



Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2020



North Clackamas School District No.12
Clackamas County, Oregon

**North Clackamas School District No. 12
Clackamas County, Oregon**

**Comprehensive Annual
Financial Report**

For the Fiscal Year Ended June 30, 2020

Prepared by the
Business Office

Matt Utterback
Superintendent - Clerk

Gayellyn Jacobson
Chief Financial Officer

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INTRODUCTORY SECTION

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Gayellyn Jacobson
Chief Financial Officer

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December 30, 2020

North Clackamas School District No.12
Board of Directors
12400 SE Freeman Way
Milwaukie, Oregon 97222

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

This report was prepared by the District's Fiscal Services Department. The responsibility for the completeness, fairness, and accuracy of the data presented and all accompanying disclosures rests with the District. To provide a reasonable basis for making these representations, the District's management has established a comprehensive internal control framework that is designed both to protect assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Wilcox Arredondo & Co., Certified Public Accountants, have issued an unmodified opinion on the North Clackamas School District's financial statements for the year ended June 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

PROFILE OF THE DISTRICT

The North Clackamas School District is a kindergarten through twelfth grade district serving approximately 16,458 students. 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 in Clackamas County and is located approximately 12 miles southeast of Portland, Oregon along Interstate 205. The District covers approximately 40 square miles in Northern Clackamas County and encompasses the cities of Milwaukie, Happy Valley, Johnson City, and part of Damascus as well as unincorporated neighborhoods of Oak Grove, Concord, Clackamas, Sunnyside, Mount Scott, Southgate and Carver. It is the seventh largest school district in Oregon. The North Clackamas School District, elected by a majority of the voting electorate, is the governing body responsible for the District's public decisions. The seven-member Board has the oversight, responsibility and control over all activities related to the District.

ECONOMIC CONDITION AND OUTLOOK

Located in northwestern Oregon, Clackamas County is one of the six counties that comprise the Portland-Vancouver Primary Metropolitan Statistical Area (PMSA). The six counties are Clackamas, Washington, Multnomah, Yamhill and Columbia in Oregon, and Clark in Washington. Because the District lies within the PMSA, economic and demographic data is not available specifically for the District. Data is generally available for Clackamas County and for the PMSA.

Currently, manufacturing accounts for 17 percent of the total non-farm employment in the PVH-PMSA, while trade, transportation and utilities also account for 17 percent, government jobs 8 percent, professional and business services 19 percent, education and health services 12 percent, and leisure and hospitality 9 percent. Housing prices continue to increase, although at a slower rate, and the median income has also increased. Property tax collection has increased around 5.2% year over year.

Clackamas County, in particular, has had increasing home prices and building activity throughout the area. Clackamas Town Center, the largest shopping center in Clackamas County, with 1.2 million square feet of space, has 174 stores. Major commercial business centers are located in the Clackamas Town Center and along McLoughlin Boulevard. Industrial sites include the Clackamas Industrial area along Highway 212, with roughly 500 businesses, and the Milwaukie Industrial area along Highway 224, with 300 businesses. Community business centers are located in Milwaukie, Gladstone and Damascus.

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

A variety of transportation alternatives are available in this area. Tri-Met service is available to Portland and the metropolitan area. Transfer stations are located in downtown Milwaukie and Clackamas Town Center. Portland International Airport offers easy access to domestic and international markets with 14 scheduled passenger airlines and 11 cargo carriers serving customers both internationally and domestically. Several railroads operate in the District. The Southern Pacific Mainline runs through the Clackamas and Milwaukie Industrial areas. Two other transcontinental railroads serving Portland include Burlington Northern and Union Pacific. Amtrak provides passenger service. The Port of Portland has five Marine terminals, four dry docks and excellent ship repair facilities. Container handling and dockside rail service are readily available. An extensive rail, air, barge and highway transportation network serves the harbor. I-205 is a circumferential freeway bypassing downtown Portland. It connects with I-5 and I-84 for destinations north, south and east. The I-205 beltline serves about 100,000 vehicles daily. Highway 212 connects North Clackamas to U.S. Highway 26 and serves the Mount Hood corridor and Central Oregon. Highway 99E connects the North Clackamas area to the Willamette Valley, Salem and Eugene.

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 subsequent economic recovery.

MAJOR INITIATIVES

The School Board, for the 2019-20 school year, approved the following goals:

1. Student Success: Advance student learning by focusing on each student's experience, well-being and potential
2. Equity: Cultivate belonging and inclusion with the expectation of success for each student
3. Quality: Ensure consistent, high quality in each program and service
4. Stewardship: Develop and manage the resources and assets entrusted to the district

Key performance indicators used to measure achievement of Major Initiatives include the following:

- Strong School District Climate Ratings
- Third Graders Reading at or Above Grade Level
- Eighth Grade Algebra Ready Students
- Tenth Graders on Track with Six Credits
- All Students Graduate High School
- Post-Secondary Enrollment Rates Increase

Some recent results related to our District's key performance indicators include:

- North Clackamas students outpace the state at nearly every grade level on state assessments
- Sustained progress on delivering all the commitments in a six-year, \$433 million capital construction bond project with scheduled improvements at all district facilities
- Maintained success in student attendance; On average over the past five years, NCSD ranks 1st out of the 15 largest school districts in Oregon
- The historic naming of a new elementary school for Beatrice Morrow Cannady, a local, female African-American civil rights leader and a future high school for Adrienne C. Nelson, the first woman of color on the Oregon supreme court and Happy Valley resident
- Strong community support that formed behind the five-year local option levy that passed in the fall of 2018
- 85.5 percent of our students graduating in four years – up nearly 20 percentage points since 2011. Of particular note, there has been tremendous growth in the number of students graduating from each student group. The greatest gains have been with students with disabilities, African-American/Black students, and Hispanic/Latino students

FINANCIAL INFORMATION

Management of the District is responsible for establishing and maintaining an internal control structure designed to protect the assets of the District from loss, theft, or misuse, and to ensure that adequate accounting data are compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles.

Single Audit. As a recipient of federal, state, and county financial assistance, the District is also responsible for ensuring that an adequate internal control structure is in place to ensure compliance with applicable laws and regulations related to those programs.

This internal control structure is subject to periodic evaluation by management and the internal audit staff of the District. As part of the District's single audit tests have been made to determine the adequacy of the internal control structure, including that portion related to federal financial award programs, as well as to determine that the District has complied with applicable laws and regulations. The results of the District's single audit for the fiscal year ended June 30, 2020, provided no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Budgetary Controls. In addition, the District maintains budgetary controls. The objective of such budgetary control is to ensure compliance with legal provisions embodied in the annual appropriated budget adopted by the District's Board of Directors. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Proprietary Funds, Internal Service Funds, and Fiduciary Funds, are included in the annual appropriated budget. The level of budgetary control (the level at which expenditures cannot legally exceed the appropriated amount) is established by function within an individual fund. As demonstrated by the statements and schedules included in the financial section of this report, the District continues to meet its responsibility for sound financial management.

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 budget for each individual fund is a plan for the financial operation to be conducted during the coming fiscal year and is adopted annually, prior to July 1, by the Board of Directors. After adoption, the budget may be revised through procedures specified in state statute and Board policy.

Oregon Local Budget law requires the appointment of a Budget Committee to review and approve the budget. The Budget Committee consists of the seven members of the Board of Directors and seven members appointed by the Board. The administration proposes a budget to the Budget Committee, which the Budget Committee may revise or approve. A summary of the approved budget, together with a notice of public hearing, is published in a newspaper with general circulation in the District. A public hearing is held to receive comments concerning the approved budget. The Board of Directors adopts the budget, makes appropriations, and levies taxes after the public hearing and before the beginning of the year for which the budget has been prepared.

Fund Summary. The results of operations and other financial data for the year ended June 30, 2020, are presented by the following non-governmental individual funds. Governmental funds are discussed in more detail in the Management's Discussion and Analysis section.

The financial statements for the non-governmental funds reflect the financial activity of the Internal Service Fund (Self-Insurance Fund), Proprietary Fund (Community Services Fund), and the Fiduciary Funds (Charter School/Scholarship Funds).

Internal Service Fund

This fund accounts for costs incurred for employees' general health insurance, worker's compensation, property and liability claims. Principal revenue sources are charges to other funds for service and earnings on investments. The fund balance at June 30, 2020, was \$9,972,713.

Proprietary Fund

This fund accounts for the rental of District buildings to the general public, child care facilities operated in District facilities, and tuition for after-school programs through the District. The balance in the Community Services Fund at June 30, 2020, was \$1,026,581.

Fiduciary Funds

The District has a private purpose trust fund. This private purpose trust fund, accounts for charter school and scholarship transactions. The fund balance at June 30, 2020 was \$197,760.

Long-term Financial Planning: In January 2014, the Board of Directors readopted Policy **DBDB Fund Balance**, which directs the superintendent or designee to ensure a minimum fund balance of five (5) percent of total adopted revenues. The District's unassigned fund balance in the General Fund, at 6/30/2020, is \$23,554,298 well above the minimum targeted level of five (5) percent.

During the 2019 legislative session, \$9B in funding was approved for kindergarten through high school education. This was a 10% increase over the previous biennium. In addition, a bill passed that added a business tax to provide \$2B in new school funding each two-year budget cycle. This was an historic increase in funding. Much of this new revenue, however, will be offset by increases in Oregon Public Employee's Retirement (PERS) costs along with smaller percentage increases in employee salaries.

During the spring of 2020 the District first experienced the impact of the COVID-19 pandemic and shifted to distance learning. The District implemented active reduction of expenditures and cost containment measures during the 2019-20 school year. The District is making appropriate reductions and adjustments as the impacts of the COVID-19 pandemic continue into the 2020-21 school year and beyond with comprehensive distance learning and the possible shift to hybrid learning in the spring of 2021.

In May 2019, voters approved a local option levy for schools at \$1.63 per \$1,000 of assessed value. The levy provided \$18.3 million in 2019-2020 which impacted classrooms across the district. Specifically, the additional revenue allowed NCSD to restore a full school year without furlough days, add 22 new teaching positions which will reduce class sizes, and provide full-time counselors at every elementary school.

INDEPENDENT AUDIT

As required by Oregon revised Statutes, sections 297.405 to 297.555 (known as the "Municipal Audit Law") an annual audit by independent certified public accountants has been performed. Wilcox Arredondo & Co., a firm of licensed certified public accountants, has audited the North Clackamas School District's financial statements. The goal of the independent audit was to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2020, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall basic financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with 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 was part of the broader 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 controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit Section of this report.

AWARDS AND ACKNOWLEDGEMENTS

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

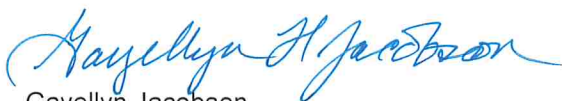
A Certificate of Achievement is valid for a period of one year only. We believe our current Comprehensive annual Financial Report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

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

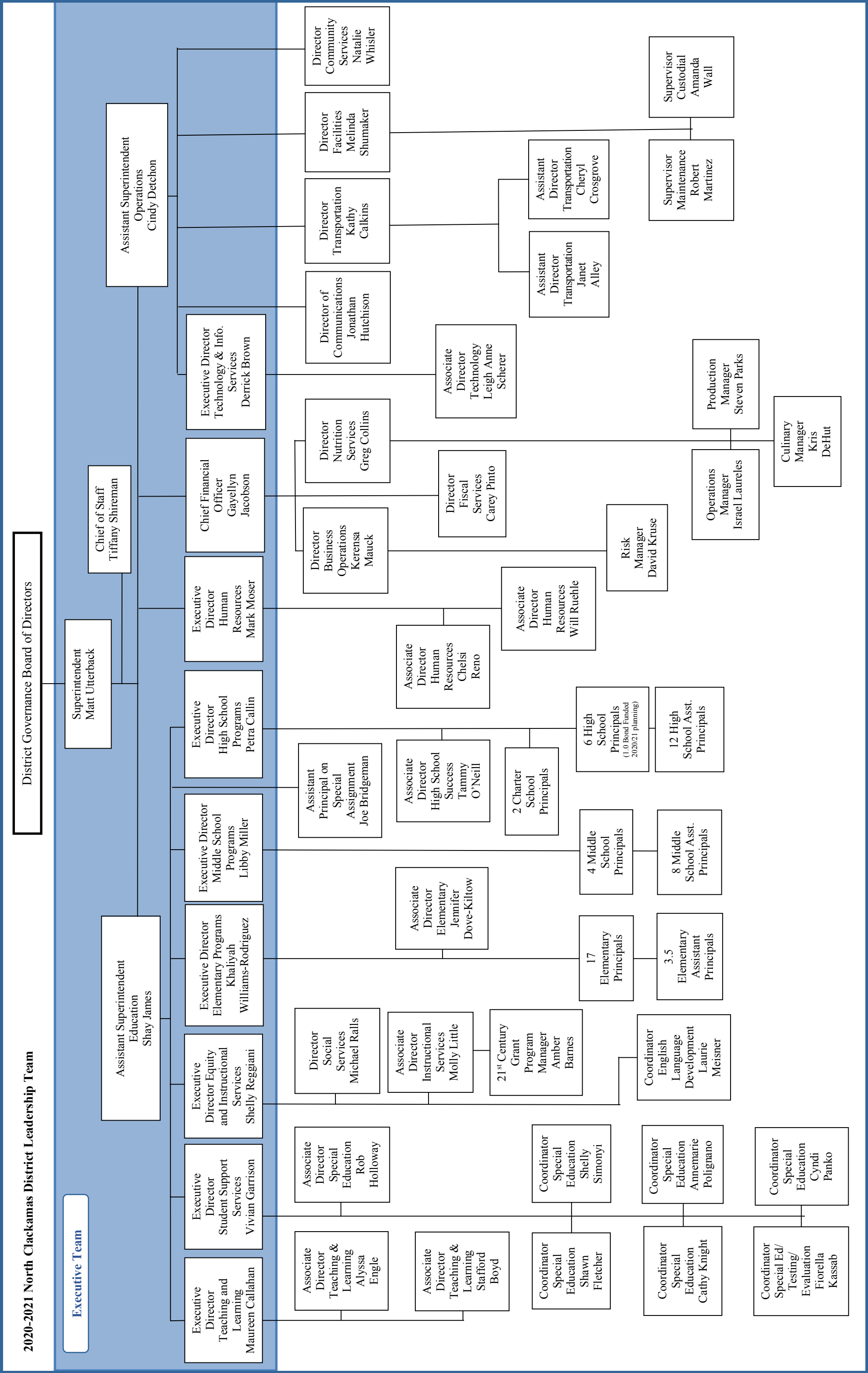
The Certificate of Excellence is recognition that the District has met the highest standards for financial reporting and accountability as adopted by ASBO. The District believes that the current Comprehensive Annual Financial Report continues to conform to these standards and will be submitting it to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

We wish to express our appreciation to the entire Fiscal Services staff for their efforts and contributions to this annual financial report. We would also like to thank the members of the Board of Directors for their continued support and dedication to the effective financial operation of the District.

Respectfully submitted,



Gayellyn Jacobson
Chief Financial Officer



NORTH CLACKAMAS SCHOOL DISTRICT 12
CLACKAMAS COUNTY, OREGON

Administration Building
12400 SE Freeman Way
Milwaukie, OR 97222

Matthew Utterback	Superintendent
Tiffany Shireman	Chief of Staff
Shay James	Assistant Superintendent
Cynthia Detchon	Assistant Superintendent
Gayellyn Jacobson	Chief Financial Officer

BOARD OF DIRECTORS AS OF JUNE 30, 2020

	<u>Term Expires</u>
Steven Schroedl, Chair	June 30, 2023
Kathy Wai, Vice Chair	June 30, 2021
Jena Benologa	June 30, 2023
Mitzi Bauer	June 30, 2021
Libra Forde	June 30, 2023
Tori McVay	June 30, 2021
Orlando Perez	June 30, 2023

The Board of Directors receives mail at the address above.



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

North Clackamas School District 12

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

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



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

Claire Hertz, SFO
President

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

David J. Lewis
Executive Director



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**North Clackamas School District No. 12
Oregon**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO

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FINANCIAL SECTION

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INDEPENDENT AUDITORS' REPORT

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To the School Board
North Clackamas School District No. 12
Clackamas County, Oregon

INDEPENDENT AUDITORS' REPORT

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of North Clackamas School District No. 12, (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

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



Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, the Schedule of Changes in Total Other Postemployment Benefits and Related Ratios and Oregon Public Employee Retirement System for the RHIA and Pension information be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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 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 because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Additionally, accounting principles generally accepted in the United States of America require that the General Fund and Special Revenue Fund budgetary comparison be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Government 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. 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 General Fund and Special Revenue Fund budgetary comparison are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Other 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, the other supplementary information, and statistical section 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* 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 supplementary information, as listed in the table of contents, 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 supplementary information, as defined in the table of contents, and the schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements taken 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 Reporting Required by *Governmental Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 30, 2020, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is 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 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.

Reports on Other Legal and Regulatory Requirements

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 30, 2020, on our consideration of the District's internal control over financial reporting and compliance with certain provisions of laws, regulations, contracts, and grants, 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 internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance.

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 30, 2020

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MANAGEMENT'S DISCUSSION AND **ANALYSIS**

NORTH CLACKAMAS SCHOOL DISTRICT MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A) FOR THE YEAR ENDED JUNE 30, 2020

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

FINANCIAL HIGHLIGHTS

In the government-wide statements, the liabilities and deferred inflows of resources of the District exceeded its assets and deferred outflows of resources at June 30, 2020, by \$23.7 million (net position). Of this amount, \$136.1 million represents the District's investment in capital assets net of related debt, \$13.9 million is restricted, and the remainder is an unrestricted net deficit of \$173.7 million.

- The District's government-wide net position decreased \$2.9 million for the fiscal year.
- The District had \$643.6 million invested in capital assets, net of depreciation.
- At the end of the fiscal year, unassigned fund balance for the General Fund was \$23.6 million or about 11.3 percent of total general fund revenues.
- Total cost of the District's Governmental Funds programs was \$416.4 million for the fiscal year, an increase of \$25.7 million (6.6 percent) from the prior year.
- The District's outstanding obligations (bonds payable, notes payable, accrued compensated absences, other post-employment benefits, and net pension liability) increased by 6.9 million. Bonds payable decreased by \$3.2 million due to the issuance of \$11.0 million in full faith and credit obligations and \$14.2 million in payments on principal of bonds during the 2019-20 fiscal year. The Proportionate Share of Net Pension Liability increased by \$8.8 million and the remainder of these liabilities increased by \$1.3 million due primarily to Other Postemployment Benefits, Implicit Rate Subsidy. The Pension Liability and Other Postemployment Benefits are discussed at greater detail in the notes to the financial statements.
- On November 8, 2016, North Clackamas School District voters approved a \$433M Construction Bond Measure. During 2019-20, construction at multiple sites was occurring. The bond allowed the District to: renovate/remodel schools, address security, safety, and seismic needs, address unfunded maintenance, modernize classrooms, increase access to technology, and relieve school overcrowding. Major ongoing projects include replacing/renovating 90-year-old Milwaukie High School, converting Clackamas High East Campus to a middle school, converting Rock Creek Middle School to a fourth comprehensive high school and building a new elementary school at S.E. Vogel Road named Beatrice Morrow Cannady Elementary which opened September 2019.

In December 2018, NCSD sold the remaining \$110.4 million of the voter-approved \$433 million in bonds. The tax-free bonds were extremely popular among investors resulting in \$16.1 million in premium over the issuing amount. Premium funds will be held in contingency and could be used to cover unanticipated costs or cost increases during the numerous bond projects. Implementation of the bond is overseen by the NCSD School Board and a Community Bond Oversight Committee.

- The District added a local option levy to the November 2018 ballot. The amount of the levy is \$1.63 per \$1000 of assessed value. The cost to each property owner varies based on a property's assessed value and real market value as determined by the county assessor. The 2019-20 proceeds of \$18.3 million were used to fund teaching positions and restore days to the school calendar.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

- 1) **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. These statements can be found on pages 16 to 17 and include:

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 plus deferred outflows), what it owes (liabilities plus deferred inflows), 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 an indicator of whether the financial position of the District is improving or deteriorating.

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

In the government-wide financial statements, the District's activities are shown in two categories:

Governmental activities: The District's basic functions are shown here, such as regular and special education, child nutrition services, transportation, administration, and facilities acquisition and construction. These activities are primarily financed through property taxes, Oregon's State School Fund and other intergovernmental revenues.

Business-type activities: Business-type activities are intended to recover all or a significant part of their activities through user fees and charges, and include building rentals and daycare provided by the District.

- 2) **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 North Clackamas School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Reports by fund are shown in the Financial Section of the report beginning on page 18. All of the funds of the District can be divided into three categories: *governmental funds*, *proprietary funds*, and *fiduciary funds*.

Governmental funds: The *governmental funds* are used to account for essentially the same functions reported as *governmental activities* in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for *governmental funds* with similar information presented for *governmental activities* in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balances are reconciled to the government-wide Statements of Net Position and Activities. The District maintains several individual governmental funds. Information is presented separately in the governmental fund Balance Sheet and the governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances for the General, Special Revenue, Debt Service, and Capital Projects Funds, all of which are considered to be major funds. The basic governmental fund financial statements can be found on pages 18-21 of this report.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

Proprietary funds: The District maintains two proprietary fund types (enterprise fund and internal service fund).

The Enterprise Fund is an accounting device used to charge for fees and rental services to recover costs of providing the services. The enterprise fund financial statements provide the information for the business-type activities.

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 predominately benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund financial statements are located on pages 22-24 of this report.

Fiduciary funds: Fiduciary funds are used to account for resources held for the benefit of parties outside the District. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is the same as that used for proprietary funds. The District maintains one fiduciary fund - Charter Schools and Scholarships. The fiduciary fund financial statements are located on pages 25-26 of this report.

- 3) **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 are considered to be an integral part of the financial statements. The notes to the financial statements are located on pages 27-58 of this report.
- 4) **Other information:** In addition to the basic financial statements and accompanying notes, this report also presents certain *Required Supplementary Information* including budget to actual presentations for major funds and a schedule of property tax transactions. This information is located on pages 60-65 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted previously, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, liabilities and deferred inflows exceeded assets and deferred outflows by \$23.7 million at June 30, 2020.

Cash and investments represent 27.3 percent of total assets. Most of the \$246.4 million in cash and investments is related to the March 2017 and December 2018 bond sales, and will be spent as the bond work progresses.

Capital assets, which consist of the District's land, buildings, building improvements, construction-in-progress, vehicles, and equipment, represent about 71.3 percent of total assets.

The remaining assets are property tax and other receivables.

The District reports deferred outflows of \$85.5 million, which represent the deferred book loss that occurred as a result of the 2016 refunding of previously issued GO Bonds (\$26.1 million), as well as deferred items related to the District's pension plan (\$52.1 million) and other post-employment benefits (\$7.3 million). The deferred loss will be amortized over the life of the bonds and the deferred pension items are calculated as part of the PERS actuarial valuation.

The District's largest liability (78.2 percent) is for the repayment of general obligation and limited tax pension obligation bonds. The next-largest liability is the District's proportionate share of the net pension liability (PERS) and other post-employment benefits, which represents 16.5 percent of total liabilities. Other liabilities, representing 5.3 percent of the District's total liabilities, consist almost entirely of payables on accounts, notes, claims, and accrued salaries and benefits.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

The District reports Deferred Inflows related to pensions and other post-employment benefits (OPEB) of \$21.3 million. Pension deferrals are reported as a result of the District adopting GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, and are representative of adjustments to estimates made in the most recent actuarial valuation for the pension plan.

The majority of the District's net position reflects its investment in capital assets (e.g. land, buildings, vehicles and equipment), less any related debt used to acquire those assets that are still outstanding. 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.

GOVERNMENTAL ACTIVITIES FINANCIAL ANALYSIS

During the current fiscal year, the District's overall financial condition changed as indicated by a decrease of \$2.9 million in net position. Unrestricted net position decreased by \$3.3 million. At the same time, the District's investment in capital assets, net of related debt, increased by \$128.9 million.

