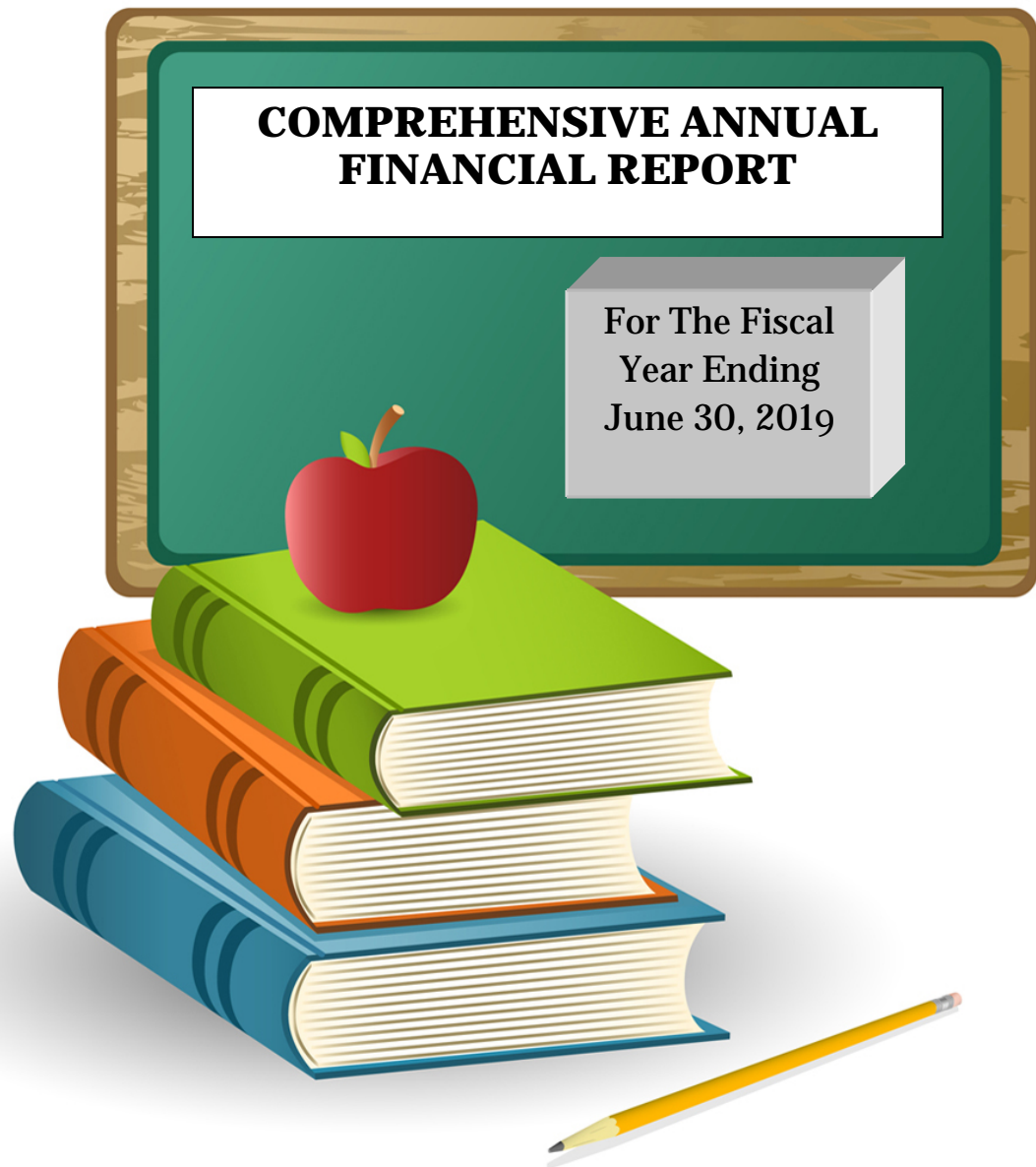


Tigard-Tualatin School District 23J



Washington County ~ Tigard ~ Oregon

Tigard-Tualatin School District 23J
Washington County, Tigard, Oregon

Comprehensive Annual Financial Report

For the fiscal year ended
June 30, 2019

Prepared by:
Office of Budget and Finance

Tigard-Tualatin School District 23J
Washington County, Tigard, Oregon
Comprehensive Annual Financial Report
Fiscal Year Ended June 30, 2019

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Comprehensive Annual Financial Report
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INTRODUCTORY SECTION



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www.ttsdschools.org

December 4, 2019

To the Board of Directors and Residents of
Tigard-Tualatin School District 23J
Tigard, Oregon

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. Pursuant to this requirement, the Comprehensive Annual Financial Report of Tigard-Tualatin School District 23J, Washington County, Oregon (the District), for the fiscal year ended June 30, 2019, is hereby submitted.

The District's Office of Budget and Finance prepared this Comprehensive Annual Financial Report. Management assumes full responsibility for the completeness and reliability of all the information presented in this report based on a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the Tigard-Tualatin School District 23J financial statements in conformity with Generally Accepted Accounting Principles (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 assurance that the financial statements will be free from material misstatements. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

INDEPENDENT AUDIT

The District's financial statements have been audited by the firm of Pauly, Rogers and Co., P.C., of Tigard, Oregon, a firm of licensed certified public accountants. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the Tigard-Tualatin School District 23J's financial statements for the fiscal year ended June 30, 2019, 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 financial statements of the Tigard-Tualatin School District 23J was part of a broader, federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. The standards governing single audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. The results of the District's single audit for the fiscal year ended June 30, 2019, provide no instances of material weaknesses in the internal control structure or significant violations of applicable laws and regulations.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it.

THE DISTRICT

Tigard-Tualatin School District 23J is the 9th largest school district based on enrollment in Oregon and the 5th largest in the Portland metropolitan area. The District includes 2 high schools, 3 middle schools,

10 elementary schools, an alternative education program, and a charter school. The District serves the communities of Durham, Metzger, King City and Bull Mountain, as well as Tigard and Tualatin.

The District includes approximately 34 square miles in Washington and Clackamas counties, comprising the southwestern portions of the Portland Metropolitan Area, and has an estimated population of 81,995. The District has grown from 5 schools serving 4,654 students in 1969, to 15 schools, an alternative educational program, and a charter school, serving approximately 12,607 students. State law requires the District distribute 80% of State School Fund Grant money paid for the charter school students to the charter school. The charter school also raises funds from families and other fundraising activities. The charter school is not considered a component unit of the District under GASB 61.

A five member Board of Directors, elected to four-year overlapping terms by the voters residing within district boundaries, governs the Tigard-Tualatin School District 23J. The duties of the Board include setting policy, reviewing expenditures, appointing the Superintendent, hiring, terminating and approving resignations of all certified and administrative staff members. The Board also constitutes one-half of, and appoints the five citizen members of, the Budget Committee.

The Board of Directors appointed Financial Oversight Committee conducts an annual review of the District's system of internal controls and any recommendations or findings that result from the District's annual financial audit. The committee is advisory to the Board of Directors. The committee is comprised of five members; two from the Board and three from the community at-large.

Beginning in 2016-17, the District implemented a five-year Strategic Plan. The plan focuses on immediate outcomes that will improve learning and the education experience for all district students and their families.

The Strategic Plan is built upon the four Cornerstones of:

- Student Achievement – We prepare students for success in a rapidly changing world.
- Equity – We believe that success is a reflection of high expectations and belief in all students.
- Talent – We hire, support and retain catalysts for learning.
- Climate & Culture – We create and nurture a school community where everyone feels safe, valued and connected.

Strategies for achieving the plan include identifying and implementing teaching practices that are most effective for improving student learning.

In 2018-19, 2,994 community members volunteered an estimated 70,000 hours in district classrooms. These volunteers include parents who serve on school site councils and PSO boards; retirees who volunteer to listen to students read; business people who share their knowledge and provide job sites for high school students; and community members who serve on district committees.

LOCAL ECONOMY

The Tigard-Tualatin School District 23J is located in northwestern Oregon in Washington and Clackamas counties. Washington and Clackamas counties are part of the Portland-Vancouver-Hillsboro Primary Metropolitan Statistical Area (PMSA). The metropolitan Portland-Vancouver area includes five of Oregon's thirty-six counties: Clackamas, Columbia, Multnomah, Washington, Yamhill, and Clark and Skamania Counties in the state of Washington. According to the US Census Bureau, Multnomah and Washington counties together have over a third of the State of Oregon's population. Economic and demographic data is not available specifically for the District; however the data is generally available for Washington County and for the PMSA.

Washington County's economic base has traditionally been centered in agriculture, lumber, manufacturing, food processing, and electronics. The early economy of the Washington County area

grew as a result of fertile agricultural and timberlands and its access to the Willamette and Columbia rivers. The County's developed regions are home to traditional suburban and new mixed-use neighborhoods, electronic leaders such as Intel, IBM and Tektronix, and world headquarters for both Nike and Columbia Sportswear. Despite its rapid development, the county still contains prime agricultural land and a strong agricultural economy with nurseries, wineries and other farm and forest enterprises. More than 75 percent of the County's agricultural and forestlands have been preserved through careful land use management of residential and industrial growth. Washington County covers 727 square miles, includes a population of approximately 591,000 in unincorporated areas and 16 incorporated cities, such as Beaverton, Hillsboro, Tigard, and Tualatin, as well as a portion of the City of Portland.

Tigard-Tualatin School District is the second largest employer within the school district's boundaries. The non-seasonally adjusted unemployment rate for Washington County on June 30, 2019 was 3.4 percent compared to 3.3 percent on June 30, 2018 and the Oregon rate was 4.0 percent on June 30, 2019 with no change from June 30, 2018.

LONG-TERM FINANCIAL PLANNING AND MAJOR INITIATIVES

The Tigard-Tualatin School District 23J has a long history of strong voter and community support. During the last 26 years, district voters have approved all but three school tax measures. In November 2008, voters approved a renewal of the Local Option Tax of \$1.00 per \$1,000 of assessed valuation for another 5 years beginning with the 2010-11 fiscal year. In November of 2014, the levy was renewed for another five years beginning with the 2015-16 fiscal year. At the time the levy was passed it was expected to raise \$24 million over five years or approximately \$5 million per year to continue funding for approximately 55 classrooms teachers and classroom programs funded by the expiring levy, protect class sizes supported by the expiring levy, and assist local schools by supplementing insufficient state funding.

Since the levy was approved, annual local option levy collections have exceeded estimates with the District on pace to meet the five-year estimate of \$24 million early in the fourth year. The 2015-16 collections of \$6.8 million exceeded budgetary expectation by \$500,000 million, the 2016-17 collections of \$7.8 million exceeded the budget by \$1.1 million, the 2017-18 collections of \$8.6 million exceeded the budget by \$200,000 and the 2018-19 collections of \$9.2 million exceeded the budget by \$380,000. The 2019-20 levy was recently made available and the District estimates collections will approximate the \$9.3 million budgeted. In November 2018, district voters renewed the Local Option Tax for another five years beginning in 2020-21. Due to the uncertainty of the housing market and property values, the level of this revenue in future years will remain difficult to predict.

The legislature allocated a State School Fund amount of \$8.2 billion for the 2017-19 biennium. For 2018-19, the District also applied one-time resources and cost savings of \$1.5 million from 2017-18 to additional investments of \$1.1 million and additional targeted reserves of \$400,000 to offset new operating costs of a new elementary school scheduled to open in 2022-23.

For the 2019-21 biennium, the legislature has allocated a State School Fund amount of \$9 billion. Although this amount is not sufficient to cover the District's current service level needs in 2019-20, the 2018-19 ending fund balance of \$28 million exceeded the targeted contingency and reserves per Board policy (12% of operating revenues) by \$11 million. Portions of this are allocated in 2019-20 to close the current service level gap, for new investments and for additions to the new elementary school operating reserve.

In addition to the \$9 billion for the State School Fund in 2019-21, the legislature has allocated \$2 billion to the Student Investment Account as part of the Student Success Act. Beginning in 2019-20, the District will receive up to \$10 million annually for targeted investments specified in the District's application to be submitted in March 2020. The application will be submitted based on the outcome of a community engagement process required under the Student Success Act.

