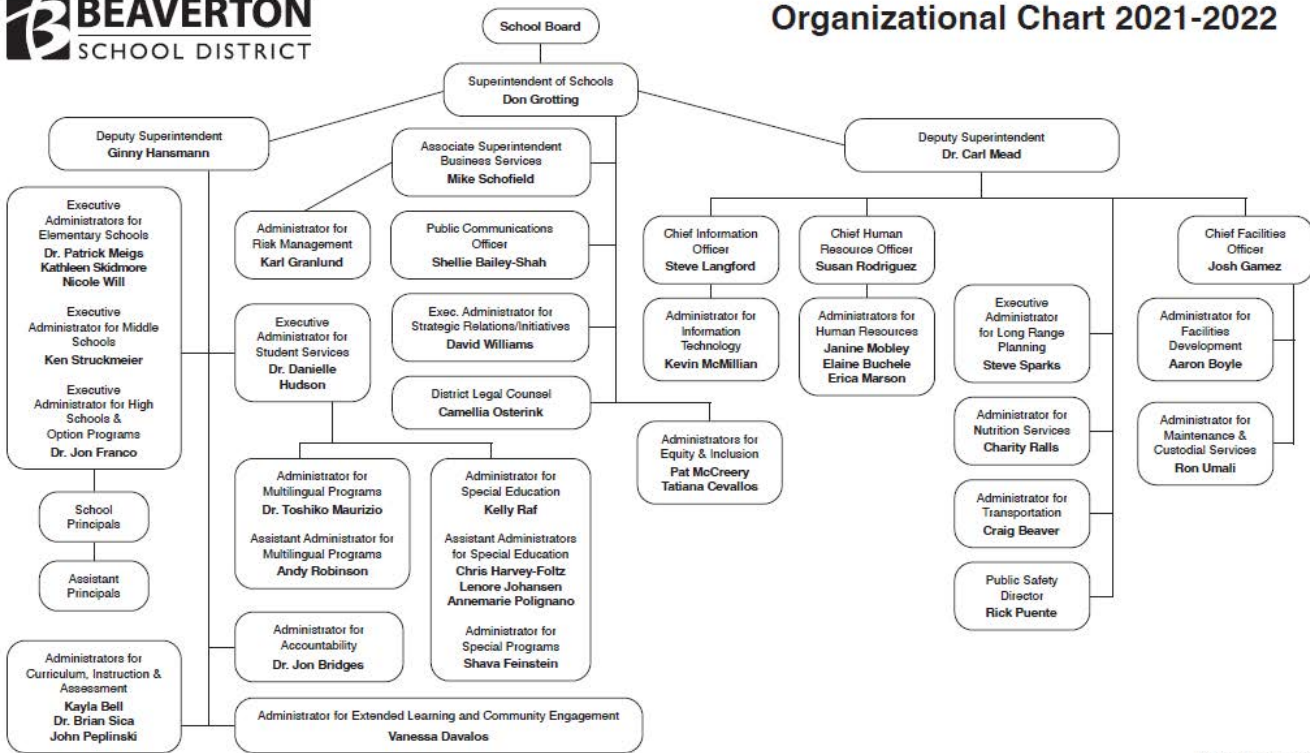


A handwritten signature in black ink, reading 'William A. Sutter'.