Statement of Net Position

	Governmental Activities		Business-type Activities		Total Primary Government		
	(in thousands)		(in thousands)		(in thousands)		
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	Increase (Decrease)
Current and other assets	\$ 257,809	\$ 356,730	\$ 1,049	\$ 956	\$ 258,858	\$ 357,686	\$ (98,828)
Capital assets	643,574	514,688	-	-	643,574	514,688	128,886
Total Assets	901,383	871,418	1,049	956	902,432	872,374	30,058
Deferred Outflows of Resources	85,462	96,300	-	-	85,462	96,300	(10,838)
Long-term debt	927,374	920,473	-	-	927,374	920,473	6,901
Other liabilities	62,864	53,009	22	20	62,886	53,029	9,857
Total Liabilities	990,238	973,482	22	20	990,260	973,502	16,758
Deferred Inflows of Resources	21,323	15,996	-	-	21,323	15,996	5,327
Net Position							
Net investment in capital assets	136,073	134,005	-	-	136,073	134,005	2,068
Restricted	13,891	15,220	-	-	13,891	15,220	(1,329)
Unrestricted	(174,680)	(170,985)	1,027	936	(173,653)	(170,049)	(3,604)
Total Net Position	\$ (24,716)	\$ (21,760)	\$ 1,027	\$ 936	\$ (23,689)	\$ (20,824)	\$ (2,865)

Net Position decreased primarily due to two factors:

1. Issuance of full faith and credit obligations increased long-term debt and current assets were utilized for the completion of bond projects during the year resulting in a corresponding increase in capital assets.
2. Pension deferred outflows decreased by \$10.8 million and Pension deferred inflows increased by \$5.3 million due to changes in PERS actuarial calculations.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

The key elements of the change in the District's net position for the year ended June 30, 2020 are as follows:

	Changes in Net Position For the Year Ended						
	Governmental Activities		Business-type Activities		Total Primary Government		
	in thousands)		(in thousands)		(in thousands)		
	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	June 30, 2020	June 30, 2019	Increase (Decrease)
Revenues:							
Program Revenues:							
Charges for services	\$ 2,348	\$ 3,023	\$ 1,382	\$ 1,620	\$ 3,730	\$ 4,643	\$ (913)
Operating grants	16,416	13,129	-	-	16,416	13,129	3,287
Capital grants and contributions	2,237	2,560	-	-	2,237	2,560	(323)
General Revenues:							
Property taxes	122,505	98,795	-	-	122,505	98,795	23,710
State and local sources	127,742	124,688	-	-	127,742	124,688	3,054
Miscellaneous	8,640	12,511	177	280	8,817	12,791	(3,974)
Total revenues	279,888	254,706	1,559	1,900	281,447	256,606	24,841
Expenses:							
Instruction	146,943	132,657	-	-	146,943	132,657	14,286
Support services	88,839	83,500	-	-	88,839	83,500	5,339
Community services	7,968	7,488	1,468	1,645	9,436	9,133	303
Facilities services	134	46	-	-	134	46	88
Interest on long-term debt	38,960	36,800	-	-	38,960	36,800	2,160
Total expenses	282,844	260,491	1,468	1,645	284,312	262,136	22,176
Change in net position	(2,956)	(5,785)	91	255	(2,865)	(5,530)	2,665
Net position - Beginning of Year	(21,760)	(15,975)	936	681	(20,824)	(15,294)	(5,530)
Net position - End of Year	\$ (24,716)	\$ (21,760)	\$ 1,027	\$ 936	\$ (23,689)	\$ (20,824)	\$ (2,865)

Property tax revenues increased by \$23.7 million from 2018-19. Tax receipts increased primarily due to increases in assessed values and building activity within the county and the addition of the local option levy tax. Taxes were levied appropriately to collect the permanent tax rate and funds to pay general obligation bonded debt. State School Fund (SSF) revenues increased by \$3.1 million, primarily due to an increase in funds received from the State School Fund. Miscellaneous revenue decreased due to lower investment earnings and a reduction in fees with the closing of school buildings due to the COVID-19 pandemic response in the spring of 2020.

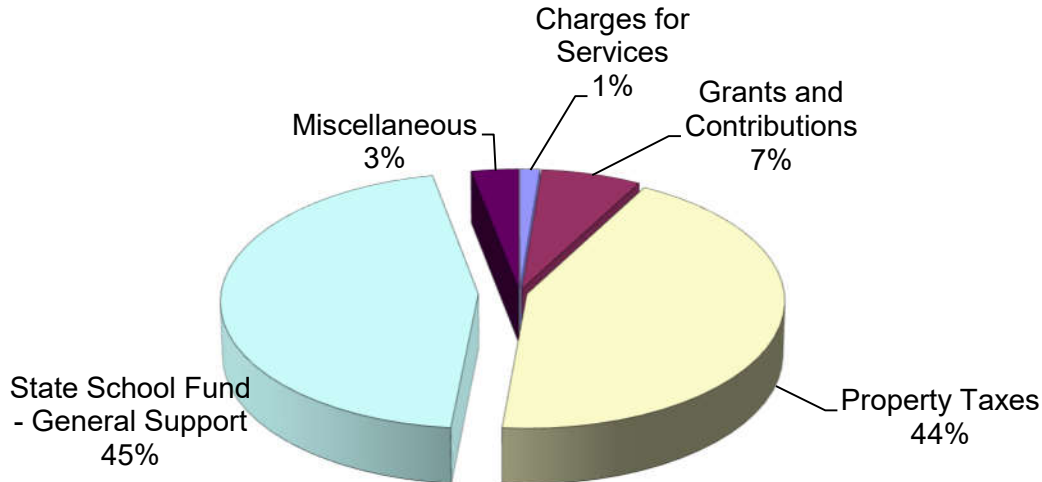
Instruction and support services expenses increased in 2019-20 by \$26.3 million due to increased salary and benefit costs and with the addition of teachers due to the local option levy.

Interest on long-term debt increased by \$5.4 million related to interest charged to service the increased bond debt.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

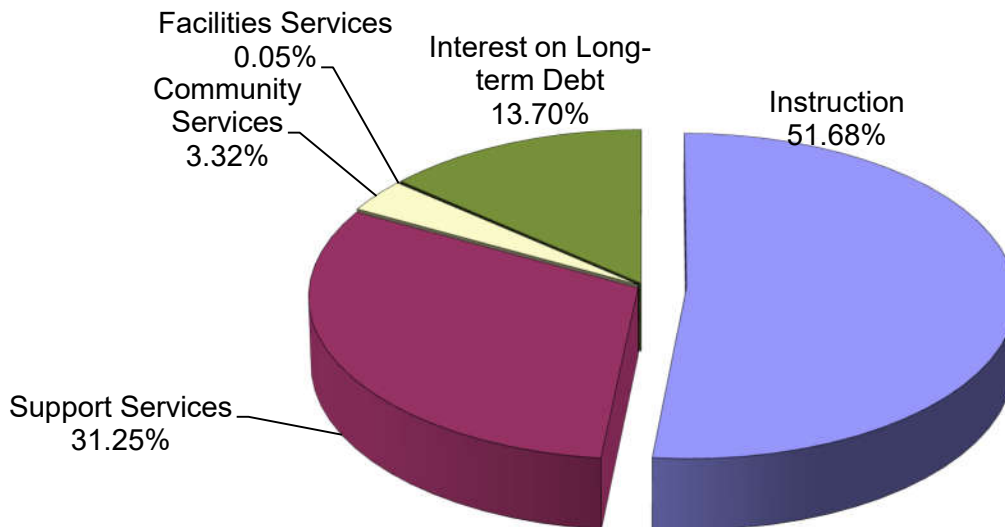
FY 2020 REVENUE PERCENTAGES:

Revenues by Source - Governmental Activities



FY 2020 EXPENDITURE PERCENTAGES:

Expenses by Function - Governmental Activities



As illustrated above, State School Fund revenues represent about 45 percent of the District's total revenue sources. Property taxes comprise about 44 percent of revenues. Instructional expenses make up about 51.7 percent of the District's expenses, while support services are about 31.2 percent.

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.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

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

At June 30, 2020, the District's governmental funds reported combined ending fund balances of \$201.8 million, a decrease of \$113.1 million compared to the prior year. This decrease is primarily due to the spend down of the capital projects fund. Approximately \$23.6 million of the ending fund balance constitutes *unassigned fund balance*, which is available for spending at the government's discretion. Fund balance of \$164.3 million is restricted for capital projects, primarily related to bond work. The remaining \$13.9 million is restricted for debt repayment and grant activities, as authorized by voters and grantors.

General Fund: The General Fund is the main operating fund of the District. As of June 30, 2020, unassigned fund balance was \$23.6 million. As a measure of the fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. Fund balance represents 11.6 percent of total General Fund expenditures. The fund balance increased by \$4.0 million during the current fiscal year. This is attributed to an active reduction of expenditures and cost containment measures implemented at the end of the fiscal year in response to the COVID-19 pandemic and the subsequent shift to distance learning.

Special Revenue Fund: The Special Revenue Fund has a total fund balance of \$6.1 million. This fund accounts for revenues and expenditures for grants that are restricted for specific educational projects. Principal revenue sources are federal, state, and intermediate grants. The fund decreased by \$469,647 due to transfers out to fund debt payments.

Debt Service Fund: The Debt Service Fund has a total fund balance of \$7.8 million, all of which is restricted for the payment of debt service. The fund decreased by \$858,485 due to payments of principal and interest that came due.

Capital Projects Fund: The Capital Projects Fund has a total fund balance of \$164.3 million. The fund balance decreased by \$115.8 million during the current fiscal year, primarily due to continued construction of a new schools and improvements at current sites.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital assets: The District's investment in capital assets includes land, buildings and improvements, vehicles and equipment, and construction in progress. During the year, the District's investment in capital assets increased by approximately \$128.9 million mainly due to the construction occurring at multiple sites paid for by the 2016 Construction Bond including the completion of Beatrice Morrow Cannady Elementary School.

The changes in capital assets from the fiscal year ended June 30, 2020, are as follows:

	Capital Assets (Net of Depreciation) (in Thousands)		
	Governmental Activities		Increase (Decrease)
	June 30, 2020	June 30, 2019	
Land	\$ 64,924	\$ 62,730	\$ 2,194
Construction in Progress	176,576	151,505	25,071
Buildings and Improvements	391,168	291,731	99,437
Equipment	10,906	8,722	2,184
Total capital assets, net of accumulated depreciation	\$ 643,574	\$ 514,688	\$ 128,886

Additional information on capital assets can be found in note 5 in the Notes to Basic Financial statements section of this report.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

Long-term debt: At the end of the current fiscal year, the District had total long-term debt outstanding of \$774.4 million, consisting of general obligation and pension obligation debt, and unamortized bond premium.

During the current fiscal year, the Districts' total debt increased by \$1.3 million as a result of full faith and credit obligation issuance in June, 2020.

Outstanding Bonded Debt (in thousands)

	Governmental Activities		Increase (Decrease)
	June 30, 2020	June 30, 2019	
General obligation bonds	\$ 698,341	\$ 694,263	\$ 4,078
Pension obligation bonds	76,052	78,806	(2,754)
Total long-term debt	<u>\$ 774,393</u>	<u>\$ 773,069</u>	<u>\$ 1,324</u>

State statutes limit the amount of general obligation debt a school district may issue to 7.95 percent of its total real market value. With a real market value of over \$20 billion the current debt margin for the District is nearly \$1.1 billion, which is significantly in excess of the District's outstanding general obligation debt.

In January 2017 Standard & Poor's Rating Services confirmed the District's rating for general obligation debt as "A+" with a stable outlook and Moody's Investors Service confirmed an underlying Aa2 rating. Additional information on the District's long-term debt can be found in Note 5 in the Notes to Basic Financial statements section of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The most significant economic factor for the District is the State of Oregon's State School Fund. For the year ended, June 30, 2020, the State School Fund – General Support provided over 60 percent of the District's General Fund program resources. State provided funding for K-12 education for the 2019-21 biennium is \$9.0B, a 9.8% increase from the previous biennium. However, increasing PERS costs continue to cause significant strain on the 2020-21 budget and are anticipated to cause more financial pressure in future years.

The 2019 Oregon Legislature passed a new spending bill which will allocate an additional \$1B annually to schools through the Student Success Act. North Clackamas School district anticipated an additional \$13M in revenue from this act in the 2020-21 budget however, due to the COVID-19 pandemic and subsequent recession, the actual revenue will be \$4.3 million. These funds are required to be used to support student mental and behavioral health and increase academic achievement for students, including reducing achievement disparities for targeted student populations.

Because of continued growth in real estate values and increased building, property taxes are expected to grow at around 4 percent. Enrollment has been relatively flat in the past few years. For the 2020-21 school year, flat enrollment was expected but with the move to comprehensive distance learning in response to the COVID-19 pandemic, enrollment is down significantly and the district will have a lower ADM but will continue to receive state funding based on the 2019-20 ADM.

The District has completed a strategic planning process that will more closely align budgeting efforts action plan goals. The action plan goals include a focus on student achievement, equity, quality of programs, and stewardship of resources and assets entrusted to the district. This will be extremely important as the District has limited funds.

In June 2020, the board adopted the District budget for the fiscal year 2020-21. The adopted budget for the General Fund for the year ending June 30, 2021 is \$237.5 million. This is an increase of \$10.3 million from the 2019-20 adopted budget. This budget was adopted without budgeting for any financial impacts as a result of the COVID-19 pandemic due to the uncertainty and legally required deadline for adoption. The District anticipates making appropriate reductions and adjustments as the impacts of the COVID-19 pandemic continue.

**NORTH CLACKAMAS SCHOOL DISTRICT
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
FOR THE YEAR ENDED JUNE 30, 2020**

REQUESTS FOR INFORMATION

This financial report is designed to present the user (citizens, taxpayers, investors, and creditors) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Chief Financial Officer at 12400 SE Freeman Way, Milwaukie, OR 97222. An electronic copy of this and other prior year financial statements are available on the District's website at: <http://www.nclack.k12.or.us/business/page/audit-reports>.

BASIC FINANCIAL STATEMENTS

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF NET POSITION
June 30, 2020

	Governmental Activities	Business Type Activities	Total
Assets			
Cash and Investments	\$ 245,362,123	\$ 1,048,734	\$ 246,410,857
Property Taxes and Other Receivables	10,672,024	-	10,672,024
OPEB Net Asset - RHIA	1,774,960	-	1,774,960
Capital Assets			
Land and Constructions in Progress - Nondepreciable	241,499,710	-	241,499,710
Capital Assets, Net of Depreciation	402,074,409	-	402,074,409
Total Assets	901,383,226	1,048,734	902,431,960
Deferred Outflows of Resources			
Pension Deferrals	52,096,949	-	52,096,949
Other Post Employment Benefits	7,156,127	-	7,156,127
OPEB Liability, Stipend Benefit	112,227	-	112,227
Deferred Charge on Refunding	26,096,631	-	26,096,631
Total Deferred Outflows of Resources	85,461,934	-	85,461,934
Liabilities			
Accounts Payable	21,933,631	-	21,933,631
Accrued Payroll and Payroll Liabilities	13,565,106	22,153	13,587,259
Estimated Claims Liabilities	5,501,391	-	5,501,391
Accrued Interest Payable	862,744	-	862,744
Accrued Compensated Absences	718,883	-	718,883
Long-term Obligations			
Due Within One Year			
Bonds Payable	18,777,729	-	18,777,729
Notes Payable	1,505,042	-	1,505,042
Due in More Than One Year			
Bonds Payable	755,614,781	-	755,614,781
Notes Payable	8,249,304	-	8,249,304
Proportionate Share of Net Pension Liability	136,301,159	-	136,301,159
Other Postemployment Benefits, Implicit Rate Subsidy	25,723,404	-	25,723,404
OPEB Liability, Stipend Benefit	1,485,075	-	1,485,075
Total Liabilities	990,238,249	22,153	990,260,402
Deferred Inflows of Resources			
Pension Deferrals	19,559,610	-	19,559,610
Other Post Employment Benefits	994,346	-	994,346
OPEB Liability, Stipend Benefit	769,102	-	769,102
Total Deferred Inflows of Resources	21,323,058	-	21,323,058
Net Position			
Net Investment in Capital Assets	136,072,892	-	136,072,892
Restricted for:			
Special Grants and Services	6,108,852	-	6,108,852
Debt Services	7,782,089	-	7,782,089
Unrestricted	(174,679,980)	1,026,581	(173,653,399)
Total Net Position	\$ (24,716,147)	\$ 1,026,581	\$ (23,689,566)

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

	Function Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business Type Activities	Total
Functions/Programs							
Governmental Activities:							
Instructional Services	\$ 146,943,286	\$ 17,450	\$ 9,989,548	\$ -	\$ (136,936,288)	\$ -	\$ (136,936,288)
Supporting Services	88,837,948	220,226	3,338,832	-	(85,278,890)	-	(85,278,890)
Community Services	7,968,476	2,109,852	3,087,298	-	(2,771,326)	-	(2,771,326)
Facilities Acquisition	133,921	-	-	2,236,884	2,102,963	-	2,102,963
Interest on Long-term Debt	38,960,178	-	-	-	(38,960,178)	-	(38,960,178)
Total Governmental Activities	282,843,809	2,347,528	16,415,678	2,236,884	(261,843,719)		(261,843,719)
Business-Type Activities:							
Community Services	1,468,173	1,382,253	-	-	-	(85,920)	(85,920)
Total	<u>\$ 284,311,982</u>	<u>\$ 3,729,781</u>	<u>\$ 16,415,678</u>	<u>\$ 2,236,884</u>	<u>(261,843,719)</u>	<u>(85,920)</u>	<u>\$ (261,929,639)</u>
General Revenues							
Property Taxes Levied for General Purposes and Debt Service					122,504,630	-	122,504,630
State and Local Revenue					127,742,121	-	127,742,121
Miscellaneous					1,305,294	176,401	1,481,695
Earnings on Investments					7,335,969	-	7,335,969
Total General Revenues					258,888,014	176,401	259,064,415
Change in Net Position					(2,955,705)	90,481	(2,865,224)
Net Position							
Beginning of Year					(21,760,442)	936,100	(20,824,342)
End of Year					<u>\$ (24,716,147)</u>	<u>\$ 1,026,581</u>	<u>\$ (23,689,566)</u>

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2020

	General	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Totals
ASSETS					
Cash and Investments	\$ 51,610,944	\$ 2,611,774	\$ 12,127,224	\$ 164,887,455	\$ 231,237,397
Property Taxes and Other Receivables	5,308,746	4,196,236	1,167,024	-	10,672,006
Due from Other Funds	-	156,002	-	19,961,314	20,117,316
Total Assets	\$ 56,919,690	\$ 6,964,012	\$ 13,294,248	\$ 184,848,769	\$ 262,026,719
LIABILITIES					
Accounts Payable	\$ 1,079,516	\$ 329,159	\$ -	\$ 20,524,956	\$ 21,933,631
Accrued Payroll and Payroll Liabilities	13,038,533	526,001	-	572	13,565,106
Due to Other Funds	16,947,423	-	4,519,253	-	21,466,676
Total Liabilities	31,065,472	855,160	4,519,253	20,525,528	56,965,413
DEFERRED INLFOWS OF RESOURCES					
Unavailable Revenue - Property Taxes	2,299,920	-	992,906	-	3,292,826
Total Deferred Inflows of Resources	2,299,920	-	992,906	-	3,292,826
FUND BALANCES					
Restricted for					
Special Grants and Services	-	6,108,852	-	-	6,108,852
Debt Service	-	-	7,782,089	-	7,782,089
Future Capital Projects	-	-	-	164,323,241	164,323,241
Unassigned	23,554,298	-	-	-	23,554,298
Total Fund Balances	23,554,298	6,108,852	7,782,089	164,323,241	201,768,480
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 56,919,690	\$ 6,964,012	\$ 13,294,248	\$ 184,848,769	\$ 262,026,719

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
RECONCILIATION OF GOVERNMENTAL FUNDS
BALANCE SHEET TO STATEMENT OF NET POSITION
June 30, 2020

Total Fund Balances - Governmental Funds \$ 201,768,480

Amounts reported for governmental activities in the statement of net position are different because:

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

Cost	\$ 806,377,749	
Accumulated depreciation	<u>(162,803,630)</u>	643,574,119

A portion of the District's property taxes are collected after year-end but are not available soon enough to pay for the current years' operations, and therefore are not reported as revenue in the governmental funds. 3,292,826

The assets and liabilities of the internal service funds are included in the governmental activities in the Statement of Net Position 9,972,713

The OPEB net asset - RHIA is not collectable in the current period, and therefore is not reported as an asset in the governmental funds 1,774,960

The net pension liability is not due and payable in the current period, and therefore is not reported as a liability in the governmental funds (136,301,159)

Deferred outflows and inflows of resources related to pensions are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred outflows of resources related to pensions	52,096,949	
Deferred outflows of resources related to refunding	26,096,631	
Deferred outflows of resources related to OPEB	7,156,127	
Deferred outflows of resources related to OPEB - Stipend	112,227	
Deferred inflows or resources related to OPEB	(994,346)	
Deferred inflows or resources related to stipend benefit	(769,102)	
Deferred inflows or resources related to pensions	<u>(19,559,610)</u>	64,138,876

Long-term obligations not payable in the current year are not reported as governmental fund liabilities. Interest on long-term debt is not accrued in the governmental funds, but rather is recognized as an expenditure when due. These obligations consist of:

Accrued interest payable	(862,744)	
Accrued compensated absences	(718,883)	
Bonds payable	(774,392,510)	
Notes payable	(9,754,346)	
Net OPEB liability	(25,723,404)	
Net OPEB liability, stipend benefit	<u>(1,485,075)</u>	<u>(812,936,962)</u>

Total Net Position \$ (24,716,147)

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
Year Ended June 30, 2020

	General	Special Revenue Fund	Debt Service Fund	Capital Projects Fund	Total
Revenues					
Property Taxes	\$ 87,291,520	\$ -	\$ 34,728,260	\$ -	\$ 122,019,780
State and Local Sources	116,250,693	11,664,087	-	5,144,642	133,059,422
Federal Sources	7,730	11,062,625	-	-	11,070,355
Earnings from Investments	1,195,456	-	423,336	5,586,997	7,205,789
Services Provided Other Funds	2,576,754	-	12,113,038	-	14,689,792
Construction Excise Tax	-	-	-	1,980,367	1,980,367
Miscellaneous	815,941	-	-	-	815,941
Total Revenues	208,138,094	22,726,712	47,264,634	12,712,006	290,841,446
Expenditures					
Current					
Instruction	123,582,628	9,809,167	-	-	133,391,795
Support Services	78,758,712	4,789,841	-	161,933	83,710,486
Enterprise and Community Services	-	7,252,413	-	-	7,252,413
Debt Service					
Principal	-	-	15,852,383	-	15,852,383
Interest	-	-	34,976,613	-	34,976,613
Capital Outlay					
Support Services	33,712	3,247,549	-	-	3,281,261
Enterprise and Community Services	-	49,023	-	-	49,023
Facilities Acquisition and Construction	-	-	-	137,901,643	137,901,643
Total Expenditures	202,375,052	25,147,993	50,828,996	138,063,576	416,415,617
Excess (Deficiency) of					
Revenues Over (Under) Expenditures	5,763,042	(2,421,281)	(3,564,362)	(125,351,570)	(125,574,171)
Other Financing Sources (Uses)					
Loan Receipts	-	2,524,219	-	-	2,524,219
Bonds Issued	-	-	-	11,036,100	11,036,100
Transfers In	1,400,000	1,340,077	2,705,877	199,714	5,645,668
Transfers (Out)	(3,114,398)	(1,912,662)	-	(1,690,777)	(6,717,837)
Total Other Sources (Uses)	(1,714,398)	1,951,634	2,705,877	9,545,037	12,488,150
Net Change in Fund Balance	4,048,644	(469,647)	(858,485)	(115,806,533)	(113,086,021)
Fund Balances					
Beginning of Year	19,505,654	6,578,499	8,640,574	280,129,774	314,854,501
End of year	\$ 23,554,298	\$ 6,108,852	\$ 7,782,089	\$ 164,323,241	\$ 201,768,480

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
Year Ended June 30, 2020

Net Change in Fund Balances - Total Governmental Funds \$ (113,086,021)

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

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

Expenditures for capital assets	\$ 141,047,500	
Less current year depreciation	(12,160,956)	128,886,544

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. This is the net effect of these differences in the treatment of long-term debt.