In addition to the implementation of the new Strategic Plan in 2016-17, the District's Board adopted the first version of the District's Strategic Financial Plan in 2017 and adopted the second and third versions in 2018 and 2019. The Strategic Financial Plan describes investments that support the work of the Strategic Plan while linking the development of the annual budget with the Strategic Plan.

In November 2016, district voters approved a bond issue in the amount of \$291.3 million to build, renovate and improve school facilities and provide technology and curriculum. The District issued the first set of authorized bonds in April 2017 in the amount of \$200,955,000. Premium of \$31 million was also realized on the bond sale and total proceeds net of bond issuance costs were \$231.6 million. The next series of authorized bonds were issued in June 2019 in the amount of \$90.36 million. Additional premium of \$21.9 million was realized on the second issue. Construction began on bond projects in the spring of 2017 and will continue through at least 2022.

RELEVANT FISCAL POLICIES

Budgetary Controls

The District annually prepares a budget in accordance with requirements prescribed in the Oregon Revised Statutes. The objective of the District's budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District's Board of Directors. Activities of all funds are included in the annual appropriated budget.

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 from the public concerning the approved budget. The Board of Directors adopts the budget, makes the appropriations, and levies taxes after the public hearing and before the beginning of the year for which the budget has been prepared.

The objective of the budgetary controls 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 Fund, and Early Retirement Fund are included in the annual appropriated budget. The level of budgetary control (i.e., the level at which expenditures cannot legally exceed the appropriated amount), is established by major program category within an individual fund. Transfers of appropriations between budget categories must be authorized by resolution of the Board of Directors.

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.

Financial Reporting

The financial statements of the District are prepared in accordance with generally accepted accounting principles (GAAP) of the United States of America. In addition to presenting the financial position, results of operations and changes in financial position of the District's funds, the financial statement reconciles differences in reporting activities between the budgetary basis as presented in the annual approved budget and the basis according to GAAP.

Accounting System

The financial transactions for governmental and fiduciary fund types are recorded on the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded in the accounting period in which they become measurable and available, and expenditures are recorded when liabilities are incurred. Exceptions are made for principal and interest on general obligation bonds, full faith and credit obligations and lease purchase agreements which are recorded on the due date, vested compensated absences and early retirement obligations, which are recorded as expenditures for the current amount normally expected to be liquidated with available expendable financial resources and which are recorded as long-term debt.

The proprietary fund is an internal service fund for unemployment, copier replacement, replacement of student devices, and equipment loss under the District's insurance deductible.

The fiduciary funds consist of a fiduciary trust fund for an endowed scholarship and a pension trust fund to pay for post retirement stipends and health benefits. Under the GASB 34 accrual basis of accounting, revenues are recorded at the time they are earned and expenses are recorded at the time liabilities are incurred.

The accrual and modified accrual basis of accounting as utilized by Tigard-Tualatin School District 23J are in accordance with generally accepted accounting principles of the United States of America.

AWARDS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Tigard-Tualatin School District 23J for its Comprehensive Annual Financial Report for the year ended June 30, 2018. This was the 31st consecutive year that the District has received 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 of the United States of America and applicable legal requirements.

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

ACKNOWLEDGMENTS

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Office of Budget and Finance. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report. Credit also must be given to the Board of Directors for their unfailing support for maintaining the highest standards of professionalism in the management of the Tigard-Tualatin School District 23J's finances.

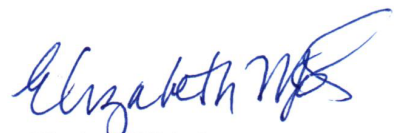
Respectfully submitted,



Dr. Susan Rieke-Smith
Superintendent



David Moore
Chief Financial Officer



Elizabeth Michels
Controller



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**Tigard-Tualatin School District 23J
Oregon**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

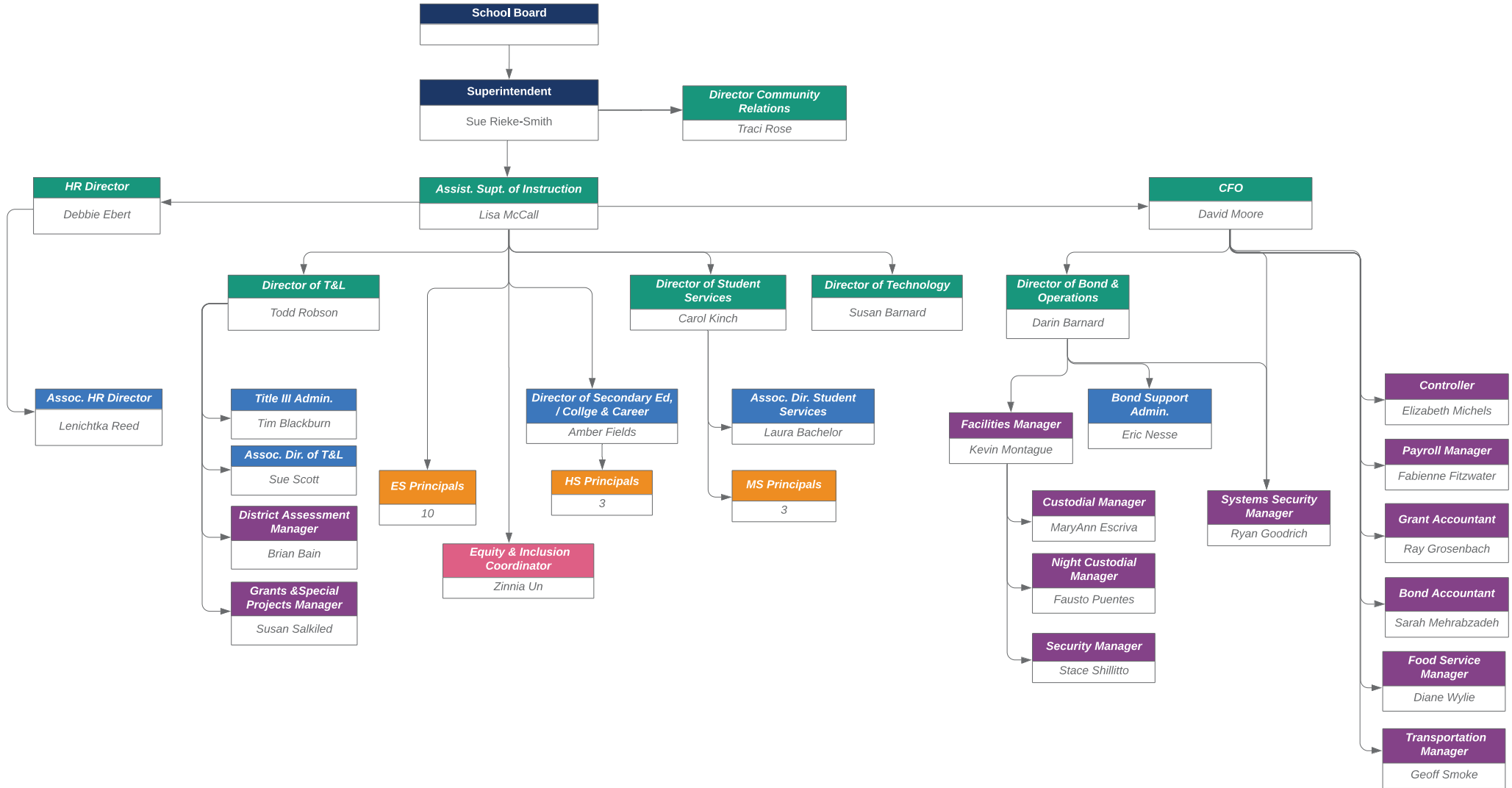
June 30, 2018

Christopher P. Morrell

Executive Director/CEO

TTSD Organization Chart 2019-20

Rev. November 26, 2019



Tigard-Tualatin School District 23J
List of Elected and Appointed Officials

Elected Officials as of June 30, 2019

<u>Name</u>	<u>Term Expires</u>
Jill Zurschmeide Board Chair	June 30, 2019
Maureen Wolf, Vice Chair	June 30, 2021
Karen Emerson	June 30, 2021
Terri Burnette	June 30, 2019
Sharon Fox	June 30, 2021

Appointed Officials

Susan R. Rieke-Smith, Ed.D., Superintendent/Clerk
David C. Moore, Chief Financial Officer/Deputy Clerk
Miller Nash, Legal Counsel
Hawkins, Delafield & Wood, Bond Counsel

FINANCIAL SECTION

Independent Auditors' Report



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December 4, 2019

INDEPENDENT AUDITORS' REPORT

To the Board of Directors
Tigard-Tualatin School District No. 23J
Washington County, Oregon

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the 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.

Auditors' 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 auditors' 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 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 internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J, as of June 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The District adopted the provisions of GASB Statement No. 88 – Certain Disclosures Related to Debt, including Direct Borrowings and Direct Placements for the year ended June 30, 2019. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

The budgetary comparison schedules presented as Required Supplementary Information, as listed in the table of contents, have 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 records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and in our opinion 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 basic financial statements. The supplementary and other information, as listed in the table of contents is presented for purposes of additional analysis and is 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 (CRF) 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 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 listed in the table of contents and the schedule of federal awards, is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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

Reports on Other Legal and Regulatory Requirements

In accordance with *Government Auditing Standards*, we have also issued our reports dated December 4, 2019 on our consideration of the internal control over financial reporting and on our tests of compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of the reports are 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. The reports are an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance.

In accordance with Minimum Standards for Audits of Oregon Municipal Corporations, we have issued our report dated December 4, 2019, on our consideration of compliance with certain provisions of laws and regulations, including the provisions of Oregon Revised Statutes as specified in Oregon Administrative Rules. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing and not to provide an opinion on compliance.

A handwritten signature in cursive script that reads "Tara M Kamp, CPA".

Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.

Management's Discussion and Analysis

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Tigard-Tualatin School District 23J
Management's Discussion and Analysis
June 30, 2019

As managers of the Tigard-Tualatin School District 23J ("District"), we offer readers of the District's financial statements this narrative discussion and analysis of the financial activities of the District for the fiscal year ended June 30, 2019. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, which can be found on pages 3-7 of this report.

Financial Highlights

- Projects specified in the 2017 voter approved general obligation bonds are in progress and the remaining projects will be completed in the next three years. Devices for student use totaling \$2.012 million and related equipment for the district's 1:1 technology initiative were purchased. Textbooks totaling \$1.308 million were also purchased. Construction in progress of \$24.5 million is related to improvements to district buildings and grounds including architectural and other preliminary work on the replacement of one elementary school, substantial replacement of one middle school, a new elementary school, creating secure vestibules at all sites and significant improvements to the District's two high schools and their athletic facilities.
- The assets and deferred outflows of resources of the Tigard-Tualatin School District 23J exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$59 million. This was an increase of \$5.4 million.
- At the end of the fiscal year, the ending fund balance in the general fund was \$28 million or 14.32 percent of total general fund expenditures. The \$2.7 million increase was mainly due to cost savings realized on health insurance benefits, revenue from the local option tax exceeding expectations, and open positions that could not be filled.
- The District's governmental funds report a combined ending fund balances of \$270.7 million, an increase of \$17.8 million from the prior year. Major components of increase are the construction projects that began during the year and technology purchase from bond funds (\$14.1 million), ending the Scrip Service Fund and selling of the inventory (\$332,789), construction excise tax collections (\$1 million) and a settlement of a statewide property tax dispute that resulted in tax collections in the debt service fund that will be carried to the next year's debt payments (\$539,814).
- The District's total long-term debt increased by \$98.3 million due to the issuance of the final debt for the voter approved general obligation bonds totaling \$112.3 million including premium and payment on debt and amortization of bond premiums and discounts totaling \$14 million.
- District enrollment declined 276 students while average daily membership decreased 184.42. In 2018-19, the district kindergarten enrollment was 862, a decrease of 39 students.