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

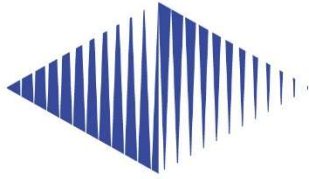




FINANCIAL SECTION

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>

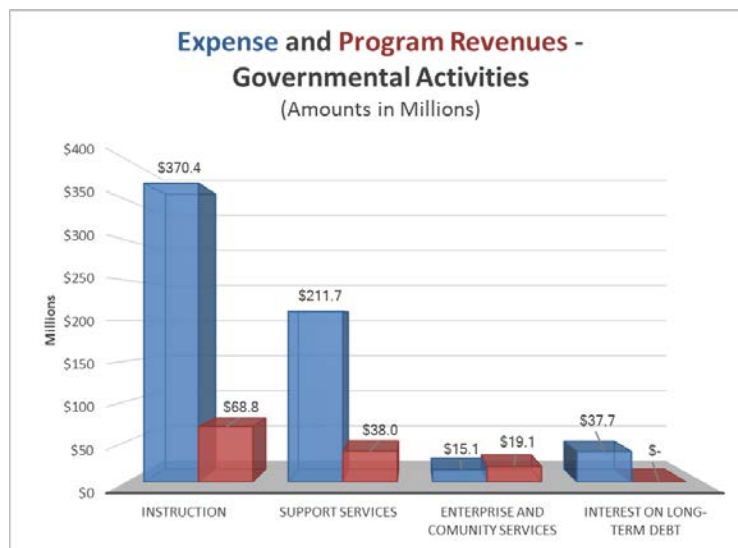
The District's overall financial position changed as indicated by an increase of \$77.9 million in net position. Unrestricted net position increased by \$68.2 million due mainly to the change in PERS due to improved asset performance and changes in assumptions, resulting in a lower PERS net pension liability 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)**

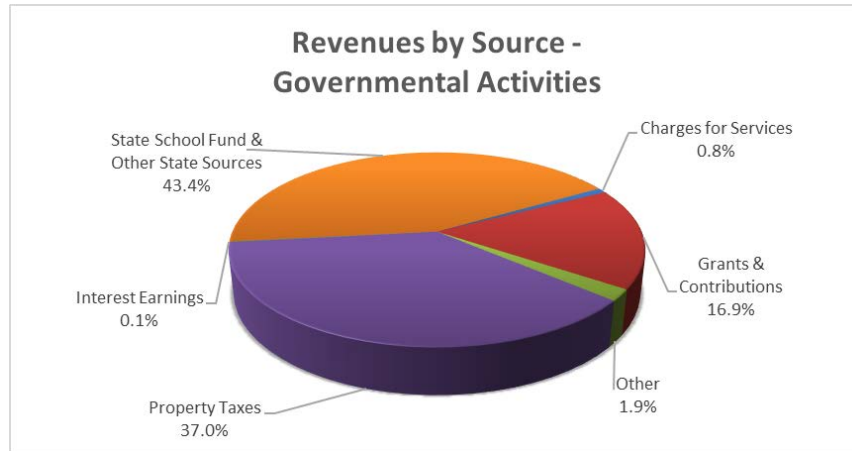
Governmental activities. During the 2021-22 fiscal year, the District's net position increased by \$77.9 million from the restated net position. Additional information related to the GASB 87 restatement can be found in Note 20.

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.

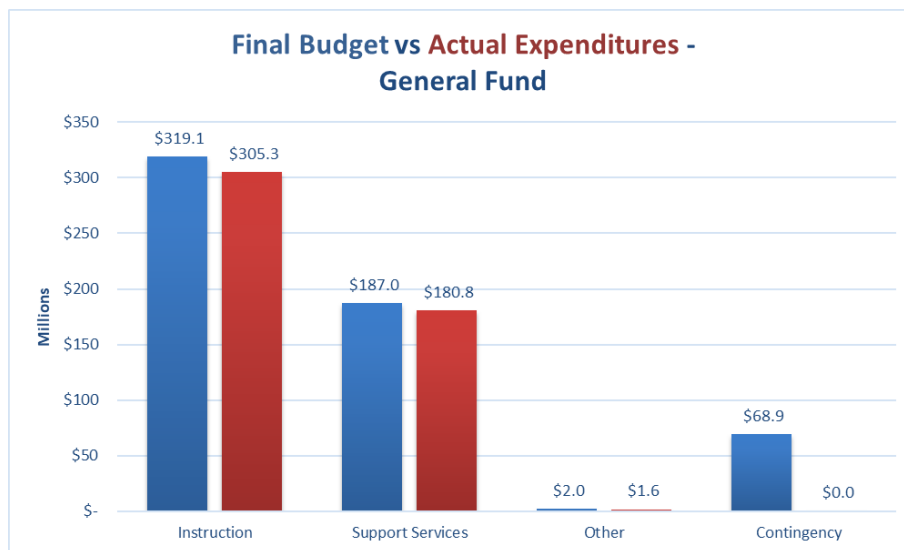
Capital Projects Fund. The Capital Projects Fund has a total fund balance of \$67.8 million, all of which is dedicated for ongoing capital projects. Capital expenditures reflect costs incurred as part of the Long-Range Facilities Plan. All of the Capital Projects Fund balance is restricted or committed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

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

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

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

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

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

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.