Principal payments	15,852,383	
Bonds issued	(11,036,100)	
Loan receipts	(2,524,219)	
Accreted interest of deferred interest bonds	(8,623,120)	
Change in accrued vacation	(199,563)	(6,530,619)

Governmental funds report the effect of issuance costs, premiums, and discounts when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences:

Amortization of deferred charge on refunding bonds	(2,174,719)	
Amortization of premium	4,055,067	1,880,348

The revenues and expenses of the internal service funds are included in governmental activities in the statement of activities. 5,090,642

Actuarial changes in Long-term pension liabilities, deferred outflows and deferred inflows of resources are not reported as governmental funds liabilities and therefore not reported as revenues or expenditures in the governmental funds. (21,712,406)

In the statement of activities interest is accrued on long-term debt, whereas in the governmental funds it is recorded as interest expenses when due. 2,759,207

Property taxes that do not meet the measurable and available criteria are not recognized as revenues in the current year in the governmental funds. In the statement of activities property taxes are recognized as revenue when levied. 484,850

In the statement of activities, contributions for other postemployment benefits less than the actuarially determined contribution amount increase the other postemployment benefit obligation. In the governmental funds the entire contribution is recognized as an expenditure. This is the amount by which the obligation decreased. (728,250)

Change in Net Position \$ (2,955,705)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2020

	BUSINESS TYPE ACTIVITIES: ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES: INTERNAL SERVICE FUND
ASSETS		
Current Assets:		
Cash and Investments	\$ 1,048,734	\$ 14,124,726
Accounts Receivable	-	18
Interfund Receivable	-	1,349,360
Total Current Assets	1,048,734	15,474,104
LIABILITIES		
Current Liabilities:		
Estimated Claims Liability	-	5,501,391
Accounts Payable	-	-
Accrued Payroll and Associated Payroll Costs	22,153	-
Total Current Liabilities	22,153	5,501,391
NET POSITION		
Unrestricted	1,026,581	9,972,713
Total Net Position	\$ 1,026,581	\$ 9,972,713

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
Year Ended June 30, 2020

	BUSINESS TYPE ACTIVITIES: ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
Operating Revenues:		
Services Provided to Other Funds	\$ -	\$ 39,513,493
Charges for Services	1,382,253	-
Rentals	176,401	-
Miscellaneous	-	489,353
Total Operating Revenues	1,558,654	40,002,846
Operating Expenses:		
Salaries and Associated Payroll Costs	1,249,763	-
Purchased Services	46,199	36,042,384
Supplies and Materials	64,295	-
Other Operating Expenses	107,916	-
Total Operating Expenses	1,468,173	36,042,384
Operating Income, (Loss)	90,481	3,960,462
Nonoperating Revenue and Expenses		
Earnings from Investments	-	130,180
Total Nonoperating Revenue and Expenses	-	130,180
Income (Loss) Before Transfers	90,481	4,090,642
Transfers		
Transfer In	-	1,000,000
Total Transfers	-	1,000,000
Change in Net Position	90,481	5,090,642
Net Position		
Beginning of Year	936,100	4,882,071
End of Year	\$ 1,026,581	\$ 9,972,713

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year Ended June 30, 2020

	BUSINESS TYPE ACTIVITIES: ENTERPRISE FUND	GOVERNMENTAL ACTIVITIES INTERNAL SERVICE FUND
CASH FLOWS FROM OPERATING ACTIVITIES:		
Cash Received from User Charges	\$ 1,382,253	\$ -
Cash Received from Other Rentals and Miscellaneous	176,401	489,353
Cash Received from Assessments Made to Other Funds	-	39,566,008
Cash Payments to Suppliers for Goods and Services	(117,068)	(38,751,559)
Cash Payments to Employees for Services	(1,240,496)	-
Cash Payments for Other Operating Expenses	(107,916)	-
Net Cash Provided (Used) by Operating Activities	93,174	1,303,802
CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest Received	-	130,180
Net Cash Provided (Used) by Investing Activities	-	130,180
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		
Transfers, In	-	1,000,000
Net Cash Provided (Used) by Noncapital Financing Activities	-	1,000,000
Net Increase, (Decrease) in Cash and Cash Equivalents	93,174	2,433,982
Cash and Cash Equivalents - Beginning	955,560	11,690,744
Cash and Cash Equivalents - Ending	\$ 1,048,734	\$ 14,124,726
Reconciliation of Operating Income, (Loss) to Net Cash Provided, (Used) by Operating Activities:		
Operating income, (loss)	\$ 90,481	\$ 3,960,462
Adjustments to Reconcile Operating Income, (Loss) to Net Cash Provided, (Used) by Operating Activities:		
Changes in Assets and Liabilities:		
Receivables	-	52,515
Interfund	-	(1,349,360)
Payables	(6,574)	(595,060)
Accrued Payroll and Associated Payroll Costs	9,267	(764,755)
Net Cash Provided (Used) by Operating Activities	\$ 93,174	\$ 1,303,802
Cash Paid for Interest	\$ -	\$ -
Cash Paid for Taxes	\$ -	\$ -

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 STATEMENT OF NET POSITION
 FIDUCIARY FUNDS
 June 30, 2020

	Private Purpose Trust Fund
Assets	
Cash and Investments	\$ 369,805
Other Receivables	41,463
	<hr/>
Total Assets	411,268
	<hr/>
Liabilities	
Accrued Payroll, Taxes and Employee Withholdings	213,508
	<hr/>
Total Liabilities	213,508
	<hr/>
Net Position	
Held in Trust for:	
Scholarships and Charter Schools	197,760
	<hr/>
Total Net Position	\$ 197,760
	<hr/> <hr/>

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
STATEMENT OF CHANGES IN NET POSITION
FIDUCIARY FUNDS
Year Ended June 30, 2020

	Private Purpose Trust Fund
Additions:	
Investment Earnings	\$ 3,037
State and Local Sources	9,119,874
Total Additions	9,122,911
Deductions:	
Charter Schools Payments	8,999,050
Scholarships	6,000
Total Deductions	9,005,050
Change in Net Position	117,861
Net Position	
Beginning of Year	79,899
End of Year	\$ 197,760

See notes to the basic financial statements.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

1. Summary of Significant Accounting Policies

Reporting Entity

North Clackamas School District No. 12 (the District) is a municipal corporation governed by an elected Board of Directors. The Board approves administrative officials. The daily functioning of the District is under 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 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.

Basis of Presentation

GOVERNMENT-WIDE FINANCIAL STATEMENTS

The Statement of Net Position and the Statement of Activities display information about the District. These statements include the governmental financial activities of the overall District, except fiduciary activities. 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/programs. Direct expenses are those that are specifically associated with a function and, therefore, are clearly identifiable to that function. 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 not classified as program revenues, including property taxes and state supports, are presented as general revenues.

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

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

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 fiduciary – are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as other governmental funds.

The District reports the following major governmental funds:

General Fund – This fund accounts for all revenues and expenditures except for those required to be accounted for in another fund. The principal revenue sources are property taxes and an apportionment from the State of Oregon. Expenditures in the fund are made for instructional purposes and related support services.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Basis of Presentation – FUND FINANCIAL STATEMENTS (Continued)

Special Revenue Fund - This fund accounts for the revenues and expenditures of specific educational programs funded from federal, state, local sources, and student body activities. Principal sources of revenue are federal and state grants paid to the District through state and county agencies and other grants paid to the District directly from state, local and private agencies as well as student body receipts.

Debt Service Fund - This fund is used for the accumulation of resources and payment of general obligation bond principal and interest. Primary resources in these funds are property taxes and earnings on investments.

Capital Projects Fund – This fund accounts for activities related to the acquisition, construction, equipping and furnishing of new schools and other facilities. Principal revenue sources are proceeds from general obligation bond issues and related interest earned on proceeds not yet expended.

Additionally, the District reports the following fund types:

Enterprise Fund – This fund accounts for activities related to community service including child care services. Principal revenue sources are charges for services and rentals.

Internal Service Fund – This fund accounts for costs incurred for employees' general health insurance. The principal revenue source is charges to other funds for services.

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 Enterprise Fund are rental and lease charges for facility use and service charges to external customers for goods and services. Operating expenses for the Enterprise Fund include salaries and benefits, supplies, materials and administrative expenses. The principal operating revenues of the District's Internal Service Funds are charges to other funds for insurance. Operating expenses for the Internal Service Funds include self-insurance. All revenues and expenses not meeting these definitions are reported as nonoperating revenues and expenses in both the Enterprise Fund and the Internal Service Funds.

The private-purpose trust fund is used to account for charter school receipts and scholarship resources held by the District in a fiduciary capacity for use by charter schools and students. Disbursements from this fund is made in accordance with the trust and donor agreements.

Measurement Focus and Basis of Accounting

Government-wide and fiduciary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place. Non-exchange transactions, in which the District receives value without giving equal value in exchange, include property taxes, grants, entitlements and donations. On the accrual basis of accounting, revenue from property taxes is recognized in the fiscal year for 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 position 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.

1. Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting (Continued)

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. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long-term debt and claims and judgments, which are recognized as expenditures to the extent they have matured. Capital asset acquisitions are reported as expenditures in the governmental funds and proceeds from general long-term debt and acquisitions under capital leases are reported as other financing sources.

The Enterprise and Internal Service Fund employs the economic resources measurement focus and the accrual basis of accounting.

Budget

A budget is prepared and legally adopted for each governmental fund type and private purpose trust 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 basis for the governmental fund types and private purpose trust fund, except that capital outlay expenditures, including items below the District's capitalization level, are budgeted by 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 supplemental budget and appropriation resolution.

Supplemental budgets less than 10% of fund's budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires a hearing 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. The District's appropriations lapse at year-end.

Cash and Investments

The District's cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition are considered to be cash and cash equivalents. Short-term investments are stated at cost, which approximates fair value.

The District's investments consist of U.S. Government Treasury securities, U.S. Government Agency securities and the State of Oregon Treasurer's Local Government Investment Pool (LGIP). The District's investments are reported a fair value based upon quoted market rates. Changes in fair value of investments are recorded as investment earnings. The LGIP is stated at costs 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 fund. The LGIP is commingled with 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.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Property Taxes Receivable

Property taxes are levied and become a lien on all taxable property as of July 1. Collections 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 taxes receivable are due from property owners within the District.

Accounts and Other Receivables

Accounts and other receivables are comprised primarily of State school support and claims for reimbursement of costs under various federal and state grants.

Grants

Unreimbursed grant 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.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Oregon Public Employees Retirement System (OPERS) and additions to/deductions from OPERS fiduciary net position have been determined on the same basis as they are reported by OPERS. 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.

Capital Assets

Capital assets are recorded at original cost or estimated original cost. Donated capital assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported 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. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are depreciated using the straight-line method over the following useful lives.

Buildings and improvements	10 to 50 years
Vehicles and Equipment	5 to 30 years

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position and balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position or fund balance that applies to a future period(s) so will not be recognized as an outflow of resources (expense/expenditure) until that time. The government has four items that arise only under a full accrual basis of accounting that qualify for reporting in this category. The statement of net position reports the net PERS pension liability, Stipend, OPEB and bond refunding. These amounts are deferred and recognized as an outflow of resources in the period that the amounts become available.

1. Summary of Significant Accounting Policies (Continued)

Deferred Outflows/Inflows of Resources (Continued)

In addition to liabilities, the statement of net position and balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position or fund balance that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The government has four items that arise for reporting in this category. The balance sheet reports unavailable revenues from one source: property taxes. The statement of net position reports three types related to the net PERS pension liability, other post-employment benefits, and stipend benefit. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Retirement Plans

Substantially all of the District's employees are participants in the Oregon Public Employees Retirement System (OPERS). 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.

The District offers its employees a tax deferred annuity plan established pursuant to Section 403(b) and 457(b) of the Internal Revenue Code.

Self-Insurance

The District is self-insured for losses and claims up to policy deductible limits ranging from \$5,000 to \$50,000 for property, comprehensive general and automobile liability, board of directors' liability, boiler and machinery, and fidelity bonds coverages. Additionally, the District is self-insured for workers' compensation.

Post Employment Health Care Benefits

Eligible employees who elect early retirement are entitled to participate in the District's group medical insurance plan. Such costs are recorded as expenses in the General Fund and are funded as premiums become due.

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 unused vacation pay is accrued, if material, when earned in the government-wide financial statements. A liability is accrued in the governmental funds when the amount matures.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Continued)

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 applicable bond premium or discount. Bond issuance costs are expensed in the period incurred. 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 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.

Interfund Transactions

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. This includes interfund transfers occurring within governmental activities and interfund receivables and payables.

Interfund Receivables/Payables

The District maintains a cash pool that is available for use by all funds. The cash pool account is maintained in the General Fund, while activity between funds utilizing this cash is referred to as Due to/from Other Funds in each fund at the end of the fiscal year in the fund basis financial statements. All interfund loan balances are considered current and are eliminated in the government-wide financial statements.

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 government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

Governmental fund balances are classified as nonspendable, restricted, committed, assigned or unassigned. Following are descriptions of fund classifications used by the district:

Nonspendable fund balance includes items not immediately converted to cash, such as prepaid items and inventory.

Restricted fund balance includes amounts that have constraints placed upon the use of the resources either by an external party or imposed by law through a constitutional provision or enabling legislation.

Committed fund balance includes amounts that can be used only for the specific purposes pursuant to constraints imposed by a formal resolution of the School Board. The School Board can modify or rescind the commitment at any time through taking a similar formal resolution.

Assigned fund balance includes amounts assigned for specific uses as authorized by the Superintendent and/or Director of Finance.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

1. Summary of Significant Accounting Policies (Continued)

Fund Balances (Continued)

Unassigned fund balance is the residual classification for balances not assigned to another category. The general fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

The governing body has approved the following order of spending regarding fund balance categories: The spending of restricted fund balances on purposes for which such funds can be used to occur first when funds are spent for restricted and unrestricted purposes. When unrestricted classifications of fund balance are spent, the board will consider the committed amounts will be reduced first, followed by assigned amounts and then unassigned amounts.

To preserve a sound financial system and to provide stable financial base, the governing body has adopted a minimum fund balance policy. The District will target a minimum fund balance equal to no less than (5%) percent of the General Fund expenditures and other financing uses as a reserve for economic uncertainties.

Net Position

In the government-wide financial statements, net position is classified in the following categories:

Net Investment in Capital Assets – This amount consist of capital assets net of accumulated depreciation and reduced by outstanding debt attributed to the acquisition, construction, or improvement of the assets. In addition, the District has unspent bond proceeds in the form of cash and investments to fund bond expenditures in subsequent years.

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

Unrestricted net position – This amount is all net position that do not meet the definition of “net invested in capital assets” or “restricted net position”.

Use of Estimates

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

2. Cash and Investments

The District maintains a cash pool that is available for use by all funds except the agency fund. Each fund type's portion of this pool is reported on the Combined Balance Sheet as Cash and Investments or Due to/from other funds. In addition, cash is separately held by certain funds of the District.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2020

2. Cash and Investments (Continued)

Cash and investments on June 30, 2020 consist of the following:

Petty Cash	\$ 2,000
Deposits with banks	77,736,205
Investments	169,042,457
	<u>\$ 246,780,662</u>

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

Statement of Net Position	
Cash and Investments	\$ 246,410,857
Statement of Net Position - Fiduciary Funds	
Cash and Investments - Private Purpose Trust	369,805
	<u>\$ 246,780,662</u>

Deposits

Custodial credit risk – Deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the District's deposits may not be returned to the District. Insurance and collateral requirements for the deposits are established by federal banking regulations and Oregon law. State statutes require that the District's deposits be covered by the Federal Deposit Insurance Corporation (FDIC) or by a multiple financial institution collateral pool under ORS 295.015 which is administered by the State of Oregon Office of the Treasury.

Deposits with financial institutions include primarily bank demand and money market deposits. The balances in these accounts according to the District's records total \$77,736,205 on June 30, 2020. The bank statement records reflect a balance of \$79,224,001 at year end. Of this amount, \$750,000 is covered by the FDIC's general deposit insurance rules. As required by Oregon Revised Statutes, deposits in excess of federal depository insurance were held at a qualified depository for public funds. All qualified depositories for public funds are included in the multiple financial institution collateral pool that is maintained by and in the name of the Office of State Treasurer. As a result the District has no exposure to custodial credit risk for deposits with financial institutions.

Investments

State of Oregon statutes restrict the types of investments in which the District may invest. Authorized investments include obligations of the United States Government and its agencies, certain bonded obligations of Oregon municipalities, bank repurchase agreements, bankers' acceptances, time certificates of deposit, certain commercial paper, and the State of Oregon Treasurer's Local Government Investment Pool.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

2. Cash and Investments (Continued)

Investment Type	Fair Value	Weighted Average Maturity in Years	% of Investment Portfolio
Commercial Securities	\$ 16,071,079	1.25	9.51%
US Treasury Securities	34,957,089	2.06	20.68%
Municipalities	681,244	1.17	0.40%
U.S. Government Agency Securities	53,733,022	1.71	31.79%
Local Government Investment Pool	63,600,023	0.08	37.62%
	<u>\$ 169,042,457</u>	<u>1.12</u>	<u>100.00%</u>

The District categorizes its fair value measurements within the fair value hierarchy established by generally acceptable 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 Commercial Securities, U.S. Treasury securities and U.S. Agency securities are valued using quoted market prices (Level 1 inputs).

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

Interest rate risk – investments. Interest rate risks is the risk that changes in interest rates will adversely affect the fair value of an investment. The District minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet the cash requirements for ongoing operations and capital construction projects, thereby avoiding the need to sell securities in the open market, and investing primarily in the Local Government Investment Pool (LGIP). Funds may be invested in the LGIP to the extent permitted by ORS 294.810. Excess amounts are invested in adherence with the portfolio maturity constraints.

Under the District’s policy, investments of over 18 months will be avoided, unless they can be matched with specific expected use of funds as provided by ORS 294.135. The investment of capital bond proceeds are timed to meet construction payments.

Concentration of credit risk – investments. The Oregon State Treasurer’s Local Government Investment Pool (LGIP) is subject to regulatory oversight by the Oregon Secretary of State and is not required to be categorized by risk. 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 Treasurer maintains the Oregon Short-Term Fund, of which the LGIP is a part. It is not registered with the U.S. Securities and Exchange Commission. The Fund currently has no credit rating as assigned by the credit rating agencies. On June 30, 2020 the fund’s composite weighted rating was equivalent to S&P’s AA ratings. The State’s investment policies are governed by statute and the Oregon Investment Council (Council). The State Treasurer is the investment officer for the Council and is responsible for all funds in the State Treasury. Investments in the Fund are further governed by portfolio guidelines issued by the Oregon Short-Term Fund Board (OSTFB) and approved by the Oregon Investment Council (ORS 294.805 to 294.895).

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

2. Cash and Investments (Continued)

As a means of limiting its exposure to fair value losses arising from rising interest rates, no more than the stated percentage of the overall portfolio will be invested in each of the following categories of securities:

<u>Investment Type</u>	<u>Maximum % of Holdings</u>
U.S. Treasury securities	100%
Local Government Investment Pool	100% (or pool limit)
Fully insured Certificates of Deposit (CD)	100%
Bankers' Acceptances (BA's)	50%
Certificates of Deposits (CD)	25%
Repurchase Transactions	10%
U.S. Government agency securities and Instrumentalities of government sponsored Corporations.	100%

As of June 30, 2020, more than 5% of the District's total investments are in securities by the following issuers:

<u>Issuer</u>	<u>% of Total Investments</u>
Federal Agric Mortgage Assn	8.47%
Resolution Funding Corp	8.02%
U.S. Treasury	14.15%
Local Government Investment Pool	25.75%

As of June 30, 2020, the District was in compliance with the State of Oregon statutes regarding investments as discussed under Note 1 and the District's investment policies.

3. Accounts, Property Taxes and Grants Receivable

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Debt Service Fund</u>	<u>Internal Service Fund</u>	<u>Total</u>
Uncollected Property Taxes	\$ 2,715,406	\$ -	\$ 1,167,024	\$ -	\$ 3,882,430
Grants Receivables	779,489	4,196,236	-	-	4,975,725
Other Receivables	1,813,851	-	-	18	1,813,869
Total Receivables	<u>\$ 5,308,746</u>	<u>\$ 4,196,236</u>	<u>\$ 1,167,024</u>	<u>\$ 18</u>	<u>\$ 10,672,024</u>

Special revenue fund and Capital projects fund grants receivable are comprised of claims for reimbursement of costs under various federal and state grant programs.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

4. Capital Assets

Capital assets activity for the year ended June 30, 2020 was as follows:

	Balance July 1, 2019	Increases	Decreases	Balance June 30, 2020
Capital assets not being depreciated:				
Construction in Progress	\$ 15,505,196	\$ 25,071,039	\$ -	\$ 176,576,235
Land	62,730,140	2,193,335	-	64,923,475
Total Capital Assets not being depreciated	214,235,336	27,264,374	-	241,499,710
Capital assets being depreciated:				
Buildings and improvements	417,089,542	110,734,513	-	527,824,055
Equipment	34,005,371	3,048,613	-	37,053,984
Total capital assets being depreciated	451,094,913	113,783,126	-	564,878,039
Less accumulated depreciation for:				
Buildings and improvements	(125,358,771)	(11,296,856)	-	(136,655,627)
Equipment	(25,283,903)	(864,100)	-	(26,148,003)
Total accumulated depreciation	(150,642,674)	(12,160,956)	-	(162,803,630)
Total capital assets being depreciated, net	300,452,239	101,622,170	-	402,074,409
Total capital assets, net	\$ 514,687,575	\$ 128,886,544	\$ -	\$ 643,574,119

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

Program	
Instructional programs	\$ 7,024,300
Supporting services	4,728,604
Community services	408,052
Total depreciation expense	<u>\$ 12,160,956</u>

Construction Commitments - The District has active construction projects as of June 30, 2020. As of the end of the fiscal year, the District is committed under various accepted bid agreements and contracts for approximately \$115,094,856 for goods, services and construction of facilities.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

5. Long-Term Debt

General Long-Term Debt

General Obligation Bonds – General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District issues general obligation bonds to provide funds for the acquisition and construction of school facilities.

In December 2014, the District issued \$170,380,000 in general obligation bonds for the purpose of refunding portion of its general obligation bonds issued in 2007. The bonds were sold at a premium of \$28,237,296. A total of \$197,617,296 was raised to buy back bonds issued in 2007 with an outstanding principal balance of \$153,556,142 and valued as of December 18, 2014 of \$197,631,199. The difference of 986,097 was paid for cost of issuance of the bonds.

The 2014 refunding resulted in a deferred loss on the Statement of Net Position of \$35,334,060 due to the excess of the principal balance and premium of the new bonds as compared to the principle balance and premium outstanding for the bonds that were paid off. Although the stated amount of the bonded debt is now higher, the District will save a significant amount of money over the life of the new bonds due to the reduction in interest payments. The present value of savings on the total debt service of the refunding bonds in comparison to the old bonds is \$15,119,698. The deferred loss is amortized on the straight line basis over the life of the 2014 refunding bonds. The unamortized balance as of June 30, 2020 was \$ 26,096,631.

In May of 2016, the District issued \$23,830,000 in general obligation bonds for the purpose of refunding additional 2007 bonds. The bonds were sold at a premium of \$3,084,637. In addition, the District provided \$464,705 of its own funds to bring the total money raised to \$27,379,342. The 2007 with an outstanding principal balance of \$25,630,000 were paid off and transaction costs of \$209,421. The difference of \$1,539,921 is reported as a deferred loss on the Statement of Net Position and amortized over the life of the new bonds.

In March 2017, the District issued Series 2017B for \$182,350,000 in general obligation bonds to finance capital construction and improvements. Interest rates range from 4.0% to 5.0%, payable semiannually in June and December, beginning June 2020. The bonds mature on June 15, 2037 with principal payments due annually on June 15th. The District issued series 2017B deferred interest bonds for \$140,292,626 in general obligation bonds to finance capital construction and improvements. Interest rates range from 1.42% to 4.56% deferred interest is compounded and paid at maturity beginning June 2019. The bonds mature June 15, 2042.

In December 2018, the District issued Series 2018 for \$110,357,000 in general obligation bonds to finance capital construction and improvements. Interest rates on this issue is 5.0%, payable semiannually in June and December, beginning December 2019. The bonds mature on June 15, 2042 with principal payments due annually on June 15th.

Pension Obligation Bonds – On October 31, 2002 and April 2003, the District issued \$113,978,012 of limited tax pension obligation bonds to finance its portion of the unfunded actuarial liability (UAL) with the State of Oregon Public Employees Retirement System (PERS) as of December 31, 2000. On August 11, 2011, the District issued \$3,490,000 of limited tax pension obligation bonds.

Full Faith and Credit Obligation Bonds – On June 30, 2020, the District issued \$11,036,100 full faith and credit obligation bonds to provide funds for the District's bus transportation facility and subsequent improvements. Interest rate on the bonds is \$2.93% with final maturity June 1, 2035.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

5. Long-Term Debt (Continued)

Bonds payable are as follows:

Issue Date	Issue Amount	Outstanding July 1, 2019	Additions	Reductions	Outstanding June 30, 2020	Interest Rates
General Obligation Bonds:						
12/14	\$ 170,380,000	\$ 161,630,000	\$ -	\$ 6,765,000	\$ 154,865,000	2.0% - 5.0%
05/16	23,830,000	22,135,000	-	265,000	21,870,000	2.0% - 4.0%
3/17A	140,292,626	132,193,968	-	-	132,193,968	142% - 4.56%
3/17B	182,350,000	182,350,000	-	2,175,000	180,175,000	4.0% - 5.0%
12/18	110,357,000	110,357,000	-	2,322,000	108,035,000	5.00%
		608,665,968	-	11,527,000	597,138,968	
Limited Tax Pension Obligation Bonds:						
10/02	50,821,060	35,545,969	-	1,080,969	34,465,000	2.06 - 6.10 %
03/03	63,156,952	39,770,479	-	1,673,078	38,097,401	150 - 6.27%
08/11	3,490,000	3,490,000	-	-	3,490,000	4.12%
		78,806,448	-	2,754,047	76,052,401	
Full Faith and Credit Obligation		-	11,036,100	-	11,036,100	2.93%
Total G.O. and Pension Bonds		687,472,416	11,036,100	14,281,047	684,227,469	
Bond Interest Accreditation		20,120,613	8,623,120	-	28,743,733	
Unamortized premium		65,476,375	-	4,055,067	61,421,308	
Total Bonds Payable		773,069,404	\$ 19,659,220	\$ 18,336,114	774,392,510	
Less Current Portion		(14,281,047)			(18,777,729)	
		\$ 758,788,357			\$ 755,614,781	

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 charges to other funds. Notes Payable payments are paid out of the Debt Service Funds from transfers from the general fund. Notes payable at June 30, 2020 consist of the following:

Description	Issued to	Issued Date	Maturity Date	Interest Rate	Original Issue Amount	Amount Outstanding
Schedule #12	Key Bank	1/20/2012	1/20/2022	4.0-4.5%	\$ 1,403,237	\$ 312,464
Schedule #13	Key Bank	1/20/2013	12/20/2022	2.78%	1,665,122	453,748
Schedule #14	Key Bank	12/10/2014	12/20/2024	2.37%	1,157,224	560,978
Schedule #15	Key Bank	7/23/2015	6/20/2025	2.79%	900,000	481,705
Schedule #16	Key Bank	10/12/2016	6/20/2026	2.96%	1,020,576	637,941
Schedule #17	Key Bank	10/30/2017	6/20/2027	2.58%	2,394,649	1,807,402
Schedule #18	Key Bank	8/30/2018	6/20/2028	3.23%	1,852,380	1,518,362
Schedule #19	Key Bank	8/30/2018	6/20/2028	2.19%	1,852,380	2,407,301
Freeman Building	US Bank	10/1/2016	10/1/2026	3.66%	2,249,205	1,574,445
Total Note					\$ 14,494,773	9,754,346
Less Current Portion						(1,505,042)
						\$ 8,249,304

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

5. Long-Term Debt (Continued)

The District total long-term debt changes is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Bonds Payable	\$ 687,472,416	\$ 11,036,100	\$ 14,281,047	\$ 684,227,469	\$ 18,777,729
Notes Payable	8,801,463	2,524,219	1,571,336	9,754,346	1,505,042
Proportionate Share of NPL	127,533,440	8,767,719	-	136,301,159	-
Other Post Employment Benefits	24,860,477	862,927	-	25,723,404	-
OPEB Liability, Stipend	1,943,193	-	458,118	1,485,075	-
	<u>\$ 850,610,989</u>	<u>\$ 23,190,965</u>	<u>\$ 16,310,501</u>	<u>\$ 857,491,453</u>	<u>\$ 20,282,771</u>

Payments for pension liabilities and other post employment benefits are made by the General fund.