Overview of the Financial Statements

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

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

The *statement of net position* presents financial information on all of the District's assets, liabilities, and deferred inflow/outflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The *statement of activities* presents information showing how the District's net position changed during the most recent fiscal year. 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 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 basic activities are combined. Those basic activities include regular and special education, child nutrition services, student transportation, administration, and facilities acquisition and construction. These activities are primarily financed through Oregon's state school fund, property taxes, and other intergovernmental revenues. Fiduciary funds are not included in the statements of net position or the statement of activities but are reported separately in the basic financial statements.

The government-wide financial statements can be found on pages 20 and 21 of this report.

Fund Financial Statements. A *fund* is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The Tigard-Tualatin School District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds, with the exception of the fiduciary funds, (the early retirement fund and the scholarship fund), and the proprietary fund, (the self insurance fund), are governmental funds.

Governmental Funds. *Governmental funds* are used to account for the same functions (Instruction, Support Services, Enterprise and Community Services, Interest on Long-Term Liabilities) reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the 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. The information provided by the fund financial statements might be useful in evaluating the District'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 District's near-term financing decisions. Both the governmental fund balance sheet and the governmental statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between *governmental funds* and *governmental activities*.

The District maintains 6 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the general fund, the general obligation debt service fund, the full faith and credit debt service fund, the PERS UAL debt service fund, the capital projects fund, and the special revenue fund. All District funds are considered to be major funds.

The District adopts an annual appropriated budget for all the funds. The budgetary comparison statements demonstrate compliance with the appropriated budgets. The budgetary comparison statements for the general fund and special revenue fund are a part of the required supplemental information. The budgetary comparison statement for the general obligation debt service fund, the full faith and credit debt service fund, the PERS UAL debt service fund, and the capital projects fund can be found in the supplemental information budgetary comparisons section.

The basic governmental fund financial statements can be found on pages 22 through 25 of this report.

Proprietary Fund. The *self insurance reserve fund* is used to account for the District's unemployment costs and the replacement of equipment not covered by the District's insurance deductible. Because this fund provides services that benefit governmental rather than business type activities, it has been included within *governmental activities* in the government-wide financial statements. Proprietary fund statements provide the same type of information as the government-wide statements, only in more detail.

The basic proprietary fund financial statements can be found on pages 26 through 28 of this report.

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

The fiduciary fund accounts for scholarship resources held by the District for use by the students awarded scholarships for college and the District's early retirement health insurance and stipend plans.

The fiduciary fund financial statements can be found on page 39 of this report.

Notes to Basic Financial Statements. The notes provide additional information that is necessary for a full understanding of the data provided in the government-wide and fund financial statements. The notes to basic financial statements can be found on pages 43 through 81 of this report.

Other information. In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the District's progress in funding its OPEB benefits to employees. Required supplementary information can be found on pages 84 through 89 of this report. Individual fund statements can be found on pages 92 through 97 of this report.

Government-Wide Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of Tigard-Tualatin School District 23J, assets and deferred outflows exceeded liabilities and deferred inflows by \$59,037,463, at the close of the most recent fiscal year.

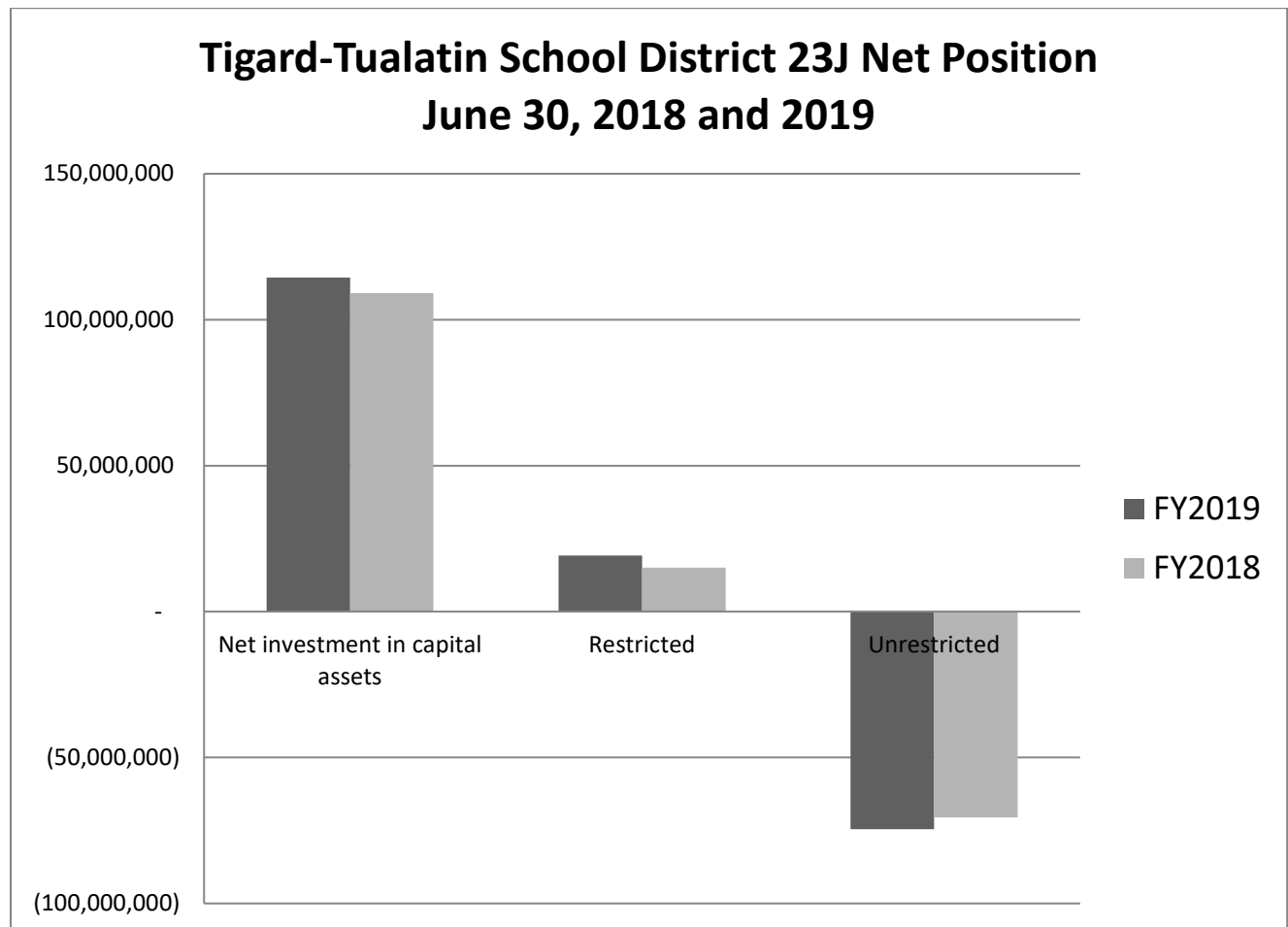
Tigard-Tualatin School District 23J's Net Position

	Governmental Activities		Change
	FY2019	FY2018	
Current and other assets	\$ 308,932,061	\$ 273,513,924	\$ 35,418,137
Capital assets, net of depreciation	261,288,363	166,929,159	94,359,204
Total assets	570,220,424	440,443,083	129,777,341
Deferred outflows of resources	54,291,966	44,539,173	9,752,793
Long term liabilities	379,264,018	278,459,008	100,805,010
Other liabilities	174,397,665	144,050,460	30,347,205
Total liabilities	553,661,683	422,509,468	131,152,215
Deferred inflows of resources	11,813,244	8,798,233	3,015,011
Net position			
Net investment in capital assets	114,439,030	109,142,927	5,296,103
Restricted	19,204,487	15,036,209	4,168,278
Unrestricted	(74,606,055)	(70,504,580)	(4,101,475)
			-
Total net position	\$ 59,037,463	\$ 53,674,556	\$ 5,362,907

Net investment in capital assets, which consist of the District's land, buildings, building improvements, construction in progress, and vehicles and equipment less long-term debt attributed to investment in capital assets, exceeds the District's net position by 193.84 percent. The District uses these capital assets to provide education to students and services to the community. Accordingly, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources used to repay the debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the District's net position, 32.53 percent, represents resources that are subject to external restrictions on how they may be used. The remaining balance of \$(74,606,055) is unrestricted and is a negative balance due to the District's implementation Government Accounting Standards Board (GASB) Statement 68 - *Accounting and Financial Reporting for Pensions* and GASB Statement 75 - *Accounting for Financial Reporting for Postemployment Benefits other than Pensions*. The balance shown for the District's net position is required for quantifying the pension liability that has always existed but has not been reported until Statement 68 was implemented in 2014-15 and Statement 75 was implemented in the 2017-18 fiscal year.

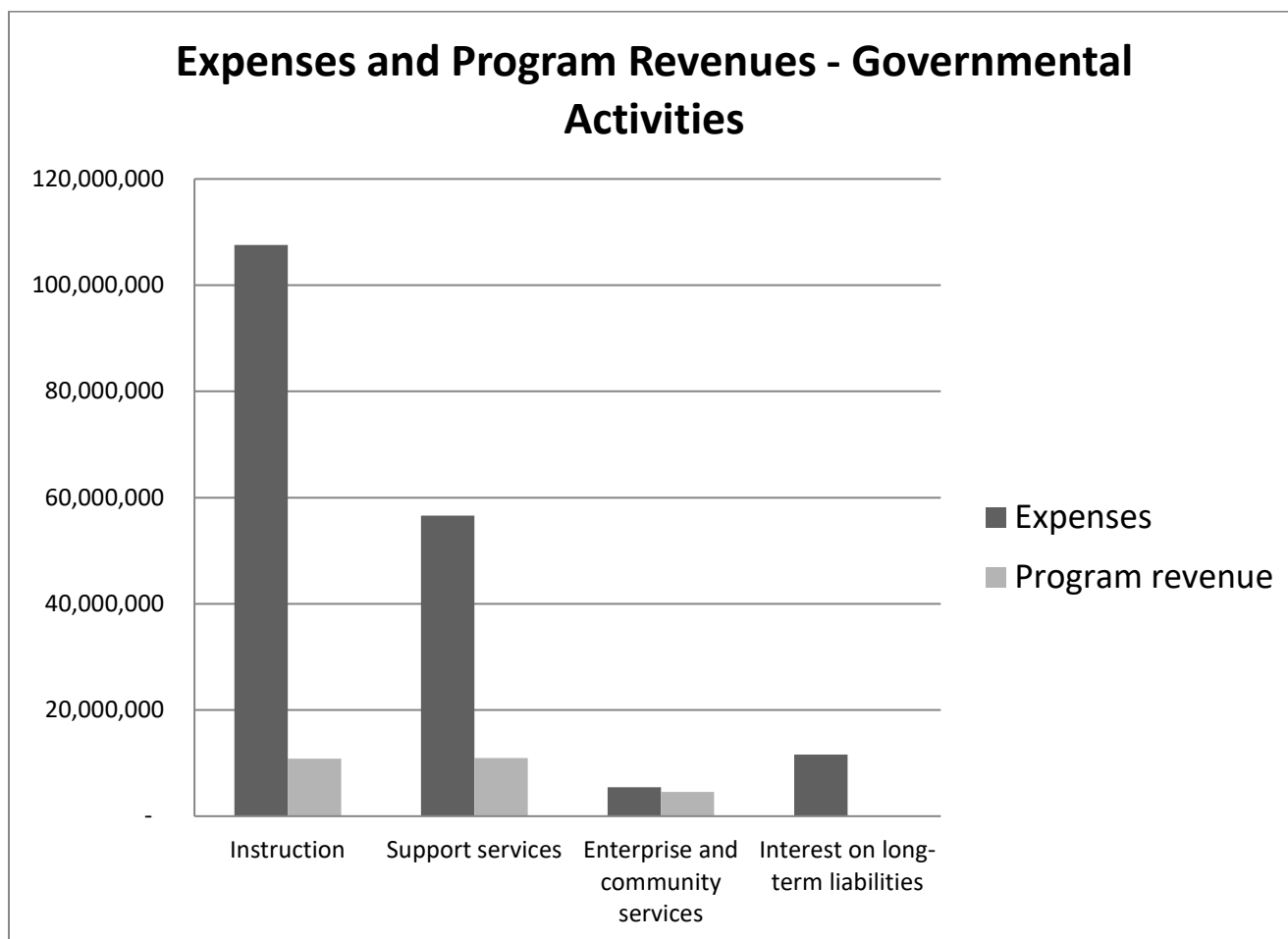
At the end of the current fiscal year, the District is unable to report positive balance in all reported categories of net position, both for the government as a whole, as well as for its separate governmental activities. The District was last able to report a positive balance for all reported categories of net position in the 2013-14 fiscal year.