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

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

Unrestricted	<u>7,529,082</u>
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TOTAL NET POSITION	<u>\$ 7,529,082</u>
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BEAVERTON SCHOOL DISTRICT
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 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>\$ 7,529,082</u>

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

BEAVERTON SCHOOL DISTRICT
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
YEAR ENDED JUNE 30, 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><u>11,403,834</u></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><u>(870,997)</u></u>

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

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
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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)
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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.

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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)
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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.

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 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.

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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)

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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)	\$ 27,707,019	\$ 25,571,604	\$ 23,575,904

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)	\$ 22,680,679	\$ 25,571,604	\$ 29,007,739

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	\$ 4,276,946	\$ (10,063,954)	\$ (5,787,008)

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	\$ (7,192,522)

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.

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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

Continued on next page.

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				
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				
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				
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				
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

Continued on next page.

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>

Continued on next page.

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

	Object 500	Object 600	Object 700	Total
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>

Continued on next page.

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:

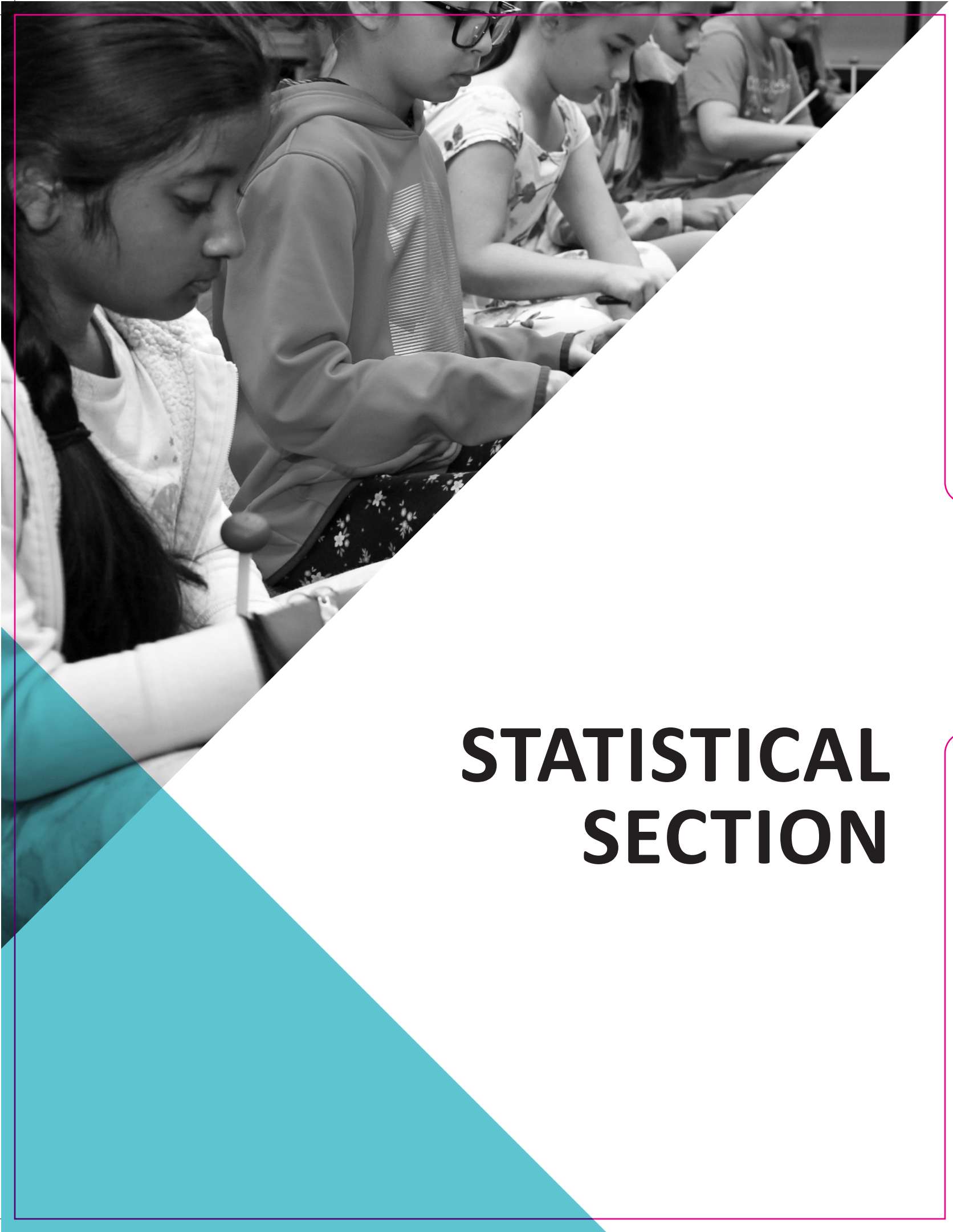
\$	166,101
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Exclude these functions:

- 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	\$ (39,831,057)	\$ (118,976,141)	\$ (83,070,810)	\$ (73,070,645)	\$ (29,651,478)

	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	\$ 1,843,357	\$ 52,579,766	\$ 149,310,679	\$ 28,334,359	\$ 203,227,554

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)

Continued on the next page.

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%

Continued on the next page.

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

LAST TEN FISCAL YEARS ENDED JUNE 30

(modified accrual basis of accounting)

	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.

Source: Washington County Department of Assessment & Taxation

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

Fiscal Year	Taxes Levied for the Fiscal Year¹	Collected within the Fiscal Year of the Levy	Percentage of Levy	Collections in Subsequent Years²	Total Collections to Date	Percentage of Levy
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			Legal Debt Margin	Total Net Debt Applicable to the Limit as a Percentage of Debt Limit
		Applicable to Limit	Legal Debt Margin	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	713,350,000
Legal Debt Margin	<u>\$ 4,242,072,052</u>

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

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

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

Allowable Percentage of Real Market Value:

^a Kindergarten through eighth grade, 9 x .0055	4.95%
^b Ninth through twelfth grade, 4 x .0075	3.00%
Allowable Percentage	<u>7.95%</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**

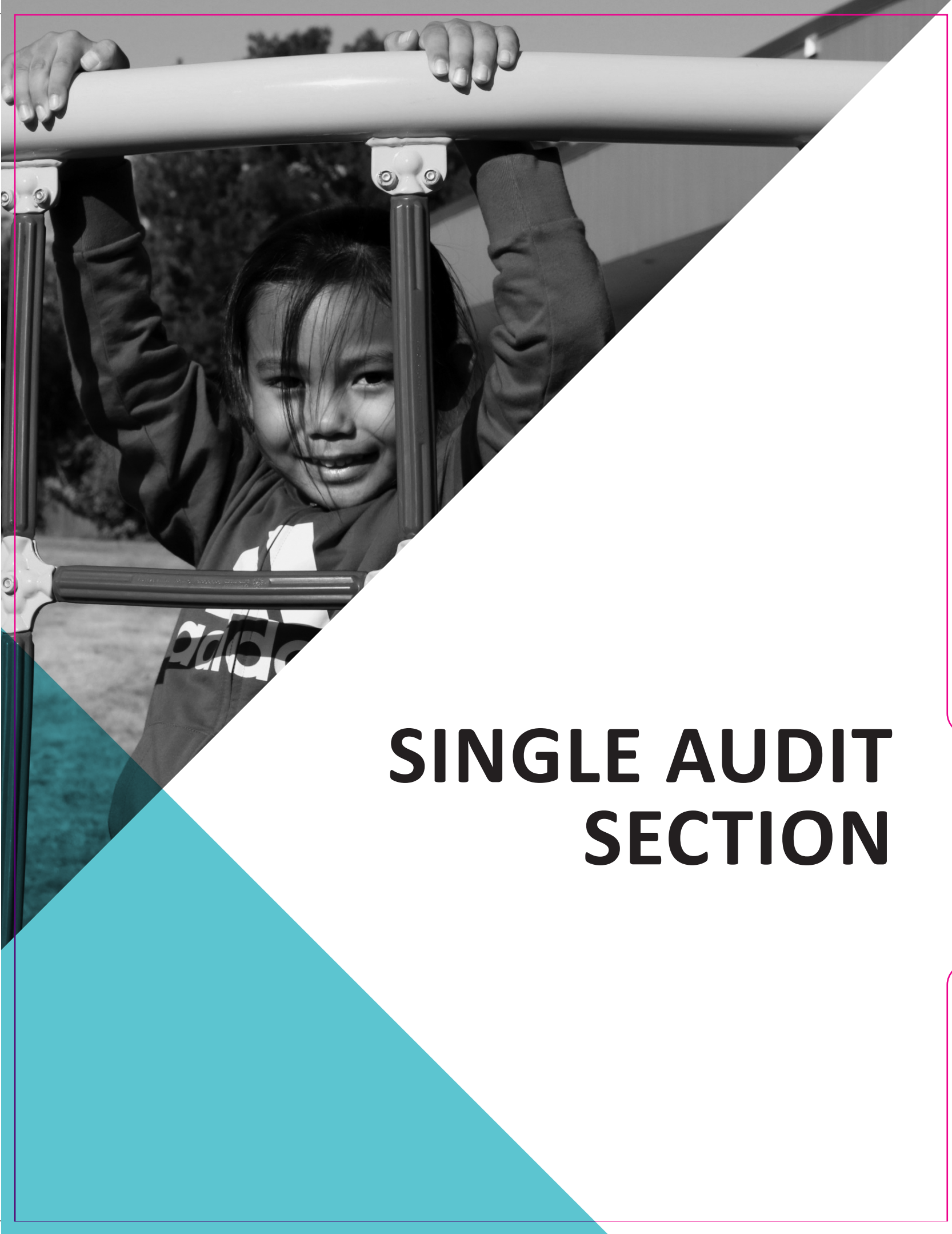
	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	Average Age of Buildings (in years)
<u>SCHOOLS</u>											
Elementary											
Buildings	34	34	34	34	34	33	33	33	33	33	51