Future maturities are as follows:

Fiscal Year	Bonds	Notes	Total	Interest Due
2020-2021	\$ 18,777,729	1,505,042	20,282,771	30,381,874
2021-2022	20,925,468	1,538,984	22,464,452	29,933,208
2022-2023	23,348,245	1,317,015	24,665,260	29,304,762
2023-2024	30,413,272	1,250,895	31,664,167	24,109,056
2024-2025	33,948,023	1,211,647	35,159,670	22,508,405
2025-2030	166,716,672	2,930,763	169,647,435	85,205,491
2030-2035	181,225,725	-	181,225,725	72,402,697
2035-2040	154,137,343	-	154,137,343	133,511,657
2040-2042	54,734,992	-	54,734,992	73,838,256
	<u>\$ 684,227,469</u>	<u>\$ 9,754,346</u>	<u>\$ 693,981,815</u>	<u>\$ 501,195,406</u>

6. Interfund Receivables/Payables & Transfers

The composition of due to/due from balances as of June 30, 2020 is as follows:

	Due From	Due to
Major Government Funds		
General Fund	\$ -	\$ 16,947,423
Special Revenue Fund	156,002	-
Debt Service Fund	-	4,519,253
Capital Projects Fund	19,961,314	-
Internal Service Fund	1,349,360	-
	<u>\$ 21,466,676</u>	<u>\$ 21,466,676</u>

The District maintains a cash pool that is available for use by all funds. Each fund type's portion of this pool is reported as either Cash and Investments or Due to/from Other Funds. Interfund receivables and payables (Due to / Due from Other Funds) arise during normal processing of receipts and disbursements for all funds through a single checking account and do not represent interfund loans.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2020

6. Interfund Receivables/Payables & Transfers (Continued)

The interfund transfers during the year ended June 30, 2020 are as follows:

	Transfer In	Transfer Out
Major Government Funds		
General Fund	\$ 1,400,000	\$ 3,114,398
Special Revenue Fund	1,340,077	1,912,662
Debt Service Fund	2,705,877	-
Capital Projects Fund	199,714	1,690,777
Internal Service Fund	1,000,000	-
Fiduciary Fund	72,169	-
	<u>\$ 6,717,837</u>	<u>\$ 6,717,837</u>

The District made transfers from the General fund to fund bus replacement and cover wage increases in the Special Revenue Fund, to cover principal and interest payments in the Debt Service Fund, to the Internal Service Fund to cover worker's compensation claims, to the Capital Projects Fund to cover principal and interest payments, and to the fiduciary fund to cover ending fund balance shortfall. The Special Revenue Fund made a transfer to the Debt Service Fund to cover bus financing payments and to the Capital Projects fund to cover principal and interest payments. The Capital Projects made transfers to the General Fund to fund unfilled positions and to Debt Service Fund to cover building payments.

7. Pension Plan

Plan Description

The District participates in the Oregon Public Employees Retirement System (OPERS), a cost-sharing, multiple-employer defined benefit plan. OPERS provides retirement, disability, and death benefits to plan members and their beneficiaries.

All benefits of OPERS are established by the Oregon Legislature pursuant to Oregon Revised Statutes (ORS) Chapters 238 and 238A. The plan complies with Internal Revenue Service rules prescribed in 401(a). The Oregon Legislature has delegated the authority to the Public Employees Retirement Board (PERB) to administer and manage the system. OPERS issues a publicly available financial report that can be obtained at: http://www.oregon.gov/pers/Pages/section/financial_reports/financials.aspx. OPERS prepares their financial statements in accordance with GASB statements and generally accepted accounting principles. The accrual basis of accounting is used for all funds. Contributions are recognized when due, pursuant to legal (or statutory) requirements. Benefits are recognized in the month they are earned and withdrawals are recognized in the month they are due and payable. Investments are recognized at fair value, the amount at which financial instruments could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale.

There are currently two programs within OPERS, with eligibility determined by the date of employment. Those employed prior to August 29, 2003 are OPERS Program members, and benefits are provided based on whether a member qualifies for Tier One or Tier Two described below. Those employed on or after August 29, 2003 are Oregon Public Service Retirement Plan (OPSRP) Program members. OPERS is a hybrid retirement plan with two components: 1) the Pension Program (defined benefit; established and maintained as a tax-qualified governmental defined benefit plan), and 2) the Individual Account Program (IAP) (defined contribution; established and maintained as a tax-qualified governmental defined contribution plan).

The 1995 Legislature created a second tier of benefits for those who became OPERS Program members after 1995 but before August 29, 2003. The second tier does not have the Tier One assumed earnings rate guarantee.

7. Pension Plan (Continued)

Beginning January 1, 2004, all employees who were active members of OPERS became members of the OPSRP IAP Program. OPERS plan member contributions (the employee contribution, whether made by the employee or "picked-up" by the employer) go into the IAP portion of OPSRP. OPERS plan members retain their existing OPERS accounts; however, member contributions after January 1, 2004 are deposited in the member's IAP, not into the member's OPERS account.

a. Tier One/Tier Two Retirement Benefit Plan (Chapter 238).

Pension Benefits

The PERS retirement allowance is payable monthly for life. It may be selected from thirteen 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 (1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefit results.

A member is considered vested and will be eligible at minimum retirement age for a service retirement allowance if he or she has had a contribution in each of five calendar years or has reached at least 50 years of age before ceasing employment with a participating employer. General service employees may retire after reaching age 55. Tier One general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 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 a 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 ten 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 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 when determining the monthly benefit.

7. Pension Plan (Continued)

Benefit Changes after Retirement

Members may choose to continue participation in a variable equities investment account after retiring and may experience annual benefit fluctuations due to changes in the market value of equity investments.

Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2017 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

b. OPSRP Pension Program (Chapter 238A)

Pension Benefits.

The OPSRP Pension Program (ORS Chapter 238A) provides benefits to members hired on or after August 29, 2003. This portion of OPSRP provides a life pension funded by employer contributions. For general service employees benefits are calculated with the following formula: 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 ten or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.

Benefit Changes after Retirement

Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. Under current law, the cap on the COLA in fiscal year 2017 and beyond will vary based on 1.25 percent on the first \$60,000 of annual benefit and 0.15 percent on annual benefits above \$60,000.

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

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

7. Pension Plan (Continued)

Employer contribution rates during the period were based on the December 31, 2017 actuarial valuation. The rates based on a percentage of payroll, first became effective July 1, 2019. The District made lump sum payments to establish side accounts in 2002 and 2004, which reduces the District rates below the standard School District Pool rates. The District's contractually required contribution rate for the year ended June 30, 2020 was 16.75% of eligible payroll for Tier 1/Tier 2 members and 11.30% of eligible payroll for OPSRP members. Employer contributions for the year ended June 30, 2020 were \$14,822,647, excluding amounts to fund employer specific liabilities. \$12,057,725 was charged for the year ended June 30, 2020 as PERS benefit expenditures to be used for bond payments as they become due. In addition, \$4,658,287 in employee contributions were paid by the district for the year ended June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

At June 30, 2020, the District reported a liability of \$136,301,159 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2017 rolled forward to June 30, 2019. The District's proportion of the net pension liability was based on the District's projected long-term contribution effort to the Plan with the total projected long-term contribution effort of all employers, actuarially determined. At June 30, 2019 the District's proportion was .79% which was .05% less than its proportion measured as of June 30, 2018.

For the year ended June 30, 2020, the District recognized a pension expense of \$21.71 million. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 7,516,607	
Changes in assumptions	18,490,807	
Net difference between projected and actual earnings on investments	-	\$ 3,863,999
Changes in proportionate share	12,793,285	5,143,290
Differences between employer contributions and employer's proportionate share of system contributions`	-	10,552,321
District contributions subsequent to the measurement date	<u>13,296,250</u>	<u>-</u>
Total	<u>\$ 52,096,949</u>	<u>19,559,610</u>

District contributions subsequent to the measurement date of \$13,296,250 reported as deferred outflows of resources related to pensions will be recognized as a reduction of the net pension liability in the year ended June 30, 2021. Other amounts reported by the District as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense in subsequent years as follows:

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

7. Pension Plan (Continued)

	Pension Expense
June 30, 2021	\$ 13,357,495
June 30, 2022	1,233,420
June 30, 2023	3,561,494
June 30, 2024	1,311,666
June 30, 2025	(222,986)

Actuarial Methods and Assumptions:

Actuarial Valuations

The employer contribution rates effective July 1, 2019, through June 30, 2021, were set using the projected unit credit 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 (the estimated amount necessary to finance benefits earned by the employees during the current service year), (2) an amount for the amortization of unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial accrued liabilities being amortized over 20 years.

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

Actuarial Assumptions

The total pension liability in the December 31, 2017 actuarial valuation was determined using the following actuarial assumptions applied to all periods included in the measurement:

Valuation Date	December 31, 2017
Measurement Date	June 30, 2019
Experience Study Report	2016, published July 26, 2017
Actuarial cost method	Entry Age Normal
Actuarial assumptions:	
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increases	3.50 percent

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

7. Pension Plan (Continued)

Cost of living adjustments (COLA)	Blend of 2% COLA and graded COLA (1.25%/0.15% in accordance with <i>Moro</i> decision; blend based on service.
Mortality	<p>Healthy retirees and beneficiaries: RP-2014 Healthy annuitant, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: RP-2014 employee, sex-distinct, generational with Unisex, Social Security Data Scale, with collar adjustments and set-backs as described in the valuation.</p> <p>Disabled retirees: RP-2014 Disabled retirees, sex-distinct, generational with Unisex, Social Security Data Scale.</p>

(Source: June 30, 2019 PERS CAFR; Page 71)

Actuarial valuations of an ongoing plan involve estimates of the value of projected benefits and assumptions about the probability of events far into the future. Actuarially determined amounts are subject to continual revision as actual results are compared to past expectations and new estimates are made about the future. Experience studies are performed as of December 31 of even numbered years. The methods and assumptions shown above are based on the 2016 Experience Study which reviewed experience for the four-year period ending on December 31, 2016.

Discount Rate

The discount rate used to measure the total pension liability was 7.20 percent. 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.

Assumed Asset Allocation

Asset Class/Strategy	OIC Target
Cash	0.0
Debt Securities	20.0
Public Equity	37.5
Private Equity	17.5
Real Estate	12.5
Alternative Equity	12.5
Opportunity Portfolio	0.0
Total	100.0

(Source: June 30, 2019 PERS CAFR; Page 42)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

7. Pension Plan (Continued)

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the Plan's portfolio, assumed asset allocation, and the long-term expected rate of return for each major asset class, calculated using both arithmetic and geometric means, see PERS' audited financial statements at:

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

TABLE 31

<u>Long-Term Expected Rate of Return</u> ¹				
Asset Class	Target Allocation*	Annual Arithmetic Return ²	Compound Annual (Geometric) Return	Standard Deviation
Core Fixed Income	8.00 %	3.59 %	3.49 %	4.55 %
Short-Term Bonds	8.00	3.42	3.38	2.70
Bank/Leveraged Loans	3.00	5.34	5.09	7.50
High Yield Bonds	1.00	6.90	6.45	10.00
Large/Mid Cap US Equities	15.75	7.45	6.30	16.25
Small Cap US Equities	1.31	8.49	6.69	20.55
Micro Cap US Equities	1.31	9.01	6.80	22.90
Developed Foreign Equities	13.13	8.21	6.71	18.70
Emerging Market Equities	4.13	10.53	7.45	27.35
Non-US Small Cap Equities	1.88	8.67	7.01	19.75
Private Equity	17.50	11.45	7.82	30.00
Real Estate (Property)	10.00	6.15	5.51	12.00
Real Estate (REITS)	2.50	8.26	6.37	21.00
Hedge Fund of Funds - Diversified	2.50	4.36	4.09	7.80
Hedge Fund - Event-driven	0.63	6.21	5.86	8.90
Timber	1.88	6.37	5.62	13.00
Farmland	1.88	6.90	6.15	13.00
Infrastructure	3.75	7.54	6.60	14.65
Commodities	1.88	5.43	3.84	18.95
Assumed Inflation - Mean			2.50 %	1.85 %

¹ Based on the OIC Statement of Investment Objectives and Policy Framework for the Oregon Public Employees Retirement Fund, revised as of June 7, 2017.

² The arithmetic mean is a component that goes into calculating the geometric mean. Expected rates of return are presented using the geometric mean, which the Board uses in setting the discount rate.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

7. Pension Plan (Continued)

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension liability (asset)	\$ 218,274,212	\$ 136,301,159	\$ 67,701,006

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OPERS financial report. The effect of OPERS on the District's net position has been determined on the same basis used by OPERS.

Changes in Plan Provisions Effecting the Roll Forward

There are no changes in actuarial methods, allocation, and assumption since the December 31, 2017 actuarial valuation.

8. Other Post Employment Benefits

The District offers a postemployment health insurance subsidy and contributes to a retirement health insurance account through Oregon Public Employees Retirement System. The breakdown of the net OPEB liability, asset, deferred outflows of resources and deferred inflows of resources related to OPEB are:

	Health Insurance Subsidy	Health Insurance Account	Net
Total OPEB Liability	\$ 25,723,404	\$ -	\$ 25,723,404
Total OPEB Asset	-	1,774,960	1,774,960
OPEB Deferred Outflows of Resources	7,022,136	133,991	7,156,127
OPEB Deferred Inflows of Resources	646,750	347,596	994,346

Postemployment Health Insurance Subsidy (PHIS)

Plan Description – The maintains a single employer plan is comprised of both explicit and implicit benefits to employees attaining early retirement eligibility. Employees are generally “early retirement eligible” after attaining age 55 and completing 10 years of District Service or upon retiring from the District after completing 30 years of PERS covered employment. Licensed and Administrative employees are provided with an “allowance” that may be drawn down as a stipend or may be applied to pay for continued coverage under one or more of the District's benefit plans (i.e. the medical plan, the dental plan, the vision plan, and life insurance plan). These benefit fall within the scope of GASB 75 and are collectively referred to as “Stipend” benefits.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

8. Other Post Employment Benefits – (Continued)

Postemployment Health Insurance Subsidy (PHIS)

Confidential employees are provided an allowance to pay for continued coverage under one or more of the District's benefit plans. Because this benefit is contingent on the retiree's continued coverage under the District's health plan the benefits is the Scope of GASB 75 and are referred as to as "Explicit Medical" benefits.

Per Oregon Revised Statutes (ORS) 243.303, the District provides health insurance coverage on a self-pay basis for retirees and eligible dependents until they are Medicare eligible. Healthcare premiums rates must be based on all plan members, both active employees and retirees. There is an implicit subsidy with respect to retired employees because the medical premium rates charged for coverage typically are less than actual expected retiree claim costs. This is due to medical premium rates being determined by blending both active employee and retiree experience. This additional cost is called the "implicit subsidy" and is required to be valued under GASB 75. There are 1933 active and 107 retired members in the plan.

Funding Policy – There is no obligation on the part of the District to fund these benefits in advance. The benefit from this program is paid by retired employees on a self-pay basis and the required contributions is based on projected pay-as-you go financing requirements.

Total OPEB Liability – The District's total OPEB liability of \$25,723,404 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB liability in the June 30, 2019 actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Valuation date	June 30, 2019
Measurement date	June 30, 2020, rolled forward
Actuarial cost method	Entry Age Normal, level percent of salary.
Actuarial assumptions:	
Discount rate	3.50% per year, based on all years discounted at municipal bond rate.
Inflation rate	2.50% per year
Salary increases	3.00% per year
Healthcare cost trend rates	Increase from 3.0% to 5.0% in 2018-2019 depending on plan selected by employees to an ultimate rate range of 3.0% to 5.0% beginning in 2020
Mortality rates	As developed for the valuation of benefits under Oregon PERS and vary by years of service.
Turnover rates	As developed for the valuation of benefits under Oregon PERS and vary by years of service.
Disability rates	As developed for the valuation of benefits under Oregon PERS and vary by employee age.
Retirement rates	As developed for the valuation of benefits under Oregon PERS and vary by employee age.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

8. Other Post Employment Benefits (Continued)

Postemployment Health Insurance Subsidy (PHIS)

Changes in the Total OPEB Liability:

Balance at June 30, 2019	\$ 24,860,477
Service cost	1,198,657
Interest	849,377
Benefit payments	<u>(1,185,107)</u>
Balance at June 30, 2020	<u>\$ 25,723,404</u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Changes in assumptions	\$ 6,596,747	\$ 559,386
Difference between expected and actual experience	<u>425,389</u>	<u>87,364</u>
Total	<u>\$ 7,022,136</u>	<u>\$ 646,750</u>

Amounts reported by the District as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in pension expense in subsequent years as follows:

	Expense
June 30, 2021	\$ 730,134
June 30, 2022	730,134
June 30, 2023	730,134
June 30, 2024	730,134
June 30, 2025	730,134
Thereafter	2,724,716

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the District, as well as what that the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.50 percent) or one percentage point higher (4.50 percent) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Liability	\$ 27,835,769	\$ 25,723,404	\$ 23,750,190

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2020

8. Other Post Employment Benefits (Continued)

Postemployment Health Insurance Subsidy (PHIS)

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Trend Rate - The following presents the total OPEB liability of the District, as well as what that the District's total OPEB liability would be if it were calculated using a healthcare trend rate that is one percentage point lower or one percentage point higher than the current rate:

	<u>1% Decrease</u>	<u>Current Health Care Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 23,460,932	\$ 25,723,404	\$ 28,292,337

Retirement Health Insurance Account (RHIA)

Plan description

As a member of Oregon Public Employees Retirement System (OPERS), 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. Oregon Revised Statute (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 (ORS238.420), 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 credible 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 0.50% of Tier 1 and Tier 2 payroll and 0.43% of OPSRP of annual covered payroll. The OPERS Board of Trustees sets the employer contribution rate based on the annual required contribution (ARC) of the employers, an amount actuarially determined. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) of the plan over a period not to exceed thirty years. The District's contributions to RHIA for the years ended June 30, 2020, 2019, and 2018, were approximately \$120,163, \$455,249, and \$456,482 which equaled the required contributions each year.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2020

8. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

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

At June 30, 2020, the District reported an asset of \$1,774,960 for its proportionate share of the net OPEB asset. The net OPEB asset was measured as of June 30, 2019, and the total OPEB asset used to calculate the net OPEB asset was determined by an actuarial valuation as of December 31, 2017, rolled forward to the measurement date. The District's proportion of the net OPEB asset 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 .9185% changed from .9427%, for the prior measurement date.

For the year ended June 30, 2020, the District recognized OPEB expense reduction of (\$346,011) related to the RHIA OPEB. At June 30, 2020, the District reported deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 234,064
Changes in assumptions		1,839
Net difference between projected and actual earnings on investments		109,558
Changes in proportionate share	13,828	2,135
District contributions subsequent to the measurement date	<u>120,163</u>	<u>-</u>
Total	<u>\$ 133,991</u>	<u>\$ 347,596</u>

\$120,163 reported as deferred outflows of resources related to OPEB resulting from contributions subsequent to the measurement date will be recognized as an addition of the OPEB (asset) in the year ended June 30, 2021. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the RHIA OPEB will be recognized in OPEB RHIA expense as follows:

	Expense
June 30, 2021	\$ (172,336)
June 30, 2022	(153,077)
June 30, 2023	(19,640)
June 30, 2024	11,285
June 30, 2025	-
Thereafter	-

Actuarial Assumptions

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

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2020

8. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

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

Discount Rate

The discount rate used to measure the total OPEB liability at June 30, 2019 was 7.20 percent. The projection of cash flows used to determine the discount rate assumed that contributions from contributing employers are made at the contractually required rates, as actuarially determined. Based on those assumptions, the RHIA plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on OPEB plan investments for the RHIA plan was applied to all periods of projected benefit payments to determine the total OPEB liability.

Long-Term Expected Rate of Return

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in July 2017 the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. Each asset class assumption is based on a consistent set of underlying assumptions and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. For more information on the long-term expected rate of return for each major asset class, calculated using both the arithmetic and geometric means, see PERS audited financial statements at: <https://www.oregon.gov/pers/documents/financials/cafr/2019-CAFR.pdf>.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2020

8. Other Post Employment Benefits (Continued)

Retirement Health Insurance Account (RHIA)

Sensitivity Analysis

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

	1% Decrease (6.20%)	Current Discount Rate (7.20%)	1% Increase (8.20%)
District's Net OPEB Liability (Asset)	(1,376,052)	(1,774,960)	(2,114,858)

Stipend Benefit

Stipend Benefit – The District offers stipend benefits to all retired licensed employees and administrators as follows:

- Licensed Employees – At least 10 years of District Service and eligible for PERS retirement. Employee must retire prior to July 1, 2018.
- Administrators – Administrators must have been hired prior to July 1, 2015. At least 10 years of District Service as an Administrator, or 7 years as an Administrator with 20 years of total District Service and eligible for PERS retirement. Administrator hired prior to July 1, 2005.

Stipend Benefit for Licensed Employees – Eligible licensed employees may receive a \$30,000 benefit at retirement (benefit is prorated for employees who work less than full time) that may be paid in one of the following forms:

Option 1: Retiree may use \$30,000 to pay for continued coverage under one or more of the District's health plans (i.e. the medical plan, the dental plan, the vision, plan and the life insurance plan) on a pre-tax basis. Any remaining amount in the retiree's account balance at the age of 65 is paid in equal annual installments so that the entire balance is paid by the fourth anniversary of the employee's retirement. If the retiree dies before the account balance is paid, any remaining amount is paid as a lump sum to retiree's beneficiary.

Option 2: Retiree may receive \$30,000 as stipend payable over 4 years in equal installments. This benefit continues until the account balance is exhausted. If the retiree dies before the account balance is paid, any remaining amount is paid as a lump sum to retiree's beneficiary.

Stipend Benefit for Administrators – Eligible Administrators receive the lesser of 60% of salary at retirement or \$60,000 (benefit is pro-rated for employees who work less than full time) as retirement benefit that may be paid in one of the following forms:

Option 1: Same as Licensed Employee.

Option 2: Retiree may receive retirement benefit as stipend payable over five (5) years in equal installments. This benefit continues until the account balance is exhausted. If the retiree dies before the account balance is paid, any remaining amount is paid as a lump sum to retiree's beneficiary.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

8. Other Post Employment Benefits (Continued)

Funding Policy – There is no obligation on the part of the District to fund these benefits in advance. The benefit from this program is paid by retired employees on a self-pay basis and the required contributions is based on projected pay-as-you go financing requirements.

Total OPEB Stipend Liability – The District's total OPEB Stipend liability of \$1,485,075 was measured as of June 30, 2019 and was determined by an actuarial valuation as of that date.

Actuarial Assumptions and Other Inputs - The total OPEB Stipend liability in the June 30, 2019 actuarial valuation was determined using the actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified. See table in health insurance subsidy section.

Changes in the Total OPEB Stipend Liability:

Balance at June 30, 2019	\$	1,943,193
Service cost		30,445
Interest		58,439
Benefit payments		<u>(547,002)</u>
Balance at June 30, 2020	\$	<u><u>1,485,075</u></u>

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 112,227	\$ 729,574
Changes in assumptions	<u>-</u>	<u>39,528</u>
Total	<u><u>\$ 112,227</u></u>	<u><u>\$ 769,102</u></u>

Amounts reported by the District as deferred outflows of resources and deferred inflows of resources related to OPEB Stipend will be recognized in pension expense in subsequent years as follows:

	Expense
June 30, 2021	\$ (60,682)
June 30, 2022	(71,654)
June 30, 2023	(115,541)
June 30, 2024	(115,541)
June 30, 2025	(115,541)
Thereafter	(177,916)

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 NOTES TO BASIC FINANCIAL STATEMENTS
 Year Ended June 30, 2020

8. Other Post Employment Benefits (Continued)

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the District, as well as what that the District's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (2.50 percent) or one percentage point higher (4.50 percent) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
Total OPEB Stipend Liability	\$ 1,542,788	\$ 1,485,075	\$ 1,428,120

Tax Sheltered Annuity and Deferred Compensation Arrangements

The District offers its employees a tax deferred annuity program established pursuant to Section 403(b) of the Internal Revenue Code (the Code). Contributions are made through salary reductions from participating employee up to the amounts specified in the Code. As of June 30, 2020, 193 employees were participating in the plan. A total of \$44,309 employer paid contributions were made during the year then ended for 14 employees.