Governmental Activities. During the current fiscal year, net position for governmental activities increased \$5,362,906 from the prior fiscal year balances for an ending balance of \$59,037,463. It should be noted that total expenses increased \$7,630,813 in instruction and support services partially due to \$2.4 million in costs attributed to new state funding for high school success.

Tigard-Tualatin School District 23J's Changes in Net Position

	Governmental Activities		
	FY2019	FY2018	Change
Revenues:			
Program revenues:			
Charges for services	\$ 4,699,565	\$ 4,694,790	\$ 4,775
Operating and grants contributions	21,503,738	20,875,604	628,134
Capital grants and contributions	120,530	120,530	-
General revenues:			
Property taxes	84,563,374	80,774,691	3,788,683
Federal aid not restricted to specific purpose	19,811	3,030	16,781
Intermediate aid not restricted to specific purpose	1,509,693	1,142,292	367,401
State aid not restricted to specific purpose	64,998,957	69,842,432	(4,843,475)
Earnings on investments	6,495,809	2,436,908	4,058,901
Recovery of prior year expenses	513,168	396,340	116,828
Construction excise tax	887,556	1,254,662	(367,106)
Gain on sale of assets	-	1,146,702	(1,146,702)
Other local revenue	1,213,632	1,003,670	209,962
Total revenues	<u>186,525,832</u>	<u>183,691,650</u>	<u>2,834,182</u>
Expenses:			
Instruction	107,550,544	103,409,091	4,141,453
Support services	56,598,097	53,306,939	3,291,158
Enterprise and community services	5,427,111	5,024,696	402,415
Interest on long-term liabilities	11,587,174	11,791,388	(204,214)
Total expenses	<u>181,162,926</u>	<u>173,532,113</u>	<u>7,630,813</u>
Change in net position	5,362,906	10,159,537	(4,796,631)
Net position - beginning	53,674,556	54,932,216	(1,257,660)
Restatement	<u>-</u>	<u>(11,417,197)</u>	<u>11,417,197</u>
Net position - ending	<u>\$ 59,037,463</u>	<u>\$ 53,674,556</u>	<u>\$ 5,362,907</u>

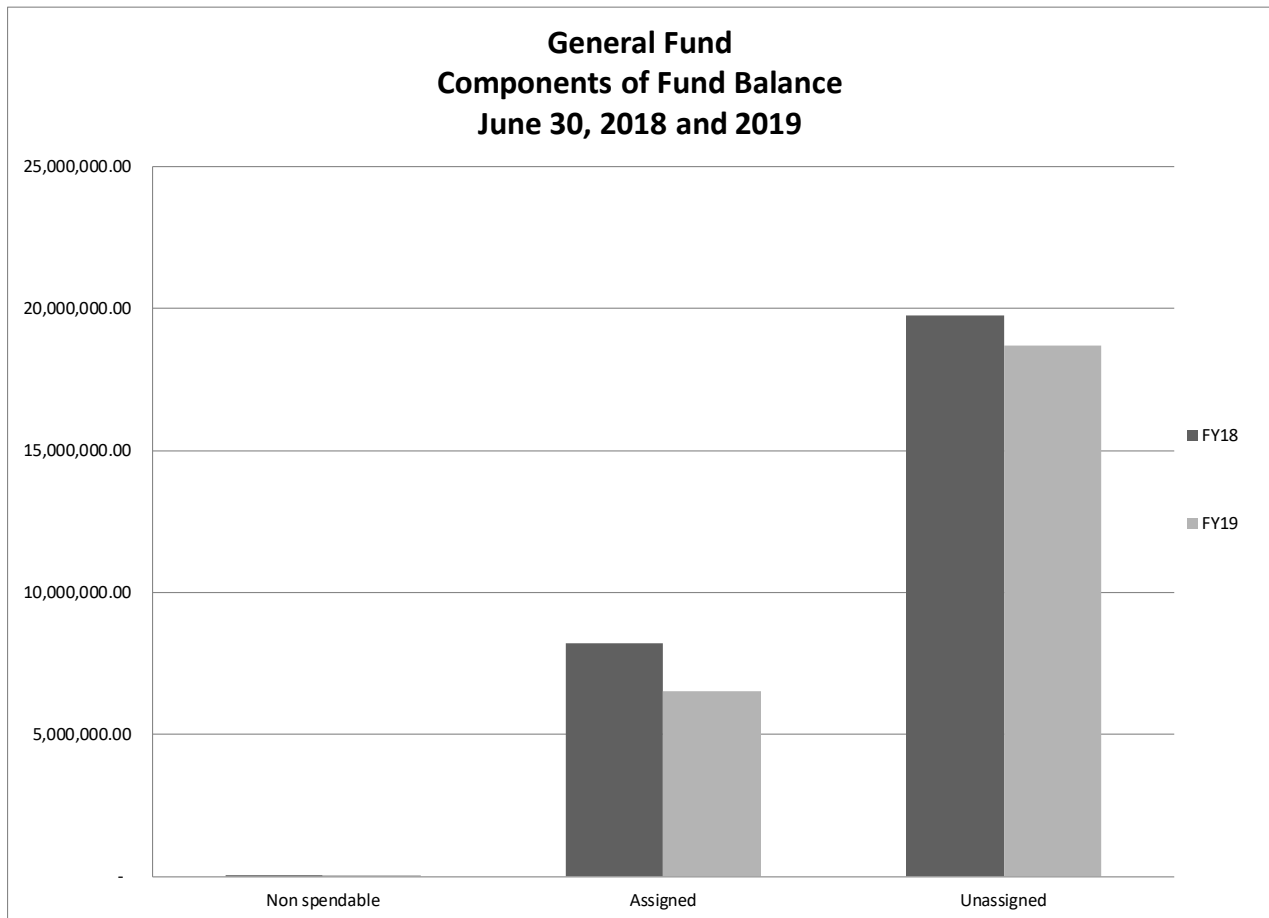


Financial Analysis of the District's Funds

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

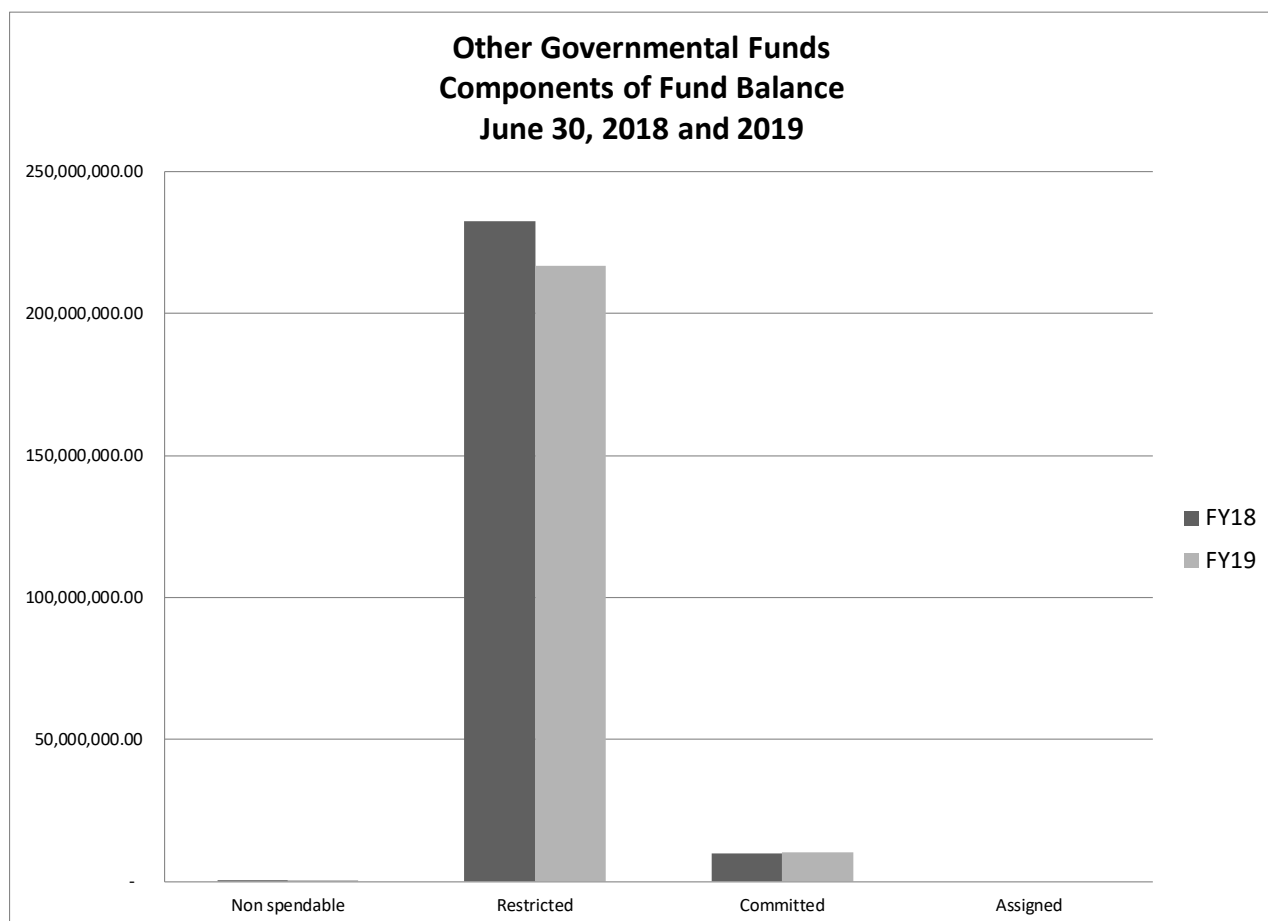
Governmental Funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents a portion of the fund balance which has not been limited to use for a particular purpose by either external party, the District's School Board, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the District's School Board.

At June 30, 2019, the District's governmental funds reported combined ending fund balances of \$270,704,864, a increase of \$17,773,546 from the prior year. Approximately 7.3 percent or \$19,767,187 is *unassigned fund balance*, which is available for spending at the district's discretion. The remainder of the fund balance is either, *nonspendable*, *restricted*, *committed*, or *assigned* to indicate that it is 1) not in spendable form (\$178,362), 2) restricted for particular purposes (\$232,656,012), 3) committed for particular purposes, (\$9,907,436), or 4) assigned for particular purposes (\$8,195,866). Assigned fund balance represents the portion of the reserves budgeted in 2019-20.



The general fund is the chief operating fund of the District. At the end of the current fiscal year, the general fund total fund balance was \$27,964,941 with \$8,195,866 assigned to limit future budget reductions due to retirement contribution increases, \$1,889 in deposits and inventory which is categorized as non-spendable, and \$19,767,187 which is unassigned. As a measure of the fund's liquidity, it may be useful to compare both unassigned fund balance and the total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 14.3 percent of the total general fund expenditures, while total fund balance represents approximately 20.2 percent of that same amount.

The fund balance of the District's general fund increased by \$2,700,935 during the current fiscal year. As was discussed earlier this was due to savings in health insurance costs, unanticipated state aid paid too late in the year to be applied to program, unanticipated revenue from the District's local option tax and open positions that could not be filled.



The *capital projects* fund had a \$14,670,347 increase during the current fiscal year for an overall fund balance of \$232,565,913. Funds used for capital projects were restricted to bond projects, committed land sales funds and assigned Construction Excise Tax revenue. Major projects were related to the 2017 general obligation bond projects. Work continued on all projects and as new projects began the first step was selecting architects. Technology continued to implement district's 1:1 technology initiative. Textbooks were ordered and work is continuing as curriculum is selected. The District will continue to use Construction Excise Tax funds for major repairs that were not considered in the bond projects. The final approved general obligation bonded debt was issued in June 2019.