Square feet ^a	2,214	2,214	2,214	2,214	2,173	2,040	2,012	2,012	2,012	2,012	
Capacity	21,438	21,438	22,757	22,795	22,609	21,417	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	
<u>ADMINISTRATIVE</u>											
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	
<u>TRANSPORTATION</u>											
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.

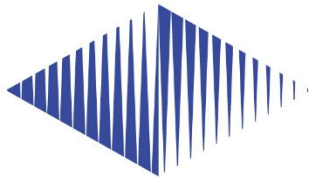
^b Elementary enrollment included all K-8.

^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



GROVE, MUELLER & SWANK, P.C.

Certified Public Accountants and Consultants

475 Cottage Street NE, Suite 200, Salem, OR 97301
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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*.

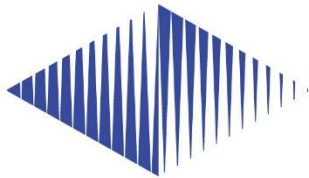
Purpose of This Report

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
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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>

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

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

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

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

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

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

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INDEPENDENT AUDITOR'S REPORT REQUIRED BY OREGON STATE REGULATIONS

School Board
Beaverton School District
Beaverton, Oregon

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the basic financial statements of Beaverton School District, Washington County, Oregon (the District) as of and for the year ended June 30, 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.

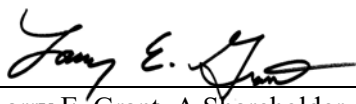
Internal Control

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