The District had a deferred compensation plan available for its employees wherein they may execute an individual agreement with the District for amounts earned by them to not be paid until a future date when certain circumstances are met. These circumstances are: termination by reason of death, disability, resignation or retirement. Payment to the employee will be made over a period not to exceed 15 years. The deferred compensation plan is one which is authorized under Section 457 of the Code and have been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administration for the sole benefit of the plan participants and are not considered assets or liabilities of the District. As of June 30, 2020, 109 employees were participating in the plan. In addition, 79 employees also make Roth contributions using a 403(b) or 457 investment vehicle. These contributions are taxed when invested but not subject to income tax when withdrawn.

9. Accrued Compensated Absences

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

	Beginning Balance	Additions	Reductions	Ending Balance
Accrued Compensated Absences	\$ 519,320	\$ 718,883	\$ 519,320	\$ 718,883
	<u>\$ 519,320</u>	<u>\$ 718,883</u>	<u>\$ 519,320</u>	<u>\$ 718,883</u>

10. Risk Management

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District carries commercial insurance. The District is self-insured for \$50,000 for each comprehensive general liability or automobile claim. The operations of the self-insurance program are reported in an Internal Service Fund, the General Self-Insurance Fund. Expenses are for reported and expected claims, administrative operating costs and the premium for its property insurance policies.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

9. Risk Management (Continued)

The District established a Self-Insurance Fund to account for and finance its uninsured risks of loss related to injuries of employees. Under this program, the Fund provides coverage up to a maximum of \$300,000 for each Workers' compensation claim.

The District established the Health Self-Insurance Fund during the 1999-2000 fiscal year. The Health Self-Insurance Fund is used to pay for employee medical bills, stop loss insurance payment, and administrative fees.

The District purchases commercial insurance for claims and stop-loss for the Health Fund in excess of coverage provided by the above Internal Service Fund and for all other risks of loss. Settled claims have not exceed this commercial coverage in any of the past three fiscal years.

The General Fund makes payments to the above Internal Service Funds based on estimates of the amounts needed to pay prior and current year claims and to establish assets available to pay claim losses. Standards require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss can be reasonably estimated. The Claim liability of \$5,501,391 reported in the fund at June 30, 2020 has been accrued. Liabilities include an amount calculated considering the effects of inflations, recent claim settlement trends including frequency and amount of payouts and other economic and social factors. The District provides currently for estimated losses to be incurred from pending claims and for incurred but no reported claims.

Changes in the fund's claims liability amounts for the years ended June 30, 2020 and 2019 are as follows:

	2020	2019
Estimated claims liability	\$ 6,096,451	\$ 5,851,124
Current year claims and changes in estimates	36,042,384	35,759,142
Claims payments	(36,637,444)	(35,513,815)
Estimated claim liability	<u>\$ 5,501,391</u>	<u>\$ 6,096,451</u>

11. Contingent Liabilities

The amounts of grant revenue reflected in the financial statements are subject to audit and adjustment by grantor agencies, principally the federal government. Any costs that are questioned or recommended to be disallowed which ultimately result in disallowed claims may become 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. The District is dependent on the State of Oregon for a substantial portion of its operating funds. Due to funding uncertainties at the State level, future funding for school district may be reduced. The ultimate effect of this possible reduction in funding on the District's future operations is not yet determinable.

12. Property Tax Abatements

The District's property tax revenues were reduced by \$150,452 under Enterprise Zones agreements by other municipalities within the District's boundaries.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO BASIC FINANCIAL STATEMENTS
Year Ended June 30, 2020

13. COVID-19

The COVID-19 outbreak worldwide has resulted in government mandated closures that have caused disruption in the District's ability to deliver-in-person education. The outbreak has affected local and global economies. The extent and duration of the impact of this outbreak on the operations of the District is unknown at this time.

14. Subsequent Events

On October 1, 2020, the District issued \$139,415,000 General Obligation Refunding Bonds. The net proceeds of \$138,616,158 were deposited with escrow agent to refund outstanding bonds.

REQUIRED
SUPPLEMENTARY INFORMATION

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SCHEDULE OF CHANGES IN TOTAL OTHER
POST EMPLOYMENT BENEFITS AND RELATED RATIOS
June 30, 2020

OPEB Liability - Medical Benefit				
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total OPEB Liability - Beginning	\$ 24,860,477	\$ 15,348,952	\$ 14,508,158	\$ 4,981,640
Service Cost	1,198,657	1,163,745	671,940	655,551
Interest	849,377	521,671	513,228	170,684
Changes in Benefit Terms	-	-	-	10,238,544
Changes of Assumptions or Other Input	-	8,186,327	-	(960,386)
Experience (Gain)/Loss	-	527,893	-	(149,996)
Benefit Payments	(1,185,107)	(888,111)	(344,374)	(427,879)
Net Change in Total OPEB Liability	862,927	9,511,525	840,794	9,526,518
Total Liability - End of Year	<u>\$ 25,723,404</u>	<u>\$ 24,860,477</u>	<u>\$ 15,348,952</u>	<u>\$ 14,508,158</u>
Covered Employee Payroll	\$95,128,229	\$92,357,504	\$92,574,470	\$90,316,556
Total OPEB Liability as Percentage of Covered Payroll	27.04%	26.92%	16.58%	16.06%

Total Pension Liability - Stipend Benefit				
	June 30, 2020	June 30, 2019	June 30, 2018	June 30, 2017
Total Total Pension Liability - Beginning	\$ 1,943,193	\$ 2,132,215	\$ 3,018,348	\$ 10,248,588
Service Cost	30,445	29,558	43,659	42,594
Interest	58,439	65,999	89,806	357,313
Changes in Benefit Terms	-	-	-	(5,876,834)
Changes of Assumptions or Other Input	-	(28,463)	-	(41,983)
Experience (Gain)/Loss	-	236,927	-	(1,175,802)
Benefit Payments	(547,002)	(493,043)	(1,019,598)	(535,528)
Net Change in Total Pension Liability	(458,118)	(189,022)	(886,133)	(7,230,240)
Total Liability - End of Year	<u>\$ 1,485,075</u>	<u>\$ 1,943,193</u>	<u>\$ 2,132,215</u>	<u>\$ 3,018,348</u>
Covered Employee Payroll	\$ 4,467,431	\$ 4,337,312	\$ 62,135,175	\$ 62,135,175
Total OPEB Liability as Percentage of Covered Payroll	33.24%	44.80%	3.43%	4.86%

This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend has been compiled, information is presented only for years for which the required supplementary information is available.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
REQUIRED SUPPLEMENTARY INFORMATION
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
June 30, 2020

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY FOR RHIA (ASSET)

Fiscal Year Ended	(a) District's Proportion of the net pension Liability (Asset) (NPL)	(b) District's Proportionate Share of the Net OPEB Liability (Asset) (NPL)	(c) District's Covered Payroll	(b/c) NPL as a Percentage of covered Payroll	Plan Fiduciary net position as a percentage of the total pension liability
June 30, 2018	0.9186%	\$ (383,355)	\$ 91,691,433	-0.42%	108.90%
June 30, 2019	0.9427%	(1,052,364)	95,592,498	-1.10%	124.00%
June 30, 2020	0.9185%	(1,774,960)	98,558,381	-1.80%	144.40%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS FOR RHIA

Fiscal Year Ended	Statutorily required contribution	Contributions in relation to the statutorily required Contribution	Contribution deficiency (excess)	District's Covered payroll	Contributions as a percent of covered payroll
June 30, 2018	\$ 456,482	\$ 456,482	\$ -	95,592,498	0.48%
June 30, 2019	455,249	455,249	-	98,558,381	0.46%
June 30, 2020	120,163	120,163	-	108,284,022	0.11%

These schedules are presented to illustrate 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.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
REQUIRED SUPPLEMENTARY INFORMATION
OREGON PUBLIC EMPLOYEES RETIREMENT SYSTEM
June 30, 2020

SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY

Fiscal Year Ended	(a) District's Proportion of the net pension Liability (NPL)	(b) District's Proportionate Share of the Net Pension Liability (NPL)	(c) District's Covered Payroll	(b/c) NPL as a Percentage of covered Payroll	Plan Fiduciary net position as a percentage of the total pension liability
June 30, 2014	0.5500%	\$ 28,028,915	\$ 70,863,117	39.55%	91.97%
June 30, 2015	0.5500%	-12,449,878	74,894,505	-16.62%	103.60%
June 30, 2016	0.5400%	31,054,190	79,190,775	39.21%	91.88%
June 30, 2017	0.6300%	94,982,200	85,807,840	110.69%	80.53%
June 30, 2018	0.7000%	94,728,298	91,691,433	103.31%	83.12%
June 30, 2019	0.8418%	127,533,440	95,592,498	133.41%	82.10%
June 30, 2020	0.7879%	136,301,159	98,558,381	138.29%	80.20%

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

SCHEDULE OF DISTRICT CONTRIBUTIONS

Fiscal Year Ended	Statutorily required contribution	Contributions in relation to the statutorily required Contribution	Contribution deficiency (excess)	District's Covered payroll	Contributions as a percent of covered payroll
June 30, 2014	\$ 5,775,344	\$ 5,775,344	\$ -	74,894,505	7.71%
June 30, 2015	6,228,511	6,228,511	-	79,190,775	7.87%
June 30, 2016	2,813,974	2,813,974	-	85,807,840	3.28%
June 30, 2017	3,007,479	3,007,479	-	91,691,433	3.28%
June 30, 2018	7,993,460	7,993,460	-	95,592,498	8.36%
June 30, 2019	8,228,081	8,228,081	-	98,558,381	8.35%
June 30, 2020	14,822,647	14,822,647	-	108,584,022	13.65%

These schedules are presented to illustrate 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.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Budget			Variance with
	Adopted	Final	Actual	Final budget
Revenues				
Revenues from Local Sources				
Property Taxes	\$ 89,937,557	\$ 89,937,557	\$ 87,117,694	\$ (2,819,863)
Penalties and Interest on Taxes	365,000	365,000	173,826	(191,174)
Earnings from Investments	1,100,000	1,100,000	1,195,456	95,456
Fees	405,257	405,257	188,004	(217,253)
Rentals	92,000	92,000	32,222	(59,778)
Contributions - Private	100,000	100,000	92,768	(7,232)
Services Provided Other Funds	1,900,000	1,900,000	2,576,754	676,754
Fees Charged to Grants	400,000	400,000	280,554	(119,446)
Miscellaneous Local Sources	436,470	436,470	815,941	379,471
Revenues from Intermediate Sources				
Other Intermediate Sources	2,880,075	2,880,075	2,675,426	(204,649)
Revenues from State Sources				
Unrestricted State Grants	109,700,950	109,700,950	112,981,719	3,280,769
Revenues from Federal Sources				
Federal Grants	90,000	90,000	7,730	(82,270)
Total Revenues	207,407,309	207,407,309	208,138,094	730,785
Expenditures				
Instruction *	123,076,029	124,576,029	123,582,628	993,401
Support Services *	82,202,474	81,702,474	78,792,424	2,910,050
Enterprise and Community Services *	5,741	5,741	-	5,741
Contingencies *	18,791,397	17,791,397	-	17,791,397
Total Expenditures	224,075,641	224,075,641	202,375,052	21,700,589
Excess (Deficiency) of Revenues Over (Under) Expenditures	(16,668,332)	(16,668,332)	5,763,042	22,431,374
Other Financing Sources (Uses):				
Transfers In	1,400,000	1,400,000	1,400,000	-
Transfers (out) *	(3,114,398)	(3,114,398)	(3,114,398)	-
Total Other Financing Sources (Uses)	(1,714,398)	(1,714,398)	(1,714,398)	-
Net Change in Fund Balance	(18,382,730)	(18,382,730)	4,048,644	22,431,374
Fund Balance				
Beginning of Year	18,382,730	18,382,730	19,505,654	1,122,924
End of Year	\$ -	\$ -	\$ 23,554,298	\$ 23,554,298

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Budget		Actual	Variance with Final budget
	Adopted	Final		
Revenues				
Local Sources	\$ 12,531,240	\$ 12,531,240	\$ 6,390,267	\$ (6,140,973)
Intermediate Sources	50,593	50,593	31,449	(19,144)
State Sources	6,193,790	6,193,790	5,242,371	(951,419)
Federal Sources	11,429,547	11,429,547	11,062,625	(366,922)
Total Revenues	30,205,170	30,205,170	22,726,712	(7,478,458)
Expenditures				
Instruction *	10,697,804	10,697,804	9,809,167	888,637
Support Services *	16,806,168	16,806,168	8,037,390	8,768,778
Enterprise and Community Services *	7,853,759	7,853,759	7,301,436	552,323
Total Expenditures	35,357,731	35,357,731	25,147,993	10,209,738
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,152,561)	(5,152,561)	(2,421,281)	2,731,280
Other Financing Sources (Uses):				
Loan Receipts	2,200,000	2,200,000	2,524,219	324,219
Sale of Capital Assets	5,000	5,000	-	(5,000)
Transfers In	1,340,077	1,340,077	1,340,077	-
Transfers (Out) *	(1,912,662)	(1,912,662)	(1,912,662)	-
Total Other Financing Sources (Uses)	1,632,415	1,632,415	1,951,634	-
Net Change in Fund Balance	(3,520,146)	(3,520,146)	(469,647)	3,050,499
Fund Balances				
Beginning of Year, as Restated	3,520,146	3,520,146	6,578,499	3,058,353
End of Year	\$ -	\$ -	\$ 6,108,852	\$ 6,108,852

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
Year Ended June 30, 2020

1. Other Postemployment Benefits – RHIS, Stipend, and RHIA

RHIA and Stipend - The schedules of funding progress for other postemployment benefits will eventually present multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

RHIA – The amounts presented for each fiscal year were actually determined at December 31 and rolled forward to the measurement date. The amounts of covered payroll in the schedule of District's proportionate share of the Net OPEB (Asset) use the prior year's data to match the measurement date used by the OPEB plan for each fiscal year.

2. Employee Retirement Pension Benefits.

Changes in Plan Provisions

A summary of key changes in plan provisions are described in the Oregon Public Employees Retirement System's GASB information found at:

<https://www.oregon.gov/pers/EMP/Pages/gasb-68.aspx>

Changes in Assumptions

A summary of key changes implemented since the December 31, 2017 valuation are described in the Oregon Public Retirement System's GASB 68 disclosure information which can be found at:

<https://www.oregon.gov/pers/EMP/Pages/gasb-68.aspx>

Additional detail and a comprehensive list of changes in methods and assumptions can be found in the 2016 Experience Study for the System, which was published on July 28, 2017, and can be found at:

<https://www.oregon.gov/pers/Documents/2016-Exp-Study.pdf>

3. Budget

A budget is prepared and legally adopted for the General Fund and Special Revenue 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 basis for the governmental fund types, proprietary fund type and private purpose trust fund type. 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 supplemental budget and appropriation resolution.

Supplemental budgets less than 10% of fund's budget may be adopted by the Board at a regular meeting. A supplemental budget greater than 10% of a fund's original budget requires hearing 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. Appropriations lapse at the end of each fiscal year.

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SUPPLEMENTARY INFORMATION

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Revenues from Local Sources				
Property Taxes	\$ 36,356,303	\$ 36,356,303	\$ 34,640,464	\$ (1,715,839)
Penalties and Interest of Taxes	100,000	100,000	87,796	(12,204)
Earnings from Investments	400,000	400,000	423,336	23,336
Services Provided Other Funds	11,979,523	11,979,523	12,113,038	133,515
Total Revenue	48,835,826	48,835,826	47,264,634	(1,571,192)
Expenditures				
Debt Service *				
Redemption of Principal	15,852,383	15,852,383	15,852,383	-
Interest	37,079,193	37,079,193	34,976,613	2,102,580
Total Expenditures	52,931,576	52,931,576	50,828,996	2,102,580
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,095,750)	(4,095,750)	(3,564,362)	531,388
Other Financing Sources (Uses)				
Transfers In	2,705,877	2,705,877	2,705,877	-
Total Other Financing Sources (Uses)	2,705,877	2,705,877	2,705,877	-
Net Change in Fund Balance	(1,389,873)	(1,389,873)	(858,485)	531,388
Fund Balance				
Beginning of Year	1,389,873	1,389,873	8,640,574	7,250,701
End of Year	\$ -	\$ -	\$ 7,782,089	\$ 7,782,089

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
CAPITAL PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Revenues from Local Sources				
Earnings from Investments	\$ 3,200,000	\$ 3,200,000	\$ 5,586,997	\$ 2,386,997
Miscellaneous Local Sources	3,083,614	3,083,614	4,881,259	1,797,645
Construction Excise Tax	1,800,000	1,800,000	1,980,367	180,367
Revenues from State Sources	-	-	263,383	263,383
Total Revenue	8,083,614	8,083,614	12,712,006	4,628,392
Expenditures				
Support Services *	450,000	450,000	161,933	288,067
Facilities Acquisition and Construction *	321,418,173	321,418,173	137,901,643	183,516,530
Total Expenditures	321,868,173	321,868,173	138,063,576	183,804,597
Excess (Deficiency) of Revenues Over (Under) Expenditures	(313,784,559)	(313,784,559)	(125,351,570)	188,432,989
Other Financing Sources (Uses)				
Proceeds from Bonds Issued	11,000,000	11,000,000	11,036,100	36,100
Transfers In	199,714	199,714	199,714	-
Transfers (Out) *	(1,690,777)	(1,690,777)	(1,690,777)	-
Total Other Sources (Uses)	9,508,937	9,508,937	9,545,037	36,100
Net Change in Fund Balance	(304,275,622)	(304,275,622)	(115,806,533)	188,469,089
Fund Balance				
Beginning of Year	304,275,622	304,275,622	280,129,774	(24,145,848)
End of Year	\$ -	\$ -	\$ 164,323,241	\$ 164,323,241

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
COMMUNITY SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Budget			Variance with
	Adopted	Final	Actual	Final Budget
Revenues				
Revenues from Local Sources				
Child Care	\$ 1,500,000	\$ 1,500,000	\$ 1,382,253	\$ (117,747)
Rental	350,000	350,000	176,401	(173,599)
Total Revenues	1,850,000	1,850,000	1,558,654	(291,346)
Expenditures				
Enterprise and Community Services *	2,070,000	2,070,000	1,468,173	601,827
Contingencies *	530,000	530,000	-	530,000
Total Expenditures	2,600,000	2,600,000	1,468,173	1,131,827
Excess (Deficiency) of Revenues Over (Under) Expenditures	(750,000)	(750,000)	90,481	840,481
Fund Balance				
Beginning of the Year	750,000	750,000	936,100	186,100
End of Year	\$ -	\$ -	\$ 1,026,581	\$ 1,026,581

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SELF-INSURANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
Revenues				
Recovery Stop Loss	\$ 150,000	\$ 150,000	\$ -	\$ (150,000)
RX America Refund	85,000	85,000	379,018	294,018
Service Provided Other Fund	34,189,441	34,189,441	39,513,493	5,324,052
Earnings from Investments	117,381	117,381	130,180	12,799
Miscellaneous	192,500	192,500	110,335	(82,165)
Total Revenues	34,734,322	34,734,322	40,133,026	5,398,704
Expenditures				
Support Services - Self Insured Losses *	41,834,322	41,834,322	36,042,384	5,791,938
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,100,000)	(7,100,000)	4,090,642	11,190,642
Other Financing Sources (Uses)				
Transfers In	1,000,000	1,000,000	1,000,000	-
Total Other Sources (Uses)	1,000,000	1,000,000	1,000,000	-
Net Change in Fund Balance	(6,100,000)	(6,100,000)	5,090,642	11,190,642
Fund Balance				
Beginning of Year	6,100,000	6,100,000	4,882,071	(1,217,929)
End of Year	\$ -	\$ -	\$ 9,972,713	\$ 9,972,713

* Legally adopted appropriation level

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
PRIVATE PURPOSE TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL
Year Ended June 30, 2020

	Budget		Actual	Variance with Final Budget
	Adopted	Final		
Revenues				
State and Local Sources	\$ 10,567,133	\$ 10,567,133	\$ 9,047,705	\$ (1,519,428)
Earnings from Investments	5,000	5,000	3,037	(1,963)
Total Revenues	10,572,133	10,572,133	9,050,742	(1,521,391)
Expenditures				
Instruction *	9,038,349	9,038,349	7,519,847	1,518,502
Support Services *	1,600,953	1,600,953	1,479,203	121,750
Community Services *	206,000	206,000	6,000	200,000
Total Expenditures	10,845,302	10,845,302	9,005,050	1,840,252
Excess (Deficiency) of Revenues Over (Under) Expenditures	(273,169)	(273,169)	45,692	318,861
Other Financing Sources (Uses) Transfers In	72,169	72,169	72,169	-
Net Change in Fund Balance	(201,000)	(201,000)	117,861	318,861
Fund Balance				
Beginning of Year	201,000	201,000	79,899	(121,101)
End of Year	\$ -	\$ -	\$ 197,760	\$ 197,760

* Legally adopted appropriation level

OTHER FINANCIAL SCHEDULES

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SCHEDULE OF PROPERTY TAX TRANSACTIONS
YEAR ENDED JUNE 30, 2020

GENERAL FUND

Tax Roll Year	Beginning Balance and 2019-2020 Levy	Discounts Allowed	Net Adjustments	Interest	Collections	Balance June 30, 2020
2019-2020	\$ 90,184,349	\$ (786)	\$ (2,560,833)	\$ 30,127	\$ 86,182,135	\$ 1,442,167
2018-2019	988,205	(91)	(49,314)	45,041	527,598	411,384
2017-2018	409,995	(4)	(22,598)	36,258	157,568	229,833
2016-2017	223,404	-	(2,436)	43,083	131,071	89,897
2015-2016	96,815	-	(1,601)	24,664	69,351	25,863
and prior	156,535	-	(4,153)	23,947	51,606	100,776
	<u>\$ 92,059,303</u>	<u>\$ (881)</u>	<u>\$ (2,640,935)</u>	<u>\$ 203,120</u>	<u>87,119,329</u>	<u>\$ 2,299,920</u>
Miscellaneous adjustments and transfers					(1,635)	
Revenue turned over to the General Fund					<u>\$ 87,117,694</u>	

DEBT SERVICE FUND

Tax Roll Year	Beginning Balance and 2019-2020 Levy	Discounts Allowed	Net Adjustments	Interest	Collections	Balance June 30, 2020
2019-2020	\$ 35,753,857	\$ (312)	\$ (1,015,250)	\$ 11,944	\$ 34,167,167	\$ 571,752
2018-2019	500,694	(46)	(24,986)	22,821	267,318	208,436
2017-2018	204,830	(1)	(11,289)	18,113	78,713	114,829
2016-2017	112,408	-	(1,226)	21,678	65,951	45,231
2015-2016	48,418	-	(801)	12,334	34,681	12,936
and prior	66,672	-	(1,951)	11,818	24,999	39,722
	<u>\$ 36,686,879</u>	<u>\$ (359)</u>	<u>\$ (1,055,503)</u>	<u>\$ 98,708</u>	<u>34,638,829</u>	<u>\$ 992,906</u>
Miscellaneous adjustments and transfers					1,635	
Revenue turned over to the Debt Service Fund					<u>\$ 34,640,464</u>	

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 SUPPLEMENTAL INFORMATION AS REQUIRED
 BY THE OREGON DEPARTMENT OF EDUCATION
 Year Ended June 30, 2020

A. Energy bill for Heating - **All Funds:**

Please enter your expenditures for electricity
 & heating fuel for these Functions & Objects.