The District has three debt service funds as Oregon Local Budget Law requires separate appropriation for each fund. The *general obligation debt service fund* had a increase in fund balance of \$539,814 for a total ending fund balance of \$727,450. The majority of taxes levied for this debt are received in November and the payments are structured so that funds are not required until tax levies are received by the district. A statewide settlement of prior year's taxes increased tax collections. As this revenue was not anticipated the revenue is used to offset debt service taxes levied in the 2019-20 fiscal year. The *full faith and credit debt service fund* had an increase in fund balance of \$51,372 for a total ending fund balance of \$305,225. Balances in this fund represent timing differences of the revenue resources and the related debt payments. The *PERS UAL debt service fund* had an increase in fund balance of \$19,179 for a total ending fund balance of \$52,586. The activity in this account is controlled by the bond paying agent. The District's state school fund grant payment is reduced by the amount due on this bond. Any difference is due to the estimate of interest income that is earned on the investment account.

The *special revenue fund* balance had a \$208,101 decrease for an ending fund balance of \$9,088,749. This represents expenditure of one-time funds that were either restricted or committed to specific purposes. Within this fund are federal grant funds that are strictly on a reimbursement basis.

Proprietary Funds. The District's proprietary funds provide the same type of information found in the government-wide statements, but in more detail. The unrestricted net position of the self-insurance reserve fund was \$2,308,597, which was an increase of \$329,117.

General Fund Budgetary Highlights

There were no supplemental budgets necessary during the fiscal year. In March, the School Board approved appropriation transfers to adjust school and department discretionary budgets between appropriation levels. In June, appropriation transfers were approved for department budgets within appropriation levels and \$170,000 was transferred from general fund contingency for meals provided to students regardless of their ability to pay as federal law does not allow the Food Service Fund to absorb the debt.

Final budget compared to actual results. The local option levy began declining in the 2010-2011 fiscal year. This was estimated at a low level of \$2.4 million in 2012-13 but began a slow rise to \$3,720,386 in that year. Future increases could not be estimated. Tax collections for the local option tax levy included a state settlement for prior year taxes and totaled \$9,463,320 for the year and exceeded budgetary expectations by \$562,720. The local option levy is dependent on property values and remains difficult to estimate. State aid is closed out one year following the fiscal year and the District received unanticipated state aid related to the 2017-18 fiscal year. Expenditures were under budget mainly due to savings on health insurance for all employee groups and positions that could not be filled. The District used operating contingency to increase the transfer to the Food Service Fund due to the increase number of meals provided to students regardless of their ability to pay.

Capital Asset and Debt Administration

Capital assets. The District's investment in capital assets includes land, buildings and improvements, site improvements, vehicles and equipment, and construction in progress. As of June 30, 2019, the District's investment in capital assets totaled \$261,288,363, net of accumulated depreciation. The total increase in capital assets for the current fiscal year was approximately 56.53 percent. Alberta Rider was the last elementary school the District built and opened in 2005; the total cost was \$13.019 million. Templeton Elementary School will open fall of 2019 and the projected total cost is \$34.628 million.

Tigard-Tualatin School District 23J's Capital Assets

(net of depreciation)

	FY2019	FY2018	Change
Land	\$ 20,712,399	\$ 20,712,399	\$ -
Land improvements	7,139,975	7,678,380	(538,405)
Buildings and improvements	104,003,685	96,875,172	7,128,513
Vehicles and equipment	13,162,127	12,266,517	895,610
Construction in progress	116,270,177	29,396,691	86,873,486
	<u>\$ 261,288,363</u>	<u>\$ 166,929,158</u>	<u>\$ 94,359,205</u>

Major capital asset projects during the current fiscal year included the following completed projects:

- Devices for 1:1 technology initiative (\$2,012,178)
- Textbooks (1,308,741)
- Fowler Middle School Gym Floor Replacement (\$314,629)
- Forklift (\$85,707)
- Tractors for both High Schools for Grounds & Maintenance (\$149,929)
- Resurfacing Hazelbrook Middle School Track (\$209,057)
- Fowler Middle School modification and seismic retrofit (\$9,042,636)

Construction in progress relates to projects funded with the April, 2017 bond and include preliminary work for the substantial rebuild of a Twality Middle School, a full rebuild of Templeton Elementary School and substantial work on Tigard High School. Classrooms additions at several schools and a new elementary school are all in the preliminary stages of the projects.

Additional information on the District's capital assets can be found in Note IV. C on pages 44 to 45 in this report.

Tigard-Tualatin School District 23J's Outstanding Debt

	FY2019	FY2018	Change
Bonds	\$ 339,823,414	\$ 260,892,126	\$ 78,931,288
Notes from direct borrowings and direct payments	88,000	231,000	(143,000)
Issuance premiums and discounts	48,538,080	28,972,591	19,565,489
	<u>\$ 388,449,495</u>	<u>\$ 290,095,717</u>	<u>\$ 98,353,778</u>

The District's total debt increased by \$98,353,778 (33.9 percent) during the current fiscal year. The reason for this increase is the issuance of the final authorized general obligation bonds the voters approved in November 2016 net of the payment of principal due and amortization of bond premiums and discounts.

Moody's Investors Service has assigned an underlying rating of Aa2 for the District's general obligation bonds issued in April, 2017 and June 2019. Moody's also assigned the 2017 and 2019 bonds an enhancement rating of Aa1 under the Oregon School Bond Guaranty Program. S&P Global Ratings has assigned an underlying rating of AA for the general obligation bonds issued in April, 2017 and June 2019 and a long-term rating of AA+ for the bonds due to the District's participation in the Oregon School Bond Guaranty Program. The current debt limitation for the District is \$1,449 million, which is significantly in excess of the District's outstanding general obligation debt. Detailed information on long-term debt activity may be found in Note IV. L on pages 62 through 69 in the notes to basic financial statements.

Economic Factors and Next Year's Budget

- Growth in the State School Fund from the 2017-2019 biennium amount of \$8.2 billion to the 2019-2020 biennium amount of \$9 billion increases the District's estimated grant amount per student from \$7,877 in 2017-18 to \$8,362 in 2019-20. The legislature has also allocated \$2 billion for Student Success Act Funding beginning in 2020-21. The district will realize approximately \$10 million in the 2020-21 fiscal year.
- The District continues to monitor quarterly Oregon economic forecasts since the State budget is largely dependent on State income taxes. The most recent forecast shows that State revenue projections are trending above estimates made at the time the 2019-2021 budget was developed which would trigger kicker payments to personal income taxpayers.
- The District's local option tax levy was renewed by the voters for another five years beginning in November 2015. The revenue from the levy was budgeted as \$9.3 million and the District expects to receive that amount in 2019-20 based on this year's levy. In November 2018 the levy was renewed for another five years beginning in 2020-21.
- Collective bargaining agreements are in effect for the licensed employee group through June 30, 2020 and for the classified group through June 30, 2019. The classified group reached a settlement subject to bargaining group and School Board ratification in November, 2019.
- The current PERS employer contribution rates are in effect through 2020-21. The PERS Tier I and Tier II rates increased from 22.69 percent to 27.59 percent and the PERS OPSRP rates increased from 17.36 percent to 22.14 percent on July 1, 2019. The rates are valid until June 30, 2021.

Requests for Information

This financial report is designed to present the users, citizens, taxpayers, investors, and creditors, with a general overview of the Tigard-Tualatin School District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the District's Chief Financial Officer at 6960 SW Sandburg Street, Tigard, Oregon 97223.

Basic Financial Statements

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Statement of Net Position

June 30, 2019

	Governmental Activities
Assets:	
Equity in pooled cash and investments	\$ 299,678,575
Cash and investments	1,610,747
Receivables:	
Property taxes	1,440,650
Accounts and other receivables	5,269,225
Prepaid items	3,889
Inventory	174,474
Proportionate share of net OPEB asset (RHIA)	754,501
Capital assets, net of depreciation	
Land and construction in progress	136,982,576
Land improvements	7,139,975
Buildings and improvements	104,003,685
Vehicles and equipment	13,162,127
Total Assets	570,220,424
Deferred Outflows of Resources:	
Pension plan prior to post measurement date differences and changes in assumptions	37,844,836
Pension plan contributions subsequent to measurement date	14,315,591
RHIA contributions subsequent to measurement date	362,092
Stipend plan differences between projected and actual	58,481
OPEB plan differences between projected and actual	1,076,621
Gain on bond reissue	634,345
Total Deferred Outflows of Resources	54,291,966
Liabilities:	
Accounts payable	24,480,595
Accrued payroll and related charges	9,535,053
Accrued interest	567,837
Unearned revenue	181,243
Accrued compensated absences	566,254
Non current liabilities:	
Long-term obligations	
Due within 1 year	7,000,476
Due in more than 1 year	352,909,019
Limited tax pension obligation bond	
Due within 1 year	2,185,000
Due in more than 1 year	26,355,000
Net pension liability	399,556
Net OPEB liability	5,746,688
Proportionate share of net PERS pension liability	123,734,963
Total Liabilities	553,661,683
Deferred Inflow of Resources:	
Pension plan changes in proportionate share	11,245,892
RHIA related deferred inflows	212,036
Stipend plan difference between pension plan expected and actual earnings and changes in assumptions	354,555
OPEB plan difference between pension plan expected and actual earnings and changes in assumptions	761
Total Deferred Inflows of Resources	11,813,244
Net Position	
Net investment in capital assets	114,439,030
Restricted for:	
Debt service	517,424
Other purposes:	
Food service	842,427
Capital projects	13,667,405
State, county, private grants	1,587,461
Transportation equipment	287,964
Student body activities	1,610,747
Other	691,060
Unrestricted	(74,606,055)
Total Net Position	\$ 59,037,463

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Statement of Activities
Year Ended June 30, 2019

Functions	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities					
Instruction					
Regular instruction	\$ 79,644,693	\$ 2,982,358	\$ 2,096,475	\$ -	\$ (74,565,860)
Special programs	27,905,851	-	5,771,788	-	(22,134,063)
Total direct classroom services	107,550,544	2,982,358	7,868,263	-	(96,699,923)
Support Services					
Students	12,251,631	-	2,756,391	-	(9,495,240)
Instructional staff	7,185,744	-	2,087,862	-	(5,097,882)
General administration	1,271,139	-	124	-	(1,271,015)
School administration	10,068,910	-	112,855	-	(9,956,055)
Business	2,782,834	-	1,554	-	(2,781,280)
Operation and maintenance of buildings	10,084,799	-	274,752	-	(9,810,047)
Student transportation	7,566,525	-	5,029,530	120,530	(2,416,465)
Central activities	5,386,515	-	551,780	-	(4,834,735)
Total classroom support services	56,598,097	-	10,814,847	120,530	(45,662,719)
Enterprise and Community Services					
Food services	4,208,542	1,152,832	2,580,558	-	(475,153)
Scrip services	178,933	179,725	-	-	792
RHIA contributions subsequent to measurement	394,532	384,650	-	-	(9,883)
Other enterprise and community services	645,104	-	240,070	-	(405,034)
Total enterprise and community services	5,427,111	1,717,207	2,820,628	-	(889,277)
Interest on long-term liabilities	11,587,174	-	-	-	(11,587,174)
Total school district	\$ 181,162,926	\$ 4,699,565	\$ 21,503,738	\$ 120,530	\$ (154,839,093)
General revenues:					
Property taxes levied for:					
General purposes					66,401,829
Debt service					18,161,545
Non current liabilities:					
Long-term obligations					
Federal aid not restricted to specific purposes					19,811
Intermediate aid not restricted to specific purposes					1,509,693
State aid not restricted to specific purposes					64,998,957
Earnings on investments					6,495,809
Recovery of prior year expenses					513,168
Construction excise tax					887,556
Other local revenue					1,213,632
Total general revenues					160,201,999
Change in net position					5,362,906
Net position - beginning					53,674,556
Net position - ending					\$ 59,037,463