	Objects 325, 326 & 327
Function 2540	\$ 2,768,850
Function 2550	34,275

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

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

Exclude these functions:

\$	-
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1113,1122 & 1132	Co-curricular Activities	2550	Pupil Transportation
1140	Pre-Kindergarten	3100	Food Service
1300	Continuing Education	3300	Community Services
1400	Summer School	4150	Construction

**2019 - 20 DISTRICT AUDIT REVENUE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Revenue from Local Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
1110	Ad Valorem Taxes Levied by District	\$ 68,812,565	\$ -	\$ 34,640,464	\$ -	\$ -	\$ -	\$ -
1121	Local Option Ad Valorem Taxes Levied by District	\$ 18,305,129	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 531,619
1130	Construction Excise Tax	\$ -	\$ -	\$ -	\$ 1,980,367	\$ -	\$ -	\$ -
1190	Penalties and Interest on Taxes	\$ 173,826	\$ -	\$ 87,796	\$ -	\$ -	\$ -	\$ -
1201	Revenue from Local Governmental Units	\$ 19,209	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1311	Tuition From Individuals	\$ -	\$ 17,150	\$ -	\$ -	\$ -	\$ -	\$ -
1414	Transportation Fees	\$ (13,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1500	Earnings on Investments	\$ 1,195,456	\$ -	\$ 423,336	\$ 5,586,998	\$ -	\$ 130,180	\$ 3,037
1600	Food Service	\$ -	\$ 1,780,234	\$ -	\$ -	\$ -	\$ -	\$ -
1700	Extracurricular Activities	\$ 188,004	\$ 3,372,199	\$ -	\$ -	\$ -	\$ -	\$ -
1800	Community Services Activities	\$ -	\$ -	\$ -	\$ -	\$ 1,382,253	\$ -	\$ -
1910	Rentals	\$ 32,222	\$ -	\$ -	\$ -	\$ 176,401	\$ -	\$ -
1920	Contributions & Donations from Private Sources	\$ 92,768	\$ 62,435	\$ -	\$ -	\$ -	\$ -	\$ 47,109
1960	Recovery of Expenditures	\$ 24,750	\$ -	\$ -	\$ 1,975,535.87	\$ -	\$ 379,017	\$ -
1970	Services Provided Other Funds	\$ 2,576,754	\$ 4,000	\$ 12,113,038	\$ -	\$ -	\$ 39,513,493	\$ -
1980	Fees Charged to Grants	\$ 280,553	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1990	Miscellaneous	\$ 784,981	\$ 1,154,249	\$ -	\$ 2,905,723	\$ -	\$ 110,335	\$ -
Total Revenue from Local Sources		\$ 92,473,218	\$ 6,390,267	\$ 47,264,635	\$ 12,448,624	\$ 1,558,654	\$ 40,133,026	\$ 581,765
Revenue from Intermediate Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
2101	County School Funds	\$ 5,577	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2102	General ESD Revenue	\$ 1,334,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2199	Other Intermediate Sources	\$ 1,334,925	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2200	Restricted Revenue	\$ -	\$ 31,449	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue from Intermediate Sources		\$ 2,675,426	\$ 31,449	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from State Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
3101	State School Fund - General Support	\$ 110,025,022	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,406,317
3102	State School Fund - School Lunch Match	\$ -	\$ 54,446	\$ -	\$ -	\$ -	\$ -	\$ -
3103	Common School Fund	\$ 1,558,981	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3199	Other Unrestricted Grants-in-Aid	\$ 1,441,591	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3222	State School Fund Transportation Equipment	\$ -	\$ 715,000	\$ -	\$ -	\$ -	\$ -	\$ -
3299	Other Restricted Grants-in-Aid	\$ (43,875)	\$ 4,472,925	\$ -	\$ 263,384	\$ -	\$ -	\$ -
Total Revenue from State Sources		\$ 112,981,719	\$ 5,242,371	\$ -	\$ 263,384	\$ -	\$ -	\$ 8,406,317
Revenue from Federal Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
4201	Unrestricted Revenue Direct from Federal Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4300	Restricted Revenue Direct From the Federal Government	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4500	Restricted Revenue from the Federal Government Through the State	\$ 7,730	\$ 10,702,903	\$ -	\$ -	\$ -	\$ -	\$ -
4801	Federal Forest Fees	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4900	Revenue for/on Behalf of the District	\$ -	\$ 359,721	\$ -	\$ -	\$ -	\$ -	\$ -
Total Revenue from Federal Sources		\$ 7,730	\$ 11,062,624	\$ -	\$ -	\$ -	\$ -	\$ -
Revenue from Other Sources		Fund 100	Fund 200	Fund 300	Fund 400	Fund 500	Fund 600	Fund 700
5100	Long Term Debt Financing Sources	\$ -	\$ 2,524,219	\$ -	\$ 11,036,100	\$ -	\$ -	\$ -
5200	Interfund Transfers	\$ 1,400,000	\$ 1,340,077	\$ 2,705,877	\$ 199,714	\$ -	\$ 1,000,000	\$ 72,169
5300	Sale of or Compensation for Loss of Fixed Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400	Resources - Beginning Fund Balance	\$ 19,505,654	\$ 6,578,498	\$ 8,640,574	\$ 280,129,774	\$ 936,100	\$ 4,882,071	\$ 79,900
Total Revenue from Other Sources		\$ 20,905,654	\$ 10,442,794	\$ 11,346,451	\$ 291,365,588	\$ 936,100	\$ 5,882,071	\$ 152,069
Grand Totals		\$ 229,043,747	\$ 33,169,505	\$ 58,611,086	\$ 304,077,595	\$ 2,494,754	\$ 46,015,097	\$ 9,140,152

**2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 100 General Fund								
Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	41,250,782	23,969,387	15,936,701	275,115	1,068,743	-	835	-
1121 Middle/Junior High Programs	17,120,941	10,285,423	6,632,558	8,852	194,108	-	-	-
1122 Middle/Junior High School Extracurricular	271,418	194,046	73,530	558	3,285	-	-	-
1131 High School Programs	23,923,102	14,154,136	9,180,717	129,713	421,131	-	37,405	-
1132 High School Extracurricular	2,666,543	1,768,981	611,300	120,371	122,460	-	43,431	-
1140 Pre-Kindergarten Programs	-	-	-	-	-	-	-	-
1210 Programs for the Talented and Gifted	128,932	74,025	45,880	1,820	7,206	-	-	-
1220 Restrictive Programs for Students with Disabilities	12,201,419	5,058,495	3,489,742	3,616,054	37,127	-	-	-
1250 Less Restrictive Programs for Students with Disabilities	9,367,144	5,728,009	3,624,105	13,102	1,927	-	-	-
1260 Treatment and Habilitation	-	-	-	-	-	-	-	-
1271 Remediation	256,198	157,142	99,056	-	-	-	-	-
1272 Title I	4,909	-	4,909	-	-	-	-	-
1280 Alternative Education	10,895,099	10,562	3,192	10,879,695	1,411	-	240	-
1291 English Second Language Programs	5,363,306	3,194,731	2,130,251	27,723	10,601	-	-	-
1292 Teen Parent Program	-	-	-	-	-	-	-	-
1293 Migrant Education	-	-	-	-	-	-	-	-
1294 Youth Corrections Education	-	-	-	-	-	-	-	-
1299 Other Programs	4,105	3,231	873	-	-	-	-	-
1300 Adult/Continuing Education Programs	-	-	-	-	-	-	-	-
1400 Summer School Programs	128,731	92,559	35,754	-	418	-	-	-
Total Instruction Expenditures	123,582,628	64,690,728	41,868,569	15,073,003	1,868,417	-	81,910	-
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	1,418,083	715,788	479,816	207,371	13,119	-	1,989	-
2120 Guidance Services	5,150,466	3,104,901	2,030,290	5,553	9,322	-	400	-
2130 Health Services	1,054,398	653,071	367,115	17,030	17,181	-	-	-
2140 Psychological Services	748,732	493,047	235,881	2,482	17,321	-	-	-
2150 Speech Pathology and Audiology Services	2,216,232	1,348,810	860,445	864	6,112	-	-	-
2160 Other Student Treatment Services	749,659	446,424	296,888	4,171	2,176	-	-	-
2190 Service Direction, Student Support Services	2,358,229	1,462,593	885,947	1,816	7,874	-	-	-
2210 Improvement of Instruction Services	2,567,815	1,534,393	872,394	109,337	51,692	-	-	-
2220 Educational Media Services	1,807,689	970,325	780,476	1,218	55,669	-	-	-
2230 Assessment & Testing	449,006	207,420	108,896	1,262	131,429	-	-	-
2240 Instructional Staff Development	2,367,787	1,070,616	996,748	224,450	66,700	-	9,272	-
2310 Board of Education Services	334,137	-	-	305,899	5,899	-	22,339	-
2320 Executive Administration Services	1,997,147	1,228,162	555,942	145,817	61,316	-	5,910	-
2410 Office of the Principal Services	14,432,330	8,653,364	5,515,429	19,222	243,115	-	1,200	-
2490 Other Support Services - School Administration	91,746	60,430	13,893	17,424	-	-	-	-
2510 Direction of Business Support Services	103,529	68,330	35,199	-	-	-	-	-
2520 Fiscal Services	1,982,341	1,052,438	775,672	54,463	73,189	-	26,578	-
2540 Operation and Maintenance of Plant Services	15,713,345	5,557,341	3,622,167	5,045,823	1,032,418	35,292	420,304	-
2550 Student Transportation Services	13,911,451	6,687,058	5,073,127	676,804	896,605	-	577,857	-
2570 Internal Services	1,152,579	344,059	203,525	594,149	10,846	-	-	-
2610 Direction of Central Support Services	-	-	-	-	-	-	-	-
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	-	-	-	-	-	-	-	-
2630 Information Services	1,134,905	540,484	379,745	171,584	15,726	-	27,365	-
2640 Staff Services	1,941,428	923,035	577,994	350,179	89,356	-	864	-
2660 Technology Services	4,009,878	1,545,759	914,607	606,867	942,427	-	219	-
2670 Records Management Services	-	-	-	-	-	-	-	-
2690 Other Support Services - Central	-	-	-	-	-	-	-	-
2700 Supplemental Retirement Program	1,099,512	273,198	826,313	-	-	-	-	-
Total Support Services Expenditures	78,792,424	38,941,048	26,408,509	8,563,784	3,749,493	35,292	1,094,298	-
Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	-	-	-	-	-	-	-	-
3200 Other Enterprise Services	-	-	-	-	-	-	-	-
3300 Community Services	-	-	-	-	-	-	-	-
3500 Custody and Care of Children Services	-	-	-	-	-	-	-	-
Total Community Services Expenditures	-	-	-	-	-	-	-	-
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	-	-	-	-	-	-	-	-
4120 Site Acquisition and Development Services	-	-	-	-	-	-	-	-
4150 Building Acquisition, Construction, and Improvement	-	-	-	-	-	-	-	-
4180 Other Capital Items	-	-	-	-	-	-	-	-
4190 Other Facilities Construction Services	-	-	-	-	-	-	-	-
Total Facilities Acquisition and Construction Expenditures	-	-	-	-	-	-	-	-
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	-	-	-	-	-	-	-	-
5200 Transfers of Funds	3,114,398	-	-	-	-	-	-	3,114,398
5300 Apportionment of Funds by ESD	-	-	-	-	-	-	-	-
5400 PERS UAL Bond Lump Sum	-	-	-	-	-	-	-	-
Total Other Uses Expenditures	3,114,398	-	-	-	-	-	-	3,114,398
Grand Total	205,489,450	103,631,777	68,277,078	23,636,787	5,617,910	35,292	1,176,208	3,114,398

**2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 200 Special Revenue Funds

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ 12,171	\$ -	\$ -	\$ -	\$ 12,171	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ 349,893	\$ -	\$ -	\$ -	\$ 349,893	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ 402,322	\$ 120,581	\$ 9,307	\$ 165,203	\$ 107,231	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ 323,263	\$ -	\$ -	\$ -	\$ 323,263	\$ -	\$ -	\$ -
1131 High School Programs	\$ 3,001,063	\$ 1,329,614	\$ 800,611	\$ 609,383	\$ 255,886	\$ -	\$ 5,569	\$ -
1132 High School Extracurricular	\$ 2,438,251	\$ -	\$ -	\$ -	\$ 2,438,251	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ 272,339	\$ 157,193	\$ 101,167	\$ 2,999	\$ 10,980	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ 1,012,571	\$ 523,230	\$ 487,551	\$ -	\$ 1,791	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ 458,748	\$ 53,303	\$ 28,878	\$ 360,889	\$ 15,678	\$ -	\$ -	\$ -
1272 Title I	\$ 1,456,145	\$ 742,089	\$ 557,002	\$ 138,448	\$ 18,606	\$ -	\$ -	\$ -
1280 Alternative Education	\$ 50,953	\$ 21,280	\$ 17,952	\$ 10,258	\$ 1,463	\$ -	\$ -	\$ -
1291 English Language Learner	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ 31,449	\$ 20,817	\$ 7,181	\$ 8,070	\$ (4,619)	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ 9,809,167	\$ 2,968,106	\$ 2,009,649	\$ 1,295,250	\$ 3,530,592	\$ -	\$ 5,569	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ 168,139	\$ 72,676	\$ 51,182	\$ 7,768	\$ 36,513	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ 584,558	\$ 379,161	\$ 204,202	\$ -	\$ 1,194	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ 547,452	\$ 368,175	\$ 178,911	\$ -	\$ 366	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ 1,101	\$ -	\$ -	\$ -	\$ 1,101	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ 397,514	\$ 261,742	\$ 135,143	\$ -	\$ 629	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ 268,629	\$ 161,331	\$ 106,662	\$ 82	\$ 337	\$ -	\$ 218	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ 1,427,176	\$ 834,543	\$ 511,309	\$ 57,388	\$ 6,613	\$ -	\$ 17,322	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ 508,364	\$ 257,604	\$ 115,422	\$ 161	\$ 4,227	\$ -	\$ 130,950	\$ -
2410 Office of the Principal Services	\$ 87,915	\$ 10,977	\$ 2,600	\$ 8,850	\$ 64,405	\$ -	\$ 1,084	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ 18,756	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,756	\$ -
2540 Operation and Maintenance of Plant Services	\$ 43,467	\$ 41,817	\$ 1,650	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ 3,110,241	\$ -	\$ -	\$ -	\$ -	\$ 3,110,241	\$ -	\$ -
2570 Internal Services	\$ 118,764	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 118,764	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ 868	\$ -	\$ -	\$ -	\$ 868	\$ -	\$ -	\$ -
2640 Staff Services	\$ 17,730	\$ 6,025	\$ 1,319	\$ 6,063	\$ 4,324	\$ -	\$ -	\$ -
2660 Technology Services	\$ 736,716	\$ 146,949	\$ 77,580	\$ 182,000	\$ 77,558	\$ 252,630	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 8,037,390	\$ 2,541,001	\$ 1,385,979	\$ 262,311	\$ 198,133	\$ 3,362,871	\$ 287,095	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ 6,804,144	\$ 2,165,458	\$ 1,794,801	\$ 2,370,374	\$ 423,742	\$ 49,023	\$ 746	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ 133,725	\$ 49,870	\$ 32,084	\$ 25,374	\$ 7,861	\$ -	\$ 18,536	\$ -
3500 Custody and Care of Children Services	\$ 363,567	\$ 206,701	\$ 141,427	\$ 1,534	\$ 6,607	\$ -	\$ 7,299	\$ -
Total Enterprise and Community Services Expenditures	\$ 7,301,436	\$ 2,422,028	\$ 1,968,312	\$ 2,397,282	\$ 438,209	\$ 49,023	\$ 26,582	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ 1,912,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,912,662
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 1,912,662	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,912,662
Grand Total	\$ 27,060,654	\$ 7,931,135	\$ 5,363,940	\$ 3,954,843	\$ 4,166,934	\$ 3,411,894	\$ 319,246	\$ 1,912,662

**2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 300 Debt Service Funds

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ 50,828,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,828,997	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 50,828,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,828,997	\$ -
Grand Total	\$ 50,828,997	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,828,997	\$ -

**2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 400 Capital Projects Funds

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ 161,933	\$ -	\$ -	\$ 161,933	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 161,933	\$ -	\$ -	\$ 161,933	\$ -	\$ -	\$ -	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ 6,083,743	\$ 497,512	\$ 263,226	\$ -	\$ -	\$ 5,286,905	\$ 36,100	\$ -
4120 Site Acquisition and Development Services	\$ 2,248,045	\$ -	\$ -	\$ -	\$ -	\$ 2,248,045	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ 129,569,855	\$ -	\$ -	\$ -	\$ 903	\$ 129,568,952	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ 137,901,643	\$ 497,512	\$ 263,226	\$ -	\$ 903	\$ 137,103,902	\$ 36,100	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ 1,690,777	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,690,777
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ 1,690,777	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,690,777
Grand Total	\$ 139,754,353	\$ 497,512	\$ 263,226	\$ 161,933	\$ 903	\$ 137,103,902	\$ 36,100	\$ 1,690,777

**2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 500 Enterprise Service Funds

Instruction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Support Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Enterprise and Community Services Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ 388,025	\$ 202,132	\$ 122,012	\$ 1,586	\$ 6,819	\$ -	\$ 55,477	\$ -
3500 Custody and Care of Children Services	\$ 1,080,148	\$ 595,690	\$ 329,930	\$ 44,613	\$ 57,476	\$ -	\$ 52,439	\$ -
Total Enterprise and Community Services Expenditures	\$ 1,468,173	\$ 797,821	\$ 451,942	\$ 46,199	\$ 64,295	\$ -	\$ 107,916	\$ -
Facilities Acquisition and Construction Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other Uses Expenditures	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand Total	\$ 1,468,173	\$ 797,821	\$ 451,942	\$ 46,199	\$ 64,295	\$ -	\$ 107,916	\$ -

**2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 600 Internal Service Funds

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1132 High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ 35,979,276	\$ 369,619	\$ 3,594,164	\$ 30,258,334	\$ 15,530	\$ -	\$ 1,741,629	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ 63,108	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 63,108	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 36,042,384	\$ 369,619	\$ 3,594,164	\$ 30,258,334	\$ 15,530	\$ -	\$ 1,804,737	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Facilities Acquisition and Construction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Grand Total

\$ 36,042,384	\$ 369,619	\$ 3,594,164	\$ 30,258,334	\$ 15,530	\$ -	\$ 1,804,737	\$ -
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**2019 - 20 DISTRICT AUDIT EXPENDITURE SUMMARY
NORTH CLACKAMAS SCHOOL DISTRICT**

Fund: 700 Trust and Agency Funds

Instruction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
1111 Elementary, K-5 or K-6	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1113 Elementary Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1121 Middle/Junior High Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1122 Middle/Junior High School Extracurricular	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1131 High School Programs	\$ 3,586,147	\$ 2,000,320	\$ 1,273,905	\$ 5,392	\$ -	\$ -	\$ 306,529	\$ -
1132 High School Extracurricular	\$ 6,292	\$ 4,636	\$ 1,656	\$ -	\$ -	\$ -	\$ -	\$ -
1140 Pre-Kindergarten Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1210 Programs for the Talented and Gifted	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1220 Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1250 Less Restrictive Programs for Students with Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1260 Treatment and Habilitation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1271 Remediation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1272 Title I	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1280 Alternative Education	\$ 3,927,409	\$ 91,224	\$ 52,054	\$ 1,565,750	\$ -	\$ -	\$ 2,218,381	\$ -
1291 English Second Language Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1292 Teen Parent Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1293 Migrant Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1294 Youth Corrections Education	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1299 Other Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1300 Adult/Continuing Education Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1400 Summer School Programs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Instruction Expenditures	\$ 7,519,847	\$ 2,096,180	\$ 1,327,616	\$ 1,571,142	\$ -	\$ -	\$ 2,524,910	\$ -

Support Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110 Attendance and Social Work Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2120 Guidance Services	\$ 552,549	\$ 331,902	\$ 220,647	\$ -	\$ -	\$ -	\$ -	\$ -
2130 Health Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2140 Psychological Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2150 Speech Pathology and Audiology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2160 Other Student Treatment Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2190 Service Direction, Student Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2210 Improvement of Instruction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2220 Educational Media Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2230 Assessment & Testing	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2240 Instructional Staff Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2310 Board of Education Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2320 Executive Administration Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2410 Office of the Principal Services	\$ 926,653	\$ 568,045	\$ 358,608	\$ -	\$ -	\$ -	\$ -	\$ -
2490 Other Support Services - School Administration	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2510 Direction of Business Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2520 Fiscal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2540 Operation and Maintenance of Plant Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2550 Student Transportation Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2570 Internal Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2610 Direction of Central Support Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2620 Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2630 Information Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2640 Staff Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2660 Technology Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2670 Records Management Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2690 Other Support Services - Central	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2700 Supplemental Retirement Program	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Support Services Expenditures	\$ 1,479,203	\$ 899,947	\$ 579,256	\$ -	\$ -	\$ -	\$ -	\$ -

Enterprise and Community Services Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100 Food Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3200 Other Enterprise Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3300 Community Services	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ -	\$ -	\$ -	\$ -
3500 Custody and Care of Children Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Enterprise and Community Services Expenditures	\$ 6,000	\$ -	\$ -	\$ 6,000	\$ -	\$ -	\$ -	\$ -

Facilities Acquisition and Construction Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110 Service Area Direction	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4120 Site Acquisition and Development Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4150 Building Acquisition, Construction, and Improvement Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4180 Other Capital Items	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4190 Other Facilities Construction Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Facilities Acquisition and Construction Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Other Uses Expenditures

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100 Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5200 Transfers of Funds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5300 Apportionment of Funds by ESD	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
5400 PERS UAL Bond Lump Sum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Other Uses Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Grand Total

	Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
	\$ 9,005,050	\$ 2,996,127	\$ 1,906,872	\$ 1,577,142	\$ -	\$ -	\$ 2,524,910	\$ -

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Statistical Section

This part of the District's Comprehensive Annual Financial Report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

<u>Contents</u>	<u>Page</u>
<i>Financial Trends</i>	86
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	
<i>Revenue Capacity</i>	94
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	
<i>Debt Capacity</i>	100
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	
<i>Demographic and Economic Information</i>	104
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	
<i>Operating Information</i>	106
These schedules contain service and infrastructure data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	

Sources:

Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for the relevant year.

NORTH CLACKAMAS SCHOOL DISTRICT 12

NET POSITION BY COMPONENT

Last Ten Fiscal Years

(accrual basis of accounting)

Government-Wide Activities:

	2019-20	2018-19	2017-18	2016-17 (4)
Governmental Activities:				
Net investment in capital assets	\$ 136,072,892	\$ 134,005,255	\$ 107,588,556	\$ 77,648,768
Restricted	13,890,941	15,219,073	11,689,071	7,310,418
Unrestricted	(174,679,980)	(170,984,770)	(135,253,106)	(89,447,817)
	<u>(24,716,147)</u>	<u>(21,760,442)</u>	<u>(15,975,479)</u>	<u>(4,488,631)</u>
Business-Type Activities:				
Unrestricted	<u>1,026,581</u>	<u>936,100</u>	<u>680,857</u>	<u>611,821</u>
Net Position/Net Assets (1)	(1) \$ <u>(23,689,566)</u>	\$ <u>(20,824,342)</u>	\$ <u>(15,294,622)</u>	\$ <u>(3,876,810)</u>

(1) The District Implemented GASB 65 beginning in FY 2012-13. As a result, Net Assets is presented for years prior to 2013, and Net Position is presented for 2013 and subsequent years.

(2) as restated for GASB 68

(3) as restated for GASB 75

(4) As of June 30, 2017 the District began reporting its building rental and daycare activities as business-type activities. Prior to this date, these activities were reported as part of the governmental activities.

Source: North Clackamas School District 12 Financial Records.

2015-16 (3)	2014-15 (2)	2013-14	2012-13	2011-12	2010-11
\$ 62,543,176	\$ 51,288,143	\$ 81,726,027	\$ 76,044,983	\$ 93,717,904	\$ 85,124,788
8,320,737	8,634,146	12,650,009	13,639,570	15,346,184	12,202,757
(59,616,903)	(35,441,604)	(14,795,128)	(24,485,940)	(42,569,534)	(45,826,740)
11,247,010	24,480,685	79,580,908	65,198,613	66,494,554	51,500,805
-	-	-	-	-	-
\$ 11,247,010	\$ 24,480,685	\$ 79,580,908	\$ 65,198,613	\$ 66,494,554	\$ 51,500,805

NORTH CLACKAMAS SCHOOL DISTRICT 12

CHANGES IN NET POSITION

Last Ten Fiscal Years

(accrual basis of accounting)

Government-wide Activities:

Expenses :

	2019-20	2018-19	2017-18
Governmental Activities:			
Instruction	\$ 146,943,286	132,657,492	\$ 127,294,344
Support Services	88,837,948	83,499,714	82,167,282
Community Services	7,968,476	7,488,328	7,302,319
Facilities Acquisition	133,921	45,728	5,512,468
Interest on Long-Term Debt	38,960,178	36,799,077	33,514,358
Total Governmental Activities	282,843,809	260,490,339	255,790,771
Business-Type Activities:			
Community services	1,468,173	1,645,386	1,599,552
Total Primary Government Expenses	284,311,982	262,135,725	257,390,323

Program Revenues:

Governmental Activities:

Charges for Services:

Instruction	17,450	9,700	9,095
Support Services	220,226	250,573	4,478,824
Community Services	2,109,852	2,762,484	2,357,395
Operating Grants and Contributions:			
Instruction	9,989,548	5,967,325	4,583,630
Support Services	3,338,832	3,443,039	2,570,005
Community Services	3,087,298	3,719,118	3,847,419
Capital Grants and Contributions:			
Facilities Acquisitions	2,236,884	2,559,838	3,036,326
Total Governmental Activities	21,000,090	18,712,077	20,882,694

Business-Type Activities:

Community services	1,382,253	1,620,015	1,329,818
Total Program Revenues	22,382,343	20,332,092	22,212,512

Net Primary Government Net (Expenses)

(261,929,639)	(241,803,633)	(235,177,811)
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General Revenues:

Property taxes levied for general purposes	122,504,630	98,794,631	95,094,337
State and local revenue	127,742,121	124,687,709	118,976,449
Grants and contributions not restricted to specific programs	-	161,791	18,127
Earnings on investments	7,335,969	10,281,409	3,787,674
Miscellaneous	1,305,294	2,067,759	1,443,029
Transfers	-	-	25,000
Gain on Sale of Land & Building	-	-	2,034,747
Total governmental activities program revenues	258,888,014	235,993,299	221,379,363

Business-Type Activities:

Charges for services	176,401	280,614	363,770
Transfers	-	-	(25,000)
Total business-type activities program revenues	176,401	280,614	338,770

Total Primary Government General Revenues

259,064,415	236,273,913	221,718,133
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Change in Net Position/Net Assets

Governmental Activities	(2,955,705)	(5,784,963)	(13,528,714)
Business-type Activities	90,481	255,243	69,036
Change in Net Position/Net Assets (1)	\$ (2,865,224)	\$ (5,529,720)	\$ (13,459,678)

(1) The District Implemented GASB 65 beginning in FY 2012-13. As a result, Net Assets is presented for years prior to 2013, and Net Position is presented for 2013 and subsequent years.