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Balance Sheet

Governmental Funds

June 30, 2019

	General Fund	Debt Service Funds			Capital Projects Fund	Special Revenue Fund	Total
		General Obligation Debt Service Fund	Full Faith and Credit Debt Service Fund	PERS UAL Debt Service Fund			
Assets							
Equity in pooled cash and investments	\$ 36,794,180	\$ 622,264	\$ 158,245	\$ 52,586	\$ 253,662,620	\$ 6,646,369	\$ 297,936,265
Cash and investments	-	-	-	-	-	1,610,747	1,610,747
Receivables							
Property taxes	1,111,553	329,098	-	-	-	-	1,440,650
Accounts and other receivables	2,470,884	49,918	146,979	-	262,847	1,988,683	4,919,312
Due from other funds	321,682	-	-	-	-	-	321,682
Prepaid items	1,889	-	-	-	-	2,000	3,889
Inventories	-	-	-	-	-	174,474	174,474
Total Assets	\$ 40,700,187	\$ 1,001,280	\$ 305,225	\$ 52,586	\$ 253,925,466	\$ 10,422,273	\$ 306,407,018
Liabilities, Deferred Inflows, and Fund Balances							
Liabilities							
Accounts payable	\$ 2,280,776	\$ -	\$ -	\$ -	\$ 21,359,554	\$ 840,115	\$ 24,480,445
Accrued payroll and related charges	9,517,715	-	-	-	-	-	9,517,715
Unearned revenue	9,515	-	-	-	-	171,728	181,243
Due to other funds	-	-	-	-	-	321,682	321,682
Total Liabilities	11,808,006	-	-	-	21,359,554	1,333,525	34,501,084
Deferred Inflows							
Deferred revenue - unavailable property taxes	927,240	273,831	-	-	-	-	1,201,070
Fund Balances:							
Nonspendable	1,889	-	-	-	-	176,474	178,362
Restricted	-	727,450	305,225	52,586	226,727,566	4,843,185	232,656,012
Committed	-	-	-	-	5,838,346	4,069,090	9,907,436
Assigned	8,195,866	-	-	-	-	-	8,195,866
Unassigned	19,767,187	-	-	-	-	-	19,767,187
Total Fund Balances	27,964,941	727,450	305,225	52,586	232,565,913	9,088,749	270,704,864
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 40,700,187	\$ 1,001,280	\$ 305,225	\$ 52,586	\$ 253,925,466	\$ 10,422,273	\$ 306,407,018

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2019*

Amounts reported for governmental activities in the statement of net position (page 26) are different because:

Total fund balances - governmental funds (page 28)	\$ 270,704,864
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	261,288,363
Other long-term assets are not available to pay for current period expenditures, and, therefore, are reported as unavailable revenue in the funds.	1,721,709
The internal service fund is used by management for risk management services. The asset and liabilities of the internal service fund are included in the governmental activities in the statement of net position.	2,308,597
The net pension liability and net OPEB liability for the early retirement stipend plan is not due and payable in the current period, and therefore, is not reported in the funds	(6,146,244)
Long-term liabilities, including bonds payable, accrued interest, and compensated absences are not due and payable in the current period, and therefore, are not reported in the funds.	(388,949,241)
The net pension liability is not an available resource and, therefore, is not reported in the funds.	(123,734,963)
Deferred inflows and outflows due to differences between projected and actual earnings and the contributions after the measurement date for the pension and stipend plans are not reflected in the budgetary basis balance sheet.	<u>41,844,377</u>
Total Net Position	<u>\$ 59,037,463</u>

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds
Year Ended June 30, 2019

		Debt Service Funds				Special Revenue	
	General Fund	General Obligation Debt Service Fund	Full Faith and Credit Debt Service Fund	PERS UAL Debt Service Fund	Capital Projects Fund	Fund	Total
Revenues							
Local sources	\$ 69,689,168	\$ 20,499,290	\$ 1,067,965	\$ 3,671,241	\$ 3,945,057	\$ 6,343,423	\$ 105,216,144
Intermediate sources	1,509,693	-	-	-	-	3,233,312	4,743,005
State sources	69,866,394	-	-	-	-	3,793,686	73,660,080
Federal sources	19,811	-	-	-	-	7,378,089	7,397,900
Total revenues	141,085,066	20,499,290	1,067,965	3,671,241	3,945,057	20,748,511	191,017,129
Expenditures							
Current							
Instruction	88,787,209	-	-	-	-	9,263,795	98,051,004
Support services	48,042,945	-	-	-	-	6,449,849	54,492,794
Community services	260,245	-	-	-	-	4,671,624	4,931,869
Facilities acquisition and construction	-	-	-	-	76,586,658	-	76,586,658
Transit payments to other school districts	-	-	-	-	-	444,820	444,820
Debt service							
Principal	-	8,880,000	816,712	1,940,000	-	-	11,636,712
Interest	-	11,079,476	705,263	1,712,062	-	-	13,496,801
Capital Outlay	984,215	-	-	-	24,497,619	439,719	25,921,554
Total expenditures	138,074,615	19,959,476	1,521,975	3,652,062	101,084,277	21,269,807	285,562,211
Excess (deficiency) of revenues over (under) expenditures	3,010,451	539,814	(454,010)	19,179	(97,139,220)	(521,296)	(94,545,082)
Other financing sources (uses)							
Transfers in	-	-	505,382	-	-	1,228,426	1,733,808
Transfers out	(309,516)	-	-	-	(505,382)	(918,909)	(1,733,808)
Bond proceeds	-	-	-	-	112,314,949	-	112,314,949
Sale of asset	-	-	-	-	-	3,679	3,679
Total other financing sources (uses)	(309,516)	-	505,382	-	111,809,567	313,195	112,318,628
Net change in fund balances	2,700,935	539,814	51,372	19,179	14,670,347	(208,101)	17,773,546
Fund balances, beginning of year	25,264,006	187,636	253,853	33,407	217,895,566	9,296,849	252,931,317
Fund balances, end of year	\$ 27,964,941	\$ 727,450	\$ 305,225	\$ 52,586	\$ 232,565,913	\$ 9,088,749	\$ 270,704,864

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2019*

Amounts reported for governmental activities in the statement of activities (page 27) are different because:

Net change in fund balances - total governmental funds (page 30) \$ 17,773,546

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense in the current period. This is the amount by which depreciation expense exceeded capital outlays in the current period and disposals. 94,359,204

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to the governmental funds, while 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. Also, governmental funds report the effect of premiums, discounts, and similar items 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 difference in the treatment of long-term debt and related items. (100,680,215)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. 3,564,962

Adjustments for the net pension liability, allocations to expenses for net changes in deferred inflows due to the District's share in the PERS system's differences between projected and actual earnings, and contributions subsequent to the measurement date are not in the budgetary basis financial statements. (9,452,515)

Adjustments for net OPEB early retirement stipend liability and the net changes in deferred inflows and outflows due to changes in assumptions, experience loss, and earnings are not in the budgetary basis financial statements. 136,898

Adjustments for the proportionate share of the OPEB RHIA asset and the net changes in deferred inflows and outflows due to changes in experience loss, and earnings are not in the budgetary basis financial statements 397,209

Adjustments for net OPEB health insurance subsidy liability and the net changes in deferred inflows and outflows due to changes in assumptions, experience loss, and earnings are not in the budgetary basis financial statements. 1,046,534

Adjustments in the statement of activities for accrued property taxes that do not provide current financial resources are not reported in the funds (2,111,835)

Internal service funds are used by management to charge the cost of risk management to other funds. The net revenue of certain activities of the internal service funds is reported with governmental activities. 329,117

Change in Net Position \$ 5,362,906

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Proprietary Funds

Statement of Proprietary Net Position

June 30, 2019

	<u>Self Insurance Reserve Fund</u>
Assets	
Cash and cash equivalents	\$ 2,325,085
Accounts receivable	<u>1,000</u>
Assets	<u>2,326,085</u>
Liabilities	
Payroll liabilities	17,338
Accounts payable	<u>150</u>
Liabilities	<u>17,488</u>
Net Position	
Unrestricted	<u>\$ 2,308,597</u>

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Proprietary Funds

Statement of Changes in Proprietary Net Position
For the year ending June 30, 2019

	<u>Self Insurance Reserve Fund</u>
Revenue	\$ 329,117
Operating expenses	
Support services	<u>-</u>
Change in net position	329,117
Net position, beginning of year	<u>1,979,480</u>
Net position, end of year	<u><u>\$ 2,308,597</u></u>

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Proprietary Funds

Statement of Cash Flows

For the year ending June 30, 2019

	<u>Self Insurance Reserve Fund</u>
Cash flows from operating activities	
Receipts from customers	\$ 328,117
Payments to employees	(18,801)
Payments to suppliers	<u>(20,917)</u>
Net cash provided (used) by operating activities	288,400
Cash and investments at beginning of year	<u>2,036,686</u>
Cash and investments at end of year	<u><u>\$ 2,325,085</u></u>
Reconciliation of change in net position to net cash provided (used) by operating activities	
Change in net position	\$ 329,117
Adjustments	
Change in accounts receivable	(1,000)
Change in accounts payable	(20,917)
Change in payroll liabilities	<u>(18,801)</u>
Net cash (used) by operating activities	<u><u>\$ 288,400</u></u>

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

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Fiduciary Funds

Statement of Fiduciary Net Position

June 30, 2019

	Early Retirement Fund	Scholarship Fund
Assets		
Invested in State Treasurer's Investment Pool	\$ -	\$ 208,805
Invested in securities	<u>2,632,504</u>	<u>-</u>
	<u>\$ 2,632,504</u>	<u>\$ 208,805</u>
Net Position		
Assets held in trust for:		
Scholarships	-	208,805
Net position restricted for pension	84,306	
Pension/ other postemployment benefits	<u>2,548,198</u>	<u>-</u>
Total Net Position	<u>\$ 2,632,504</u>	<u>\$ 208,805</u>

Statement of Changes in Fiduciary Net Position

For the year ending June 30, 2019

	Early Retirement Fund	Scholarship Fund
Additions		
Contributions from employer	\$ 1,123,517	\$ -
Investment earnings	<u>59,346</u>	<u>5,413</u>
Total additions	<u>1,182,864</u>	<u>5,413</u>
Deductions		
Scholarship payments	-	5,000
Early retirement stipends	174,144	-
Health benefits	<u>906,011</u>	<u>-</u>
Total deductions	<u>1,080,155</u>	<u>5,000</u>
Change in net position	102,709	413
Net position, beginning of year	<u>2,529,795</u>	<u>208,392</u>
Net position, end of year	<u>\$ 2,632,504</u>	<u>\$ 208,805</u>

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

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Notes to the Basic Financial Statements

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Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

I. Summary of Significant Accounting Policies

A. DESCRIPTION OF GOVERNMENT-WIDE FINANCIAL STATEMENTS

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support.

B. REPORTING ENTITY

The District was organized under provisions of Oregon Statutes, Chapter 332, for the purpose of operating a school district.

The District is a municipal corporation governed by a five-member board, which is elected by citizens residing within the District's boundaries. The daily operations of the District are under the supervision of the Superintendent-Clerk. Administrators are approved by the Board.

Generally accepted accounting principles of the United States of America require that these financial statements present the primary government and all component units, if any. Component units are separate organizations that may be included in the District's reporting entity because of the significance of their operational or financial relationships with the District.

In 1991, private citizens residing in the District area formed the Tigard-Tualatin Schools Foundation as a separate, independent, non-profit corporation. The Foundation is not a component unit of the District and is not included in this report, but it does raise money and perform services for the benefit of the District and its students. The District's Charter School does not qualify as a component unit under the provisions of GASB Statement 61.

C. BASIS OF PRESENTATION - GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

While separate government-wide and fund financial statements are presented, they are interrelated. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements excepting services provide and used are not eliminated in the process of consolidation.

D. BASIS OF PRESENTATION - FUND FINANCIAL STATEMENTS

The fund financial statements provide information about the government's funds, including its fiduciary funds. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements.

The District reports the following major governmental funds:

The *general fund* is the District's primary operating fund. It accounts for all financial resources of the District except for those required to be accounted for in another fund.

The *general obligation bond debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

The *full faith and credit debt service fund* accounts for the resources accumulated and payments made for principal and interest on long-term full faith and credit debt of governmental funds.

The *PERS UAL debt service fund* accounts for the resources accumulated and payments made for principal and interest on the pension obligation debt of governmental funds.

The *capital projects fund* accounts for resources accumulated and payments made for the acquisition and improvement of sites, construction, and remodel of facilities.

The *special revenue fund* accounts for grants and other resources required to be accounted for separately from the other funds listed above.

The District reports the following proprietary fund types:

The *internal service fund* accounts for the District's unemployment costs and replacement of equipment not covered by the District's insurance deductible. The fund was renamed from the self-insurance fund to the internal service fund in the 2018-19 budget when copier replacement and replacement of student devices under the district's 1:1 technology initiative were included as internal services to schools.

Additionally, the District reports the following fiduciary fund types:

The *early retirement and scholarship fund* accounts for the activities of the early retirement program and for scholarship resources held by the District in a fiduciary capacity for use by students. The district is a trustee for the early retirement stipend and health insurance plan, OPEB, that is available to employees that qualify. This single employer plan is in addition to Oregon Public Employees Retirement System.

During the course of operations the government has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column.

E. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenditures are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes are considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the government.

The proprietary, pension and other postemployment benefit trust, and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting.

F. BUDGETARY INFORMATION

1. Budgetary basis of accounting

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds consistent with Oregon Local Budget Law.

The appropriated budget is prepared and appropriated by fund and major function as required by Oregon Local Budget Law. The district's administrators may make transfers of appropriations within appropriation levels. Transfers between appropriation levels require the approval of the School Board. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the major appropriation level.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations.

2. Excess of expenditures over appropriations.

No expenditures exceeded appropriation at June 30, 2019.

G. ASSETS, LIABILITIES, DEFERRED OUTFLOWS/INFLOWS OF RESOURCES, NET POSITION/FUND BALANCE

1. Cash and Investments

The District's cash management policies are governed by state statutes, School Board policy DFA Investment of Funds, and the related School Board Administrative rule. School Board policy authorizes the District to invest in bankers' acceptances, time certificates of deposit, commercial paper, repurchase agreements, obligations of the United States and its agencies and instrumentalities and the Local Government Investment Pool (LGIP).

During the year the District's investments have included obligations of the U.S. Treasury, its agencies and

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

instrumentalities, deposits in financial institutions, and the LGIP. It is the District's policy to value investments at amortized cost, which approximates fair value. The LGIP is stated at cost which approximates fair value. Changes in the fair value of investments are recorded as investment earnings.

The State Treasurer's LGIP is not registered with the U.S. Securities and Exchange Commission as an investment company. The state's investment policies are governed by the Oregon Revised Statutes and the Oregon Investment 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, which establishes diversification percentages and specifies the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. At June 30, 2019, the fair value of the position in the LGIP is approximately 100.65 percent of the value of the pool shares as reported in the Oregon Short Term Fund audited financial statements.

Amounts in the State Treasurer's LGIP are not required by law to be collateralized.

Cash and cash equivalents

The cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Fair Value Inputs and Methodologies and Hierarchy

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Observable inputs are developed based on market data obtained from sources independent of the reporting entity. Unobservable inputs are developed based on the best information available about the assumptions market participants would use in pricing the asset. The classification of securities within the fair value hierarchy is based up on the activity level in the market for the security type and the inputs used to determine their fair value, as follows:

Level 1 – unadjusted price quotations in active markets/exchanges for identical assets or liabilities that each Fund has the ability to access

Level 2 – other observable inputs (including, but not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, loss severities, credit risks and default rates) or other market-corroborated inputs)

Level 3 – unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available (including each Fund's own assumptions used in determining the fair value of investments)

The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). Accordingly, the degree of judgment exercised in determining fair value is greatest for instruments categorized in Level 3. The inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the fair value hierarchy classification is determined based on the lowest level input that is significant to the fair value measurement in its entirety.

2. Inventories and Prepaid Items

Inventories are valued at cost using the first-in/first-out method (FIFO) and consist of commodities, food, and supplies used in the District's food service program and Scrip gift cards held by the Scrip program, a regional school fundraising program that resells gift cards.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

Certain payments to vendors reflect cost applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The costs of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

3. Capital Assets

Capital assets are recorded at original cost or estimated original cost. Donated assets are recorded at their acquisition value at the time of donation. The District defines capital assets as assets with an initial cost of more than \$5,000 and an estimated useful life of more than one year. In accordance with the definition of capital costs under Oregon law, capital assets also include equipment with an estimated useful life of more than one year purchased with 2011 General Obligation Bond proceeds regardless of individual cost. Interest incurred during construction is not capitalized. Maintenance and repairs that do not add to the value of an asset or materially extend an asset's useful life are not capitalized. Capital assets are depreciated using the straight-line method over the following useful lives:

<u>Asset Type</u>	<u>Estimated Lives</u>
Land Improvements	20 Years
Buildings and Improvements	30-80 Years
Equipment	4-30 Years

4. Deferred outflows/inflows of resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. There is a deferred charge on refunding reported in the government-wide statement of net position. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Another item in this category is related to the pension plan due to differences in expected and actual experiences, differences in expected and actual earnings, and contributions made after the actuary's measurement date. In addition the statement of net position reports deferred outflows related to the OPEB stipend plan and the OPEB health insurance subsidy include differences between expected and actual experiences, changes of assumptions and differences between projected and actual earnings.

In addition to liabilities, the statement of financial position 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 that applies to a future period so it will not be recognized as an inflow of resources (revenue) until that time. One item under the modified accrual basis of accounting that are reported on the governmental funds balance sheet, property taxes levied but not collected within 60 days of year end. Another item is the District's pension related deferral. In addition the statement of net position reports deferred inflows from Pension plan related deferral, RHIA Related deferrals, OPEB stipend plan related deferrals and OPEB health insurance related deferrals resulting from actuarial valuation differences and will be recognized in future periods.

5. Net Position Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

It is the government's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

6. Fund Balance Flow Assumptions

Sometimes the government will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

7. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The district itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the district's highest level of decision-making authority. The School Board is the highest level of decision-making authority for the district that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the ordinance remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation.

Amounts in the assigned fund balance classification are intended to be used by the government for specific purposes but do not meet the criteria to be classified as committed. The School Board has by resolution authorized the Superintendent to assign fund balance. The School Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

To preserve a sound financial system and to provide a stable financial base, the governing body has adopted a minimum fund balance policy. The policy directs that the proposed budget will create fund balances in an amount sufficient to:

- Allow the district to deliver a sustainable level of program through anticipated recessionary periods; and
- Protect the district from unnecessary borrowing in order to meet cash-flow needs; and
- Provide prudent reserves to meet unexpected emergencies and protect against catastrophic events; and
- Help ensure a district credit rating that would qualify the district for lower interest costs and greater marketability of bonds that may be necessary in the construction and renovation of school facilities.

To this end the District Board directed the Superintendent to include in the budget designations to ensure an ending fund balance of a Rainy Day Reserve of five (5%) percent of total resources net of beginning fund balance, Unappropriated Ending Fund balance of five (5%) percent of total resources net of beginning fund balance, and Contingency of two (2%) percent of total resources net of beginning fund balance.

Committed revenue in the State, County and Private Grants fund includes:

Service credits and cash payments in lieu of service are committed to educational services provided by the Northwest Regional ESD and other related educational programs.

Strategic Investment Funds are committed to consumables required for prior textbook adoptions and

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

the related educational programs.

Any portion of the ending fund balance this fund collected prior to the implementation of GASB 54 is committed to programs related to the initial receipt of the funds. Specific purposes of these funding sources include maintenance of facilities, technology equipment, and educational programs.

H. REVENUES AND EXPENDITURES/EXPENSES

1. Program revenues

Amounts included in program revenues include: 1) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function of the district, this includes state school fund grant money for bus replacement, federal reimbursement for bond interest payments, all reimbursable grants, money for from the National School Lunch Program, and the portion of the state school fund for transportation representing 70% of allowable transportation expenditures. All taxes or other internally dedicated resources are reported as general revenues rather than as program revenues.

2. Property Taxes

Property taxes are levied and become a lien on all taxable property as of July 1. Property taxes are payable on November 15. Collection dates are November 15, February 15, and May 15. Discounts are allowed if the amount due is received by November 15. Taxes unpaid and outstanding on May 16 are considered delinquent.

3. Compensated Absences

Accumulated accrued compensated absences for vacation pay are recorded as current liabilities in the government-wide financial statements as the entire amounts are expected to be liquidated within one year. Accumulated sick leave does not vest and is recorded as it is used.

4. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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 internal service fund are to assessments for unemployment cost, assessments for lost or damaged 1:1 technology devices, assessments to schools for copier use and insurance claims. Operating expenses for internal service funds include the cost of unemployment claims and property loss that is not covered by the District's insurance deductible. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

5. Retirement Plans

Substantially all of the District's employees are participants in the State of Oregon Public Employees Retirement System (PERS). For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about fiduciary net position of PERS and additions to/deductions from PERS's fiduciary net position have been determined on the same basis as they are reported by PERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. GASB Statements 68 and 71 have been implemented as of July 1, 2014.

The District's early retirement stipend plan for licensed employees and administrators was valued by the actuary under GASB 68 requirements.

Tigard-Tualatin School District 23J, Tigard, Oregon
Notes to Basic Financial Statements
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II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND BALANCE SHEET AND THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.” The details of this \$261,288,363 are as follows:

Land	\$ 20,712,399
Construction in progress	116,270,177
Land improvements	14,224,903
Less: Accumulated depreciation land improvements	(7,084,928)
Buildings and improvements	193,330,323
Less: Accumulated depreciation buildings and improvements	(89,326,639)
Vehicles and equipment	26,845,162
Less: Accumulated depreciation vehicles and equipment	<u>(13,683,035)</u>

Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 261,288,363</u>
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Another element of the reconciliation is that “other long term assets are not available to pay for current period expenditures, and therefore, are reported as unavailable revenue in funds.” The details of the \$1,721,709 are as follows:

Property taxes collected after year-end but not soon enough to pay for current year operations	\$ 1,201,070
Less:	
Difference between market value and carrying amount of investments investments recorded as expense in the governmental fund statements.	(582,775)
Interest on investments earned but not yet received governmental fund receivables, but is recognized when received.	348,913
Proportionate share of net OPEB asset (RHIA)	<u>754,501</u>
Net adjustment to increase fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 1,721,709</u>

Another element of that reconciliation explains that “long term liabilities, including bonds payable are not due and payable in the current period, and, therefore, are not reported in the funds.” The details of that \$388,949,241 difference are as follows:

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Bonds payable	339,911,414
Issue premiums and discounts (to be amortized as interest expense)	48,538,080
Accrued interest on bonds payable	567,837
Less:	
Deferred charge on refunding (to be amortized as interest expense)	(634,345)
Compensated absences	<u>566,254</u>
Net adjustment to decrease fund balance - total governmental funds to arrive at net position - governmental activities	<u>\$ 388,949,241</u>

The final element of that reconciliation explains that “deferred inflows due to differences between projected and actual earnings and the contributions after the measurement date are not reflected in the budgetary basis balance sheet.” The details of that \$41,884,377 difference are as follows:

Deferred Outflow	\$ 53,657,621
Deferred Inflows	<u>(11,813,244)</u>
Net deferred outflow/(inflows) related to pension plan	<u>\$ 41,844,377</u>

B. EXPLANATION OF CERTAIN DIFFERENCES BETWEEN THE GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES AND THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balance – total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense in the current period. This is the amount by which capital outlays exceeded depreciation expense in the current period.” The details of this \$94,359,204 difference are as follows:

Capital Outlay, net of disposals	\$ 102,540,610
Depreciation Expense	<u>(8,181,406)</u>
Net Adjustment to decreases in net changes in fund balances - total governmental funds to arrive at changes in net position of governmental activities	<u>\$ 94,359,204</u>

Another element of that reconciliation states “the issuance of long-term debt (e.g. bonds, leases) provides current financial resources to the governmental funds, while 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. Also, governmental funds report the effect of premiums, discounts, and similar items 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 in the treatment of long-term debt and related items.” The detail of this \$100,680,215 difference is as follows:

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Issuance of Debt	
2019 General Obligation Bond proceeds	(112,316,927)
Debt principal repayments	<u>\$ 11,636,712</u>
Net adjustment for issuance and payment of long-term debt	<u>\$ (100,680,215)</u>

Another element of that reconciliation states “some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.” The details of this \$3,564,962 difference are as follows:

Compensated absences	\$ (19,302)
Accrued interest on debt	(116,038)
Amortization of bond discounts	(2,463)
Amortization of bond premiums	2,328,903
Amortization of deferred charge on refunding	(273,424)
Adjustments to investments at market value	<u>1,647,286</u>
Net Adjustment to decreases in net changes in fund balances	
- total governmental funds to arrive at changes in net position	
of governmental activities	<u>\$ 3,564,962</u>

III. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. VIOLATIONS OF LEGAL OR CONTRACTUAL PROVISIONS

For the year ended June 30, 2019, no expenditures exceeded appropriations. There were no violations of legal or contractual provisions.