(2) As of June 30, 2017 the District began reporting its building rental and daycare activities as business-type activities. Prior to this date, these activities were reported as part of the governmental activities.

Source: North Clackamas School District 12 Financial Records

2016-17 (2)	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ 115,762,194	\$ 120,334,860	\$ 88,536,583	\$ 89,985,900	\$ 88,105,152	\$ 85,371,860	\$ 87,972,669
81,342,891	80,168,806	60,239,218	61,044,734	63,209,065	60,359,493	58,904,458
6,818,190	8,934,749	6,979,575	7,190,201	7,218,830	7,443,413	7,312,481
1,194,324	-	-	-	-	-	-
23,052,479	17,857,584	16,980,221	19,793,619	19,810,902	19,837,141	13,477,355
228,170,078	227,295,999	172,735,597	178,014,454	178,343,949	173,011,907	167,666,963
1,679,237	-	-	-	-	-	-
229,849,315	227,295,999	172,735,597	178,014,454	178,343,949	173,011,907	167,666,963
-	41,770	35,000	37,389	27,252	21,636	54,135
528,128	416,146	637,252	712,708	726,855	716,206	489,716
2,294,005	3,753,467	3,726,095	3,652,036	3,429,123	3,566,863	3,332,411
4,475,865	5,004,032	8,655,613	4,345,540	3,750,886	5,002,947	4,591,898
7,163,361	2,599,750	922,356	3,310,556	2,593,080	3,959,931	4,012,997
4,359,542	3,873,075	3,573,367	3,625,379	3,925,657	3,910,143	3,686,467
18,820,901	15,688,240	17,549,683	15,683,608	14,452,853	17,177,726	16,167,624
1,289,432	-	-	-	5,565	391,116	-
20,110,333	31,376,480	35,099,366	31,367,216	28,911,271	34,746,568	32,335,248
(209,738,982)	(195,919,519)	(137,636,231)	(146,647,238)	(149,432,678)	(138,265,339)	(135,331,715)
90,933,080	86,403,267	76,912,439	74,987,438	70,032,440	74,398,746	66,523,734
105,379,013	108,840,908	104,258,957	99,525,479	92,963,688	92,210,885	84,714,274
32,899	97,719	85,319	85,457	90,745	1,531,231	4,844,648
1,722,729	447,228	357,362	325,201	308,279	290,898	282,314
2,266,372	2,584,962	2,382,982	1,789,566	2,293,771	2,005,054	1,625,350
25,000	-	-	-	-	-	-
-	-	-	-	-	-	-
200,359,093	198,374,084	183,997,059	176,713,141	165,688,923	170,436,814	157,990,320
328,654	-	-	-	-	-	-
(25,000)	-	-	-	-	-	-
303,654	-	-	-	-	-	-
200,662,747	198,374,084	183,997,059	176,713,141	165,688,923	170,436,814	157,990,320
(8,990,084)	2,454,565	46,360,828	30,065,903	16,250,680	31,780,359	22,658,605
(86,151)	-	-	-	5,565	391,116	-
\$ (9,076,235)	\$ 2,454,565	\$ 46,360,828	\$ 30,065,903	\$ 16,256,245	\$ 32,171,475	\$ 22,658,605

NORTH CLACKAMAS SCHOOL DISTRICT 12

FUND BALANCES, GOVERNMENTAL FUNDS

Last Ten Fiscal Years

(modified accrual basis of accounting)

	2019-20	2018-19	2017-18	2016-17
General Fund (1)				
Non-spendable	\$ -	\$ -	\$ 10,415	\$ 13,781
Unassigned	23,554,298	19,505,654	16,912,838	17,220,582
Unreserved	-	-	-	-
Total General Fund	<u>\$ 23,554,298</u>	<u>\$ 19,505,654</u>	<u>\$ 16,923,253</u>	<u>\$ 17,234,363</u>
All Other Governmental Funds(1)				
Nonspendable--Inventory	\$ -	\$ -	\$ -	\$ -
Restricted for:				
Future Capital Projects	164,323,241	280,129,774	278,931,333	352,219,143
Special Grants and Services	6,108,852	6,578,499	5,372,766	2,624,563
Debt Service	7,782,089	8,640,574	6,316,305	4,685,855
Committed to:				
Restoration of School Days	-	-	-	-
Community Projects and Classes (3)	-	-	-	-
Assigned to:				
Unspecified	-	-	-	-
Unreserved, reported in:				
Scholarship fund (3)	-	-	-	-
Total all other governmental funds	<u>\$ 178,214,182</u>	<u>\$ 295,348,847</u>	<u>\$ 290,620,404</u>	<u>\$ 359,529,561</u>

(1) GASB 54 implemented - requiring new fund balance categories. Over time all fund balances will be reported under new GASB 54 fund balance categories.

(2) Assigned/Reserved for capital expenditures fluctuate from years when bonds are sold in anticipation of capital construction to years where capital expenditures are made.

(3) Beginning in FY 2016-17, the District began reporting community projects and classes separately from governmental funds as a business-type activity, and scholarships as a fiduciary activity

Source: North Clackamas School District 12 Financial Records

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
21,358,910	17,423,780	11,437,858	6,719,640	10,118,425	3,103,710
-	-	-	-	-	-
<u>\$ 21,358,910</u>	<u>\$ 17,423,780</u>	<u>\$ 11,437,858</u>	<u>\$ 6,719,640</u>	<u>\$ 10,118,425</u>	<u>\$ 3,103,710</u>
\$ -	\$ -	\$ -	\$ 44,012	\$ 74,797	\$ 333,800
4,299,161	6,201,821	6,424,943	6,692,229	10,458,546	11,700,310
963,242	1,045,298	1,989,165	2,442,343	796,760	502,447
3,058,334	1,387,027	4,235,901	4,504,998	4,090,878	(529,192)
-	-	-	-	-	1,200,000
697,972	708,133	643,584	422,879	283,919	108,871
-	-	-	-	-	2,000,000
86,934	10,215	(212,990)	(179,060)	(258,928)	(139,494)
<u>\$ 9,105,643</u>	<u>\$ 9,352,494</u>	<u>\$ 13,080,603</u>	<u>\$ 13,927,401</u>	<u>\$ 15,445,972</u>	<u>\$ 15,176,742</u>

NORTH CLACKAMAS SCHOOL DISTRICT 12
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2019-20	2018-19	2017-18	2016-17
Revenues				
Property and Other Taxes	\$ 122,019,780	\$ 101,773,965	\$ 94,528,096	\$ 90,697,057
Federal Sources	11,070,355	9,999,783	10,112,364	10,260,995
State and Local Sources	133,059,422	130,603,281	127,147,943	110,078,291
Earnings from Investments	7,205,789	10,087,786	3,655,652	1,642,404
Services Provided Other Funds	14,689,792	13,930,249	13,171,221	12,398,145
Construction Excise Tax	1,980,357	1,104,639	690,927	1,562,492
Miscellaneous	815,941	849,075	514,345	491,932
Total Revenues	290,841,436	268,348,778	249,820,548	227,131,316
Expenditures				
Current:				
Instruction	133,391,795	120,408,142	114,707,938	103,719,850
Support Services	83,710,486	77,441,964	74,745,191	70,249,596
Enterprise and Community Services	7,252,413	6,917,791	6,663,571	6,220,100
Facilities Acquisition and Construction	137,901,643	138,385,660	82,119,850	-
Capital Outlay	3,330,284	2,013,234	2,473,660	10,359,390
Debt Service				43,872,873
Principal	15,852,383	18,627,092	14,569,522	
Interest	34,976,613	26,933,367	29,232,580	
Bond Issue Costs		-	-	-
Total Expenditures	416,415,617	390,727,250	324,512,312	234,421,809
Excess (Deficit) of Revenues over expenditures	(125,574,181)	(122,378,472)	(74,691,764)	(7,290,493)
Other Financing Sources (Uses)				
Loan Receipts	2,524,219	1,852,380	2,394,649	3,269,781
Loan Receipts Transportation	11,036,100	-	-	-
Bond Proceeds	-	110,357,000	-	322,642,626
Premium on Bonds Issued	-	16,086,546	-	30,870,341
Refunding Bond Proceeds	-	-	-	-
Payment to Refunded Bond Escrow Agent	-	-	-	-
Proceeds from Sale of Land & Buildings	-	-	2,003,772	-
Sale of Fixed Assets	-	13,500	26,100	45,135
Transfers In	5,645,688	6,014,476	3,939,476	3,923,315
Transfers Out	(6,717,837)	(4,634,476)	(4,934,476)	(4,898,315)
Total Other Financing Sources (Uses)	12,488,170	129,689,426	3,429,521	355,852,883
Net Change in Fund Balance	\$ (113,086,011)	\$ 7,310,954	\$ (71,262,243)	348,562,390
Debt service as a percentage of noncapital expenditures	18.5%	18.2%	17.8%	18.7%

Source: North Clackamas School District 12 Financial Records

2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
\$ 86,073,312	\$ 76,991,060	\$ 75,000,304	\$ 70,044,656	\$ 73,574,867	\$ 66,790,953
10,411,736	10,349,203	9,808,736	10,071,002	14,265,004	16,905,736
114,321,843	111,707,975	105,485,808	97,441,849	97,276,674	88,820,810
390,270	297,809	288,953	263,225	262,177	255,138
11,721,466	11,504,872	10,518,956	9,658,840	8,993,295	8,118,917
1,608,377	862,460	1,349,704	1,194,902	786,256	585,855
476,080	786,594	506,117	683,934	747,328	307,981
<u>225,003,084</u>	<u>212,499,973</u>	<u>202,958,578</u>	<u>189,358,408</u>	<u>195,905,601</u>	<u>181,785,390</u>
101,392,874	96,694,998	91,931,053	87,116,336	84,742,430	85,208,970
67,492,189	65,776,749	62,364,289	62,499,661	59,536,597	57,053,950
7,950,848	7,322,208	7,345,626	7,137,812	7,341,935	7,082,756
277,383	408,575	293,776	3,116,704	1,590,413	3,345,698
5,176,367	3,153,155	295,999	24,173	5,330,949	14,790,056
38,969,339	37,443,699	36,166,415	34,511,701	32,644,016	31,210,709
209,421	-	-	-	-	-
<u>221,468,421</u>	<u>210,799,384</u>	<u>198,397,158</u>	<u>194,406,387</u>	<u>191,186,340</u>	<u>198,692,139</u>
<u>3,534,663</u>	<u>1,700,589</u>	<u>4,561,420</u>	<u>(5,047,979)</u>	<u>4,719,261</u>	<u>(16,906,749)</u>
900,000	1,157,224	-	1,665,122	4,099,184	-
-	-	-	-	-	-
-	248,370	-	-	-	-
-	-	-	-	-	-
26,914,637	-	-	-	-	-
(27,169,921)	(248,370)	-	-	-	-
-	-	-	-	-	-
8,900	-	-	-	-	-
7,292,601	3,491,179	5,180,269	5,601,029	2,848,937	5,400,685
(7,792,601)	(4,091,179)	(5,870,269)	(7,135,529)	(4,383,437)	(6,185,185)
<u>153,616</u>	<u>557,224</u>	<u>(690,000)</u>	<u>130,622</u>	<u>2,564,684</u>	<u>(784,500)</u>
<u>\$ 3,688,279</u>	<u>\$ 2,257,813</u>	<u>\$ 3,871,420</u>	<u>\$ (4,917,357)</u>	<u>\$ 7,283,945</u>	<u>\$ (17,691,249)</u>
18.0%	18.1%	18.3%	18.0%	17.7%	17.3%

NORTH CLACKAMAS SCHOOL DISTRICT 12

TAXABLE PROPERTY VALUES

Last Ten Fiscal Years

FISCAL YEAR	PROPERTY VALUE ASSESSED VALUATION (1)							
	REAL PROPERTY VALUE	MANUFACTURED STRUCTURE VALUE	PERSONAL PROPERTY VALUE	PUBLIC UTILITY VALUE	TOTAL ASSESSED VALUE	LESS URBAN RENEWAL EXCESS	TOTAL NET ASSESSED VALUE	TOTAL DIRECT TAX RATE (2)
2019-20	\$ 14,214,530,917	\$ 56,278,148	\$ 450,098,519	\$ 311,191,300	\$ 15,032,098,884	\$ 288,101,801	\$ 14,743,997,083	\$ 8.8787
2018-19	13,605,552,058	52,928,753	436,718,547	308,307,100	14,403,506,458	262,585,368	14,140,921,090	7.2378
2017-18	13,010,696,977	46,907,172	404,550,509	330,344,902	13,792,499,560	230,816,822	13,561,682,738	7.2243
2016-17	12,390,038,747	40,982,087	388,101,856	316,827,200	13,135,949,890	199,481,457	12,936,468,433	7.2314
2015-16	11,833,617,732	36,549,547	345,606,884	301,905,200	12,517,679,363	169,607,486	12,348,071,877	7.2410
2014-15	11,281,017,275	33,806,713	333,735,815	282,543,528	11,931,103,331	141,751,946	11,789,351,385	6.8154
2013-14	10,764,664,764	32,197,759	328,781,413	262,114,974	11,387,758,910	119,971,829	11,267,787,081	7.0852
2012-13	10,321,907,136	33,077,823	324,793,154	252,660,701	10,932,438,814	655,448,014	10,276,990,800	7.1184
2011-12	10,115,338,520	32,877,110	318,686,680	258,449,304	10,725,351,614	627,865,298	10,097,486,316	7.5770
2010-11	*	*	*	*	10,529,130,436	659,911,782	9,869,218,654	6.9554

(1) Assessed value is limited to 3 percent annual increases.

(2) Per \$1,000 of assessed value.

* Prior Information Not Available

Source: Clackamas County Department of Assessment and Taxation

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NORTH CLACKAMAS SCHOOL DISTRICT 12

LARGEST TAXPAYERS

Current and Nine Years Ago

NORTH CLACKAMAS SCHOOL DISTRICT

		Year Ended June 30, 2020			
TAXPAYER	BUSINESS	RANK	TAX PAID BY TAXPAYER	ASSESSED VALUATION	PERCENT OF ASSESSED VALUATION
General Growth Properties	Town Center Mall	1	\$ 4,831,691	\$ 275,366,368	1.83 %
Fred Meyer Stores	Supermarket	2	3,343,894	188,517,873	1.25
PCC Structurals Inc	Manufacturing/Aerospace	3	3,042,104	176,412,487	1.17
Portland General Electric	Electrical Utility	4	1,946,825	118,179,000	0.79
Kaiser Foundation Hospital	Healthcare	5	1,132,349	68,403,744	0.46
ROIC Oregon LLC	Property Management	6	1,237,026	66,350,383	0.44
Blount Inc	Manufacturing	7	1,183,601	62,111,385	0.00
Northwest Natural Gas Co	Natural Gas Utility	8	956,994	57,835,000	0.38
CH Realty III/Clackamas LLC	Multi Family Residential	9	1,033,388	56,797,062	0.38
Lincoln Advisory Group	Property Management	10	1,092,345	56,542,836	0.38
Comcast Corporation	Utility			-	0.00
Forum Clackamas Distribution	Distribution Center			-	0.00
Portland Industrial Owner LLC	Distribution Center			-	0.00
SUB TOTAL				\$ 1,126,516,138	7.49 %
ALL OTHER TAXPAYERS				\$ 13,905,582,746	92.51 %
TOTAL				\$ 15,032,098,884	100.00 %

CLACKAMAS COUNTY

		Year Ended June 30, 2020			
		RANK	TAX PAID BY TAXPAYER	ASSESSED VALUATION	PERCENT OF ASSESSED VALUATION
Portland General Electric	Electrical Utility	1	\$ 12,693,737	\$ 889,166,548	1.67 %
General Growth Properties	Town Center Mall	2	4,831,691	275,386,368	0.52
Fred Meyer Stores Inc	Supermarkets	3	4,875,139	274,368,594	0.52
Shorenstein Properties LLC	Property Management	4	4,010,966	220,451,021	0.41
Northwest Natural Gas Co	Natural Gas Utility	5	3,324,730	209,274,000	0.39
PCC Structurals Inc	Manufacturing/Aerospace	6	3,042,104	176,412,487	0.33
Comcast Corp	Utility	7	1,746,032	101,245,000	0.19
Meadows Road LLC	Commercial Leasing	8	1,697,938	92,677,063	0.17
ROIC		9	1,614,163	86,163,524	0.16
Xerox Corporation	Copiers/Office Supply			-	0.00
Century Link	Telecommunications	10	1,379,942	84,029,000	0.16
SUB TOTAL				\$ 2,409,173,605	4.53 %
ALL OTHER TAXPAYERS				\$ 50,732,188,176	95.47 %
TOTAL				\$ 53,141,361,781	100.00 %

Source: Clackamas County Department of Assessment and Taxation

Year Ended June 30, 2011

R A N K	TAX PAID BY		PERCENT OF	
	TAXPAYER	ASSESSED VALUATION	ASSESSED VALUATION	
1	\$ 3,283,756	\$ 208,060,320	1.98	%
2	1,920,838	124,179,091	1.18	
3	1,326,940	80,577,512	0.77	
5	1,098,600	67,950,000	0.65	
8	776,524	47,689,985	0.45	
9	758,443	45,258,476	0.43	
	-	-	0.00	
7	802,940	49,399,500	0.47	
	-	-	0.00	
	-	-	0.00	
4	1,218,778	75,218,201	0.71	
6	877,232	55,719,010	0.53	
10	675,968	41,779,821	0.40	
		<u>\$ 795,831,916</u>	<u>7.56</u>	<u>%</u>
		<u>\$ 9,733,298,520</u>	<u>92.44</u>	<u>%</u>
		<u><u>\$ 10,529,130,436</u></u>	<u><u>100.00</u></u>	<u><u>%</u></u>

Year Ended June 30, 2011

R A N K	TAX PAID BY		PERCENT OF	
	TAXPAYER	ASSESSED VALUATION	ASSESSED VALUATION	
1	\$ 7,738,652	\$ 538,153,415	1.56	%
2	3,283,756	208,060,320	0.60	
5	2,723,230	169,961,550	0.49	
4	3,070,162	182,116,901	0.53	
3	2,948,917	189,382,300	0.55	
7	1,326,940	80,577,512	0.23	
6	2,331,658	141,560,710	0.41	
9	995,513	61,731,708	0.18	
	-	-	0.00	
8	1,401,504	78,445,003	0.23	
10	939,569	58,441,200	0.17	
		<u>\$ 1,708,430,619</u>	<u>4.95</u>	<u>%</u>
		<u>\$ 32,798,958,381</u>	<u>95.05</u>	
		<u><u>\$ 34,507,389,000</u></u>	<u><u>100.00</u></u>	<u><u>%</u></u>

NORTH CLACKAMAS SCHOOL DISTRICT 12
PROPERTY TAX RATES - DIRECT AND OVERLAPPING GOVERNMENTS
Last Ten Fiscal Years (3)

	Dollars per \$1,000 True Cash Value								
	2019-20	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12
DIRECT:									
North Clackamas School District Permanent Rate	4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87	\$ 4.87
North Clackamas School District Bond Rate	2.19	2.37	2.35	2.36	2.37	1.95	2.22	2.25	2.71
North Clackamas School District Local Option Levy	1.63	-	-	-	-	-	-	-	-
Weighted Average Direct Rate (1)	\$ 8.69	\$ 7.24	\$ 7.22	\$ 7.23	\$ 7.24	\$ 6.82	\$ 7.09	\$ 7.12	\$ 7.58
Overlapping:									
City of Gladstone	5.81	5.81	5.81	5.81	5.81	5.81	5.81	5.81	5.81
City of Happy Valley	2.05	2.59	2.05	2.05	2.05	2.05	2.05	2.05	2.05
City of Milwaukie	4.51	4.56	4.63	4.66	4.28	4.27	4.07	4.07	4.07
City of Portland	8.37	8.20	7.88	7.73	7.76	7.89	7.98	7.81	7.69
Clackamas City ESD	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37	0.37
Clackamas Community College	0.74	0.74	0.75	0.74	0.75	0.71	0.71	0.72	0.70
Clackamas County City	2.65	2.65	2.65	2.65	2.65	2.65	N/A	N/A	N/A
Clackamas County Enhanced Law	0.72	0.72	0.72	0.72	0.72	0.72	N/A	N/A	N/A
Clackamas County Library	0.40	0.40	0.40	0.40	0.40	0.40	N/A	N/A	N/A
Clackamas County Public Safety Radio	0.10	0.10	0.10	-	-	N/A	N/A	N/A	N/A
Clackamas County RFPD 1	2.51	2.49	2.51	2.49	2.50	2.46	2.46	2.47	2.46
Clackamas County Rural	3.22	3.22	3.22	3.22	3.22	3.22	3.22	3.22	3.22
Clackamas County Soil Conservation	0.05	0.05	0.05	0.05	0.05	0.05	N/A	N/A	N/A
Clackamas County Vector Control	0.03	0.03	0.03	0.03	0.03	0.03	N/A	N/A	N/A
County Extension + 4H	0.05	0.05	0.05	0.05	0.05	0.05	N/A	N/A	N/A
Metro	0.66	0.47	0.41	0.40	0.39	0.46	0.47	0.40	0.31
North Clackamas Parks & Rec District	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54
Port of Portland	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Subtotal Overlapping:	32.84	33.07	32.24	31.99	31.63	31.75	27.75	27.53	27.29
Total (2)	\$ 41.53	\$ 40.31	\$ 39.46	\$ 39.22	\$ 38.87	\$ 38.56	\$ 34.84	\$ 34.65	\$ 34.87

Permanent tax rates are determined by the State of Oregon Constitution and State Statutes. Existing districts cannot increase their permanent rate authority. Rates for bond debt service are set based on each year's requirements.

(1) This is a weighted average rate as limited by ballot measure 5. Actual rates may vary by tax codes and lots because of differing compression.

(2) Numbers in totals do not reflect the actual tax rate for any one property, but are the results of the potential combination of taxing units within District boundaries.

(3) Complete information is not available for years prior to 2011-12. Additional years will be presented as they become available.

N/A Not Available

Source: Clackamas County Department of Assessment and Taxation.

NORTH CLACKAMAS SCHOOL DISTRICT 12
PROPERTY TAX LEVIES AND COLLECTION
Last Ten Fiscal Years

FISCAL YEAR	TOTAL TAX LEVY FOR FISCAL YEAR				COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE	
	GENERAL FUND	DEBT SERVICE	LOCAL OPTION	TOTAL LEVY	AMOUNT	PERCENT OF LEVY		AMOUNT	PERCENT OF LEVY
2019-20	\$ 70,911,638	\$ 35,866,101	19,160,466	125,938,204	\$ 123,924,288	98.40%	\$ -	\$ 123,924,288	98.40%
2018-19	67,999,160	34,454,468	-	102,453,628	100,964,729	98.55%	869,080	101,833,808	99.40%
2017-18	65,159,777	32,551,405	-	97,711,182	95,765,906	98.01%	1,600,618	97,366,524	99.65%
2016-17	62,104,006	31,187,276	-	93,291,282	91,509,369	98.09%	1,646,782	93,156,151	99.86%
2015-16	59,069,176	29,539,574	-	88,608,750	86,668,218	97.81%	1,901,733	88,569,951	99.96%
2014-15	55,663,451	23,109,625	-	78,773,076	76,937,663	97.67%	1,809,232	78,746,895	99.97%
2013-14	51,360,022	25,128,043	-	76,488,065	74,568,215	97.49%	1,900,791	76,469,006	99.98%
2012-13	47,868,010	24,014,870	-	71,882,880	69,755,147	97.04%	2,108,121	71,863,268	99.97%
2011-12	47,775,661	28,226,948	-	76,002,609	73,517,324	96.73%	2,468,743	75,986,067	99.98%
2010-11	47,765,469	20,841,828	-	68,607,297	66,405,003	96.79%	2,191,017	68,596,020	99.98%

Source: Clackamas County Department of Assessment and Taxation.

(1) Tax collections include discounts, interest and other adjustments.

NORTH CLACKAMAS SCHOOL DISTRICT 12

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

NET GENERAL BONDED DEBT						
FISCAL YEAR	GENERAL OBLIGATION BONDS	LESS AMOUNT AVAILABLE FOR REPAYMENT	NET UNAMORTIZED PREMIUM/ACCREDITED INTEREST	NET GENERAL OBLIGATION BONDS OUTSTANDING	PER CAPITA (3)	AS PERCENTAGE OF ACTUAL TAXABLE VALUE (1)
2020	\$ 597,138,968	\$ (3,568,539)	\$ 90,165,041	\$ 683,735,470	N/A	4.55%
2019	608,665,968	(5,678,690)	85,596,988	688,584,266	5,469	4.78%
2018	524,050,119	(4,042,500)	53,138,338	573,145,957	4,613	4.16%
2017	525,436,999	(2,965,036)	56,510,359	578,982,322	4,713	4.41%
2016	219,350,000	(1,840,060)	27,999,897	245,509,837	1,998	1.96%
2015	237,705,000	(668,690)	26,576,278	263,612,588	2,181	2.21%
2014	234,831,141	(3,880,022)	9,478,724	240,429,843	2,021	2.11%
2013	246,501,142	(4,117,267)	10,005,320	252,389,195	2,158	2.31%
2012	256,681,142	-	10,531,915	267,213,057	2,311	2.49%
2011	265,406,142	-	11,058,510	276,464,652	2,414	2.63%

OTHER GOVERNMENTAL ACTIVITIES DEBT				TOTAL DEBT		
FISCAL YEAR	PENSION OBLIGATION BONDS (4)	NOTES PAYABLE	FULL FATIH AND CREDIT OBLIGATIONS	TOTAL DISTRICT (2)	PER CAPITA (3)	AS PERCENTAGE OF ACTUAL TAXABLE VALUE (1)
2020	\$ 76,052,401	\$ 9,754,346	11,036,100	\$ 784,146,856	N/A	5.22%
2019	78,806,448	8,801,462	-	781,870,866	\$ 6,210	5.43%
2018	81,556,733	8,579,468	-	667,324,658	5,371	4.84%
2017	84,303,790	8,028,261	-	674,279,409	5,489	5.13%
2016	87,039,339	8,564,916	-	342,954,152	2,792	2.74%
2015	89,753,315	9,315,831	-	363,350,424	3,006	3.05%
2014	92,440,452	10,143,555	-	346,893,872	2,916	3.05%
2013	94,983,239	12,030,404	-	363,520,105	3,109	3.33%
2012	97,566,604	12,146,149	-	376,925,810	3,260	3.51%
2011	100,067,163	9,298,627	-	385,830,442	3,369	3.66%

Note: Details regarding the District's outstanding debt can be found in the notes to the financial statements.

(1) Source: Clackamas County Department of Assessment and Taxation. The total estimated actual value of taxable property cannot be reasonably estimated.

(2) Includes net general bonded debt and other governmental activities debt, excluding amounts available for repayment.

(3) Per capita is calculated using the Census Bureau Small Area Income & Poverty Estimates (SAIPE)

(4) Limited Tax Pension Bonds are not included in the General Bonded Debt schedule above since they are not repaid directly with property tax dollars.

NORTH CLACKAMAS SCHOOL DISTRICT 12

LEGAL DEBT MARGIN INFORMATION

Last Ten Fiscal Years
(dollars in thousands)

Legal Debt Margin Calculation for Fiscal Year 2020

Real Market Value	\$ 23,213,196,612
Debt Limit (7.95% of Real Market Value) (1)	1,845,449,131
Amount of Debt Applicable to Debt Limit	597,138,968
Legal Debt Margin	<u>\$ 1,248,310,163</u>

FISCAL YEAR	M5 REAL MARKET VALUE (2)	DEBT LIMIT	TOTAL NET DEBT APPLICABLE TO LIMIT	LEGAL DEBT MARGIN	APPLICABLE TO LIMIT AS A PERCENTAGE OF DEBT LIMIT
2020	\$ 23,213,196,612	\$ 1,845,449,131	597,138,968	\$ 1,248,310,163	32.36 %
2019	21,789,745,360	1,732,284,756	608,665,968	1,123,618,788	35.14
2018	20,011,769,671	1,590,935,689	524,050,119	1,066,885,570	32.94
2017	18,067,735,406	1,436,384,965	525,436,999	910,947,966	36.58
2016	15,778,515,366	1,254,391,972	219,350,000	1,035,041,972	17.49
2015	14,167,881,531	1,126,346,582	237,705,000	888,641,582	21.10
2014	12,767,620,456	1,015,025,826	234,831,141	780,194,685	23.14
2013	12,033,892,426	956,694,448	246,501,142	710,193,306	25.77
2012	12,442,681,334	989,193,166	256,681,142	732,512,024	25.95
2011	13,230,708,268	1,051,841,307	265,406,142	786,435,165	25.23

(1) ORS 328.245 establishes a parameter of bonded indebtedness for school districts. Aggregates are governed by real market values within the District based on the following:

^A For each grade from kindergarten to eighth for which the District operates schools, fifty-five one-hundredths of one percent (.0055) of the real market value.

^B For each grade from ninth to twelfth for which the District operates schools, seventy-five one-hundredths of one percent (.0075) of the real market value.

Allowable Percentage of Real Market Value:

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

(2) Source: Measure 5 Real Market Value from Clackamas County Department of Assessment and Taxation

NORTH CLACKAMAS SCHOOL DISTRICT 12JT
DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT
June 30, 2020

<u>OVERLAPPING GOVERNMENT</u>	<u>NET (2) DIRECT DEBT</u>	<u>PERCENT WITHIN SCHOOL DISTRICT(3)</u>	<u>OVERLAPPING DEBT</u>
City of Gladstone	\$ 3,857,291	5.50%	\$ 212,251
City of Milwaukie	40,112,174	99.23%	39,802,307
City of Portland	838,525,454	0.08%	653,211
Clackamas Community College	110,258,913	39.29%	43,318,852
Clackamas County	121,210,000	28.92%	35,050,781
Clackamas Cty ESD	20,636,690	30.33%	6,259,005
Clackamas Cty RFPD 1	42,040,960	62.71%	26,363,214
Clackamas Soil Conservation	6,494,000	28.92%	1,877,896
Metro	979,745,000	6.98%	68,374,444
Port of Portland	56,255,000	6.51%	3,663,888
Oak Lodge Water Services District	6,017,119	79.39%	4,776,792
SUBTOTAL OVERLAPPING DEBT	<u>\$ 2,225,152,601</u>		<u>\$ 230,352,641</u>
DIRECT DISTRICT DEBT			<u>784,146,856</u>
TOTAL DIRECT AND OVERLAPPING DEBT			<u><u>\$ 1,014,499,497</u></u>

(1) Source: Debt Management Division, State of Oregon.

(2) Net direct debt includes all tax-supported bonds. Self-supporting bonds are excluded.

(3) The percentage of overlapping debt is estimated using taxable assessed property values.

Applicable percentages were estimated by determining the portion of the overlapping district's taxable assessed value that is within the school district's boundaries and dividing it by the overlapping district's total taxable assessed value.

These percentages are calculated by the State of Oregon Municipal Debt Advisory Commission.

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.

NORTH CLACKAMAS SCHOOL DISTRICT 12

Debt Ratios

June 30, 2020

		2020
Total Real Market Value (M5)	\$	23,213,196,612
Assessed Value	\$	15,032,098,884
Estimated Population		125,907

Debt Information

Net Direct Debt (1)

District Direct Debt (2)	\$	784,146,856
Overlapping Direct Debt		230,352,641
Total Direct Debt and Overlapping Debt	\$	1,014,499,497

Bonded Debt Ratio

District Direct Debt to Real Market Value		3.38%
Total Direct Debt to Real Market Value		4.37%
Per Capita RMV	\$	184,368
Per Capita District Direct Debt	\$	6,228
Per Capita Total Direct Debt and Overlapping Debt	\$	8,058

(1) Net Direct Debt is Gross Direct Debt less self-supporting limited and unlimited tax supported debt.

(2) Includes Bonds Net of Refunded Bonds

Sources: Clackamas County Department of Assessment and Taxation, Debt Management Division,
Office of the State Treasurer, North Clackamas School District #12 Audited Financial Reports for the Fiscal Year

Census Bureau Small Area Income & Poverty Estimates (SAIPE)

NORTH CLACKAMAS SCHOOL DISTRICT 12

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Calendar Years

Clackamas County

YEAR	POPULATION	PERSONAL INCOME (in thousands)	PER CAPITA PERSONAL INCOME	UNEMPLOYMENT RATE (2)	
2020	n/a	n/a	n/a	6.4	%
2019	418,087 (1)	\$ 25,806,838	61,726	3.7	
2018	416,075	24,770,193	59,533	3.7	
2017	412,672	23,029,574	55,806	3.7	
2016	407,258	20,977,045	\$ 51,379	4.2	
2015	401,515	19,901,153	49,565	4.7	
2014	394,504	18,724,587	47,464	5.7	
2013	388,111	17,863,812	46,028	6.5	
2012	383,389	17,811,472	46,458	7.6	
2011	379,670	16,659,841	43,880	8.4	

(1) Estimated

(2) As of October of the relevant year.

n/a - Data not available at time of printing.

Sources:

Population, personal income and per capita information: US Department of Commerce, Bureau of Economic Analysis and NCSD population estimates

Unemployment rate information: US Department of Labor, Bureau of Labor Statistics. Not seasonally adjusted.

NORTH CLACKAMAS SCHOOL DISTRICT 12
PRINCIPAL EMPLOYERS FOR THE PORTLAND METRO AREA
Current Year and Nine Years Ago

Employer	2020			2011		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Ten Largest Employers						
Intel Corporation	21,394	1	1.65 %	15,636	2	1.47 %
Providence Health & Services	19,326	2	1.49	14,089	3	1.32
Oregon Health & Science University	17,441	3	1.35	13,636	5	1.28
Kaiser Permanente	12,000	6	0.93	7,000	10	0.66
Nike Inc.	12,896	4	1.00	9,732	7	0.91
Legacy Health System	12,074	5	0.93	9,039	8	0.85
City of Portland	7,409	8	0.57	8,876	9	0.83
Fred Meyer Stores	8,163	7	0.63	9,858	6	0.93
Portland Public Schools	7,005	9	0.54			
Beaverton School District	5,646	10	0.44			
State of Oregon				18,400	1	1.73
U.S. Government				13,900	4	1.31
Subtotal of Ten Largest Employers	123,354		9.53	120,166		11.29
All Other Employers	1,171,449		90.47	943,474		88.71
Total Portland MSA Employment (1) (2)	<u>1,294,803</u>		<u>100.00 %</u>	<u>1,063,640</u>		<u>100.00 %</u>

(1) Portland-Vancouver-Hillsboro MSA includes Clackamas, Columbia, Multnomah, Washington, and Yamhill counties in Oregon and Clark and Skamania counties in Washington.

(2) Measured at December of the relevant fiscal year, nonfarm labor, not seasonally adjusted.

Sources:

Portland Business Journal, Portland Metro Area's Largest Employers 2020

US Dept. of Labor, Bureau of Labor Statistics

NORTH CLACKAMAS SCHOOL DISTRICT 12

OPERATING STATISTICS

Last Ten Fiscal Years

FISCAL YEAR	STUDENT ENROLLMENT(1)	AVERAGE DAILY MEMBERSHIP(2)	TEACHING FTE	STUDENT- TEACHING STAFF RATIO
2019-2020	17,200	20,481	971.8	17.7
2018-2019	17,316	20,431	948.6	18.3
2017-2018	17,219	20,480	939.6	18.3
2016-2017	17,321	20,684	937.3	18.5
2015-2016	17,250	20,672	884.4	19.5
2014-2015	17,199	19,745	841.4	20.4
2013-2014	17,185	19,700	785.3	21.9
2012-2013	17,044	19,644	780.0	21.9
2011-2012	17,280	19,874	767.7	22.5
2010-2011	17,348	19,991	897.5	19.3

FISCAL YEAR	NUMBER OF TYPE A LUNCHES SERVED			NUMBER OF BREAKFASTS SERVED		
	PAID	FREE	REDUCED PRICE	PAID	FREE	REDUCED PRICE
2019-2020	355,275	404,149	82,422	60,586	207,524	28,118
2018-2019	497,884	522,893	134,501	69,180	224,593	45,548
2017-2018	456,057	559,342	114,435	64,009	252,827	49,278
2016-2017	438,007	643,671	142,533	52,916	266,558	46,914
2015-2016	458,755	645,111	140,172	57,414	265,364	44,970
2014-2015	426,601	648,923	113,433	50,839	244,557	34,884
2013-2014	396,840	678,311	120,794	39,494	271,555	37,265
2012-2013	401,027	709,000	120,300	40,236	279,846	37,954
2011-2012	467,704	765,052	124,806	49,109	296,456	40,430
2010-2011	490,255	730,743	116,440	41,612	272,296	36,469

(1) Oct 1st Enrollment in North Clackamas School District locations only.

(2) Average Daily Membership (ADMw) includes all resident students regardless of where they attend (including charter schools, schools outside the district, and schools for special needs students operated by other agencies and education service districts).

In 2015-16, The Oregon Department of Education provided full funding for kindergarten students.

Most recent year presented is projected.

(3) Full-time equivalent of 8 hour day. Includes all licensed staff (i.e., teachers, counselors, special education, librarians, etc.).

Sources: Enrollment and Attendance Records, Oregon Department of Education,
North Clackamas School District Human Resources Department, School Nutrition Department

NORTH CLACKAMAS SCHOOL DISTRICT 12

FULL TIME EQUIVALENT DISTRICT EMPLOYEES BY TYPE

Last Nine Fiscal Years (1)

	2019-20 BUDGETED	2018-19 ACTUAL	2017-18 ACTUAL	2016-17 ACTUAL	2015-16 ACTUAL	2014-15 ACTUAL	2013-14 ACTUAL	2012-13 ACTUAL	2011-12 ACTUAL
Licensed - General Fund	901.07	871.21	861.04	862.69	824.00	762.96	723.38	720.35	697.26
Licensed - Other Funds	70.70	77.41	78.51	74.61	60.40	78.39	61.91	59.65	70.48
Total Licensed - FTE	971.77	948.62	939.55	937.30	884.40	841.35	785.29	780.00	767.74
Classified - General Fund	690.18	688.54	676.04	639.01	626.10	613.18	595.25	591.03	588.45
Classified - Other Funds	160.58	160.27	161.93	148.99	165.46	171.16	164.26	189.97	161.91
Total Classified - FTE	850.76	848.81	837.97	788.00	791.56	784.34	759.51	781.00	750.36
Administrative - General Fund	81.8	74.35	75.35	73.35	71.85	68.35	67.35	70.25	69.45
Administrative - Other Funds	12.9	13.60	8.85	8.85	9.85	9.85	8.85	11.75	9.32
Total Administrative - FTE	94.70	87.95	84.20	82.20	81.70	78.20	76.20	82.00	78.77
Total - General Fund	1673.05	1634.10	1612.43	1575.05	1521.95	1444.49	1385.98	1381.63	1355.16
Total - Other Funds	244.18	251.28	249.29	232.45	235.71	259.40	235.02	261.37	241.71
Grand Total All Staff - FTE	1917.23	1885.38	1861.72	1807.50	1757.66	1703.89	1621.00	1643.00	1596.87

(1) This schedule will present ten years as data becomes available.

(2) North Clackamas School District Budgeted Numbers Plus Additions & Deletions

Source: North Clackamas School District Human Resource/Fiscal Service Departments

NORTH CLACKAMAS SCHOOL DISTRICT 12

Capital Asset Information

As of June 30, 2020

	YEAR OF ORIGINAL CONSTRUCTION	SQUARE FOOTAGE	PRACTICAL CAPACITY	ENROLLMENT 2019-20	% OF CAPACITY	AVERAGE AGE OF BUILDING
HIGH SCHOOLS						
Clackamas High West	2002	268,955	1825	2,551	89.86%	18
Clackamas High East	1991	106,528	1014			29
New Urban/New Urban Annex	1924	65,340		120	N/A	96
Milwaukie	1925	215,250	1711	809	47.28%	95
Rex Putnam	1963	198,744	1680	1,196	71.19%	57
Sabin Center	1967	79,794				53
Schellenberg Center	1968	70,765				52
Land Lab and Forestry Center	1970	4,878				50
High School Subtotal		1,010,254	6,230	4,676	69.44%	56
MIDDLE SCHOOLS						
Alder Creek	1957	145,694	907	985	108.60%	63
Happy Valley	2009	135,604	750	1,195	159.33%	11
Rock Creek	2010	129,000	750	909	121.20%	10
Rowe	1963	96,048	957	834	87.15%	57
Middle School Subtotal		506,346	3,364	3,923	119.07%	35
ELEMENTARY SCHOOLS						
Ardenwald	2009	64,300	550	417	75.82%	11
Beatrice Morrow	2019	63,000	500	432	86.40%	1
Bilquist	1960	58,702	523	394	75.33%	60
Campbell	1956	40,287	423	0	0.00%	64
Happy Valley	2008	69,000	550	464	84.36%	12
Lewelling	1963	51,887	473	318	67.23%	57
Linwood	1968	66,843	498	439	88.15%	52
Milwaukie Elementary	1916	52,449	573	466	81.33%	104
Mount Scott	1989	58,648	532	376	70.68%	31
Oak Grove	1963	59,681	598	329	55.02%	57
Oregon Trail	1993	56,388	654	529	80.89%	27
Riverside	1955	48,101	507	394	77.71%	65
Scouters Mountain	2009	66,125	550	328	59.64%	11
Spring Mountain	2000	58,053	598	484	80.94%	20
Sunnyside	1949	51,744	598	569	95.15%	71
Verne Duncan	2009	60,474	550	541	98.36%	11
View Acres	1964	53,772	545	423	77.61%	56
Whitcomb	1958	63,417	546	383	70.15%	62
Elementary Schools Subtotal		1,042,871	9,768	7,286	73.60%	43
School Subtotals		2,559,471				
Transportation (SE 102nd Ave)	2018	7,304				
Technology	1967	9,300				
Facility Operations	1916	19,503				
Transportation (Alder Creek)	1955, 1959	13,220				
Administration Building	1988	26,254				
Support Subtotals		75,581				
District Totals		2,635,052				

Source: North Clackamas Facilities Department

AUDIT COMMENTS AND
DISCLOSURES
REQUIRED BY STATE
REGULATIONS

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NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
INDEPENDENT AUDITORS' REPORT
REQUIRED BY OREGON STATE REGULATIONS

We have audited the basic financial statements of the North Clackamas School District No. 12 (District) as of and for the year ended June 30, 2020 and have issued our report thereon dated December 30, 2020. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether 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.



OAR 162-10-0230 Internal Control

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

Purpose of this Report

This report is intended solely for the information and use of the board of directors and management of the District and the Oregon Secretary of State and is not intended to be and should not be used by anyone other than these parties.

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 30, 2020

GRANT COMPLIANCE SECTION

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To the School Board
North Clackamas School District No. 12
Clackamas County, Oregon

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

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, business-type activities, each major fund, and the aggregate remaining fund information of North Clackamas School District No. 12 (District), as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 30, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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



Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement 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. 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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 30, 2020



To the School Board
North Clackamas School District No. 12
Clackamas County, Oregon

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Report on Compliance for Each Major Federal Program

We have audited North Clackamas School District No. 12's (District's) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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



Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or 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 preceding paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Wilcox Arredondo & Co.

Certified Public Accountants
Canby, Oregon
December 30, 2020

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal Grantor/Pass-through Grantor/ Program Title	Grant Period	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Education</u>				
Passed through Oregon State Department of Education				
Title IA - Part A - Grants to Local Educational Agencies	07/01/18-09/30/19	84.010	50443	\$ 118,892
Title IA - Part A - Grants to Local Educational Agencies	07/01/19-09/30/20	84.010	53324	2,276,098
ESSA D&SI - PPP District Engagement I	09/30/18-09/30/19	84.010	51437	6,049
ESSA D&SI - PPP District Engagement III - SaM	09/30/18-09/30/19	84.010	51476	92,189
ESSA D&SI - PPP District Engagement II - SaM	09/30/18-09/30/19	84.010	51456	12,098
ESSA Partnerships 19-20 - SaM	07/01/19-09/30/20	84.010	54434	27,070
Total Title IA - Part A - Grants to Local Educational Agencies				2,532,396
Title III - English Language Acquisition	07/01/18-09/30/19	84.365	50268	33,372
Title III - English Language Acquisition	07/01/19-09/30/20	84.365	53441	136,959
Total Title III - English Language Acquisition				170,331
Title IIA - Improving Teacher Quality	07/01/18-09/30/19	84.367	49363	39,275
Title IIA - Improving Teacher Quality	07/01/19-09/30/20	84.367	49363	292,608
Total Title IIA - Improving Teacher Quality				331,883
Title IV-A Student Support and Academic Enrichment	07/01/18-09/30/19	84.424	50779	193,041
IDEA, Part B, Special Education	07/01/18-09/30/20	84.027	49920	431
IDEA, Part B, Special Education	07/01/19-09/30/21	84.027	53831	2,578,664
IDEA Part B - Preschool	07/01/18-09/30/19	84.173	45466	18,030
IDEA Part B - Preschool	07/01/18-06/30/20	84.173	50152	14,116
IDEA Part B - Preschool	07/01/19-06/30/21	84.173	54042	4,051
Total Special Education Cluster				2,615,292
21st Century Community Learning Centers	07/01/18-09/30/19	84.287	49064	272,349
21st Century Community Learning Centers	07/01/19-09/30/20	84.287	54273	206,673
Total 21st Century Community Learning Centers				479,022
Multi-Tiered System of Supports (SPDG)	01/01/18-09/30/20	84.323	52016	9,503
COVID-19 Elem. & Secondary School Emergency Fund	03/13/20-12/31/20	84.425D		1,691,317
Passed Through G5				
Title VI Indian Education	07/01/19-06/30/20			1,259
Passed Through Clackamas Education Service District				
Career & Technical Education - Basic Grants to States	07/01/19-09/30/20	84.048	N/A	61,559
Total U.S. Department of Education				8,085,603
<u>U.S. Department of Labor</u>				
Workforce Investment Act Youth Activities	07/01/19-06/30/20	17.259	N/A	29,524
Total U.S. Department of Labor				29,524

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended June 30, 2020

Federal Grantor/Pass-through Grantor/ Program Title	Grant Period	Federal C.F.D.A. Number	Pass-Through Grantor's Number	Expenditures
<u>U.S. Department of Health and Human Services</u>				
Passed through Oregon Department of Health and Human Services				
Child Care & Development Fund	07/01/19-06/30/20	93.575	N/A	<u>54,972</u>
Passed through Oregon State Department of Education				
Foster Care Transportation	07/01/19-06/30/20	93.658	N/A	<u>7,729</u>
Total U.S. Department of Health and Human Services				<u>62,701</u>
<u>U.S. Department of Agriculture</u>				
Passed through Oregon State Department of Education				
National School Breakfast Program	07/01/19-06/30/20	10.553	N/A	366,752
COVID-19 National School Breakfast Program	07/01/19-06/30/20	10.553	N/A	<u>128,360</u>
Total National School Breakfast Program				<u>495,112</u>
Commodities	07/01/19-06/30/20	10.555	N/A	359,721
National School Lunch Program	07/01/19-06/30/20	10.555	N/A	1,475,752
COVID-19 National School Lunch Program	07/01/19-06/30/20	10.555	N/A	<u>280,138</u>
Total National School Lunch				<u>2,115,611</u>
Summer Food Program	07/01/19-06/30/20	10.559	N/A	32,968
COVID-19 Summer Food Program	07/01/19-06/30/20	10.559	N/A	<u>93,978</u>
Total Summer Food Program				<u>126,946</u>
Total Child Nutrition Cluster				<u>2,737,669</u>
Child and Adult Care Food Program	07/01/19-06/30/20	10.558	N/A	<u>97,848</u>
CNP SAE Reallocation	07/01/19-06/30/20	10.560	N/A	<u>8,045</u>
Fresh Fruit and Vegetable Program	07/01/19-09/30/20	10.582	54924	16,062
Fresh Fruit and Vegetable Program	07/01/19-09/30/20	10.582	54922	16,553
Fresh Fruit and Vegetable Program	07/01/19-09/30/20	10.582	54923	<u>16,350</u>
Total Fresh Fruit and Vegetable Program				<u>48,965</u>
Total U.S. Department of Agriculture				<u>2,892,527</u>
Total Federal Awards				<u>\$ 11,070,355</u>

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
NOTES RELATIVE TO SCHEDULE OF FEDERAL AWARDS
Year Ended June 30, 2020

1. Basis of Presentation

The accompanying schedule of expenditures of federal awards (the Schedule) includes the federal award activity of North Clackamas School District No. 12 (District) programs of the federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net assets, or cash flows of the District.

2. Summary of Summary of Significant Accounting Policies

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 and OMB Circular A-87, *Cost Principles for State, Local, and Indian Tribal Governments*) wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. Indirect Cost Rate

The District has elected not to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance due to the fact that the District has a negotiated indirect cost rate with Oregon Department of Education, and thus is not allowed to use the de minimus rate.

4. 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.

5. 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

6. Subrecipients

The District had no subrecipients.

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS
 Year Ended June 30, 2020

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements:

Type of auditor's report issued:	Unmodified	
Internal control over financial reporting:		
Material weakness(es) identified?	Yes	No ✓
Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes	None reported ✓
Noncompliance material to financial statements noted?	Yes	No ✓

Federal Awards:

Internal control over major programs:		
Material weakness(es) identified?	Yes	No ✓
Significant deficiency(ies) identified not considered to be material weakness(es)?	Yes	None reported ✓
Type of auditor's report issued on compliance for major programs	Unmodified	
Any audit findings disclosed that are required to be reported in accordance with 2 CFR Section 516(a)?	Yes	No ✓

Identification of major programs:

<u>NAME OF PROGRAM OR CLUSTER</u>	<u>CFDA NUMBER(S)</u>
Child Nutrition Cluster Elementary and Secondary School Emergency Relief Fund	10.553, 10.555, 10.556, 10.559 84.425D
Dollar threshold used to distinguish between type A and B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes✓ No

NORTH CLACKAMAS SCHOOL DISTRICT NO. 12
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (Continued)
Year Ended June 30, 2020

SECTION II - FINANCIAL STATEMENT FINDINGS - NONE

SECTION III - FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS – NONE

SECTION IV - SUMMARY OF PRIOR AUDIT FINDINGS - NONE

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