B. DEFICIT FUND EQUITY

The district did not have any funds with a negative fund balance.

IV. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. CASH AND INVESTMENTS

1. Custodial credit risk – deposits

In the case of deposits, this is the risk that in the event of a bank failure, the district's deposits may not be returned to it. As of June 30, 2019, the district's bank balances were \$45,323,415 and \$44,166,490 of that amount was exposed to custodial credit risk because it was uninsured and collateralized by securities held by the pledging or financial institutions trust department or agent, but not in the government's name. All deposits were in bank depositories qualified by the Oregon State Treasury which maintains the collateral program for local governments.

2. Deposits

Deposits with financial institutions are comprised of bank demand deposits and certificates of deposit. Of these balances all were deposited in banking institutions covered by Federal depositor insurance. However, a portion of these deposits exceed the federal deposit insurance corporation limit and are not federally insured. Deposits with financial institutions include bank demand deposits. Oregon Revised Statutes require deposits to be adequately covered by federal depository insurance or deposited at an approved depository as identified by the Treasury.

Tigard-Tualatin School District 23J, Tigard, Oregon
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Cash and investments are comprised of the following as of June 30, 2019:

Petty cash	\$ 16,744
Demand deposits	36,704,819
Public funds money market account	5,007,564
Investments	<u>262,984,280</u>
Total cash and investments	<u>\$ 304,713,407</u>

Cash and investments were held in the following fund types:

Governmental funds:

Equity in pooled cash and investments	\$ 297,936,265
Cash and investments	<u>1,610,747</u>
Total governmental funds balance sheet	<u>299,547,012</u>

Proprietary funds

Equity in pooled cash and investments	<u>2,325,085</u>
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Fiduciary funds:

US Treasury and State Treasurer's investment pool	991,602
Early retirement and OPEB fund	1,640,902
Scholarship fund	<u>208,806</u>
Total fiduciary funds	<u>2,841,309</u>

Total cash and investments	<u>\$ 304,713,407</u>
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Total governmental funds equity in pooled cash and investments	\$ 299,547,012
Total proprietary funds equity in pooled cash and investments	2,325,085
Adjust investments to market value	<u>(582,775)</u>
Total equity in pooled cash and investments per statement of net position	<u>\$ 301,289,322</u>

3. Investments

The Tigard-Tualatin School District School Board authorizes the District to invest in obligations of U.S. government agencies, U.S. Government Sponsored Enterprises (USGSE), the U.S. Treasury, time certificates of deposit, repurchase agreements, money market investments, bankers' acceptances, commercial paper, State of Oregon and local government securities, and the State Treasurer's Investment Pool as per the State Treasurer's investment policies which are governed by Oregon Revised Statutes and the Oregon Short-Term

Tigard-Tualatin School District 23J, Tigard, Oregon

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Fund Board (OSTFB).

There were no known violations of legal or contractual provisions for deposits.

As of June 30, 2019 the District had the following investments and maturities:

Investment Type	Fair Value	Weighted	% of Investment Portfolio
		Average Maturity in Years	
US Agency	\$ 74,403,146	0.520	28.4%
US Treasury	39,612,396	0.574	15.1%
State Treasurer's investment pool	148,385,964	0.570	56.5%
	<u>\$ 262,401,505</u>	<u>0.560</u>	<u>100.0%</u>

Interest Rate Risk - Oregon Revised Statutes and school board policy guide District investments. The District's investment policy was approved by the Oregon Municipal Debt Advisory Commission and allows certain investments to exceed 18 months. The policy provides for the maximum single maturity restriction of an investment in the portfolio to 5 years and the overall weighted average maturity of the portfolio is restricted to 24 months.

Credit Risk - For an investment, this is the risk that, in the event of the failure of the counterparty, the District will not be able to recover the value of its investment or collateral securities that are in the possession of an outside party. The District minimizes custodial credit risk by limiting investments to the types of securities allowed by law. The District School Board annually approves a list of financial institutions with which the District will do business. All of the investments, except for the investment in the Local Government Investment Pool which is not evidenced by securities, are held in safekeeping by the financial institutions counterparty in the financial institution's general customer account. The Local Government Investment Pool's policies provide for a composite minimum weighted average credit quality rating for the Fund's holdings to be the equivalent of a AA Standard and Poor's (S&P) rating. This composite is calculated based on the median rating if three agencies rate the security, the lower rating if two ratings are available, or the single rating if only one rating is available. On June 30, 2019, the fund's composite weighted average rating was equivalent to S&P's AA based on the method described above. U.S. Treasuries and all unrated federal agency securities were also assumed to be rated AAA for the composite rating, as these securities are backed by the U.S. government.

Investments in the Local Government Investment Pool (LGIP) are included in the Oregon Short-Term Fund, which is an external investment pool that is not a 2a-7-like external investment pool, and is not registered with the U.S. Securities and Exchange Commission as an investment company. Fair value of the LGIP is calculated at the same value as the number of pool shares owned. The unit of account is each share held, and the value of the position would be the fair value of the pool's share price multiplied by the number of shares held. Investments in the Short-Term Fund are governed by ORS 294.135, Oregon Investment Council, and portfolio guidelines issued by the Oregon Short-Term Fund Board, which establish diversification percentages and specify the types and maturities of investments. The portfolio guidelines permit securities lending transactions as well as investments in repurchase agreements and reverse repurchase agreements. The fund appears to be in compliance with all portfolio guidelines at June 30, 2019. The LGIP seeks to exchange shares at \$1.00 per share; an investment in the LGIP is neither insured nor guaranteed by the FDIC or any other government agency. Although the LGIP seeks to maintain the value of share investments at \$1.00 per share, it is possible to lose money by investing in the pool. We intend to measure these investments at book value since it approximates fair value. The pool is comprised of a variety of investments. These investments are characterized as a level 2 fair value measurement in the Oregon Short Term Fund's audited financial report. As of June 30, 2019, the fair value of the position in the LGIP is 100.65% of the value of the pool shares as

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Notes to Basic Financial Statements

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reported in the Oregon Short Term Fund audited financial statements. Amounts in the State Treasurer's Local Government Investment Pool are not required to be collateralized.

Investments in US Treasury are fair value level 1 measurement and Agency Securities and Commercial Paper are fair value level 2 measurement.

Concentration of Credit Risk - Oregon Revised Statutes do not limit investments as to credit rating for securities purchased from U.S. Government Agencies. More than 5% of the School District's total investments are in securities by the following issuers:

Issuer	Percentage of Total Investments (Total Equity Concentration)
Federal Home Loan Banks	23.06%
Federal Farm Cr Bks	7.44%
Federal Home Ln Mtg Corp	16.85%
Federal Natl Mtg Assn	17.91%
United States Treas Nts	34.74%

B. ACCOUNTS AND OTHER RECEIVABLES

Accounts and other receivables consist primarily of claims for reimbursement of costs under various federal and state grant programs and also include building use payments, other payments for services, and construction excise taxes collected by local governments. Receivables are comprised of the following at June 30, 2019:

	General Fund	Debt Service Fund	Capital Projects Fund	Special Revenue Funds	Total
Property taxes receivable	\$ 1,111,553	\$ 329,098	\$ -	\$ -	\$ 1,440,650
Accounts and other receivables:					
Grants receivable	-	146,979	-	1,190,931	1,337,910
Interest and Other	2,470,884	49,918	262,847	797,753	3,581,401
Total accounts and other receivables	2,470,884	196,898	262,847	1,988,683	4,919,312
Net receivables	<u>\$ 3,582,436</u>	<u>\$ 525,995</u>	<u>\$ 262,847</u>	<u>\$ 1,988,683</u>	<u>\$ 6,359,962</u>

Governmental funds report unearned revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds also delay revenue recognition in connection with resources that have been received, but not yet earned. At the end of the 2018-19 fiscal year, the various components of unearned revenue reported in the governmental funds were as follows:

Description	Unearned Amount
Grant and contract payments received prior to meeting all eligibility requirements	\$ 171,728
Tigard-Tualatin Online Academy Summer School tuition paid in advance of courses held in July	9,515
Total unearned revenue	<u>\$ 181,243</u>

Tigard-Tualatin School District 23J, Tigard, Oregon
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C. CAPITAL ASSETS

Capital asset activity for the year ending June 30, 2019, was as follows:

	Balance June 30, 2018	Current year additions	Current year dispositions	Balance June 30, 2019
Capital assets, not being depreciated				
Land	\$ 20,712,399	\$ -	\$ -	\$ 20,712,399
Construction in progress	29,396,691	101,409,370	(14,535,884)	116,270,177
Total capital assets not being depreciated	50,109,090	101,409,370	(14,535,884)	136,982,576
Capital assets, being depreciated				
Land improvements	14,224,903	-	-	14,224,903
Less accumulated depreciation	(6,546,523)	(538,405)	-	(7,084,928)
Land improvements, net of depreciation	7,678,380	(538,405)	-	7,139,975
Buildings and improvements	181,468,628	11,861,695	-	193,330,323
Less accumulated depreciation	(84,593,458)	(4,733,181)	-	(89,326,639)
Buildings and improvements, net of depreciation	96,875,172	7,128,513	-	104,003,685
Vehicles and equipment	26,864,655	3,818,606	(3,838,100)	26,845,162
Less accumulated depreciation	(14,598,138)	(2,909,820)	3,824,923	(13,683,035)
Vehicles and equipment, net of depreciation	12,266,517	908,786	(13,177)	13,162,126
Total capital assets being depreciated, net	116,820,068	7,498,895	(13,177)	124,305,786
Total all capital assets, net	<u>\$ 166,929,159</u>	<u>\$ 108,908,265</u>	<u>\$ (14,549,061)</u>	<u>\$ 261,288,363</u>

Depreciation expense was charged to functions of the governmental activities of the District as follows:

	Current Depreciation
Instruction	\$ 6,697,299
Support Services	1,304,958
Enterprise and Community Services	179,150
Total depreciation current year	<u>\$8,181,406</u>

1. Construction In Progress

In fulfilling the bond objectives, Tigard Tualatin School District completed the following projects during the 2018-19:

- Fowler Middle School (Office Relocation, Classroom Renovation, and small Gym Seismic Upgrades;
- Bridgeport Elementary (Office Relocation, Seismic improvements, Security Cameras & Interior Door Locks)
- Phase I Tigard High Expansion and Renovation (New classroom wing, and bus Loop)

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Projects under construction include:

- Creekside Community High School (Durham Center) Addition
- Templeton Elementary (New School with enclosed classrooms & Improved traffic flow)
- Phase I Tigard High Expansion and Renovation (New classroom wing, and bus Loop)
- Tualatin High Expansion and Renovation (New classroom wing, Career & Technical wing, Expanded Commons, PE & Athletics Renovations & Main Office relocation with a new secure entry vestibule)
- Interior Door Lock Replacement district-wide to improve Classroom Safety

Summer 2019 Start Date work will include:

- Twality Middle School replacement school
- Woodward, Byrom and Durham office relocations and safety improvements
- New cameras district-wide to improve school safety
- Phase II Tigard High Expansion and Renovation (auxiliary gym, and athletic areas and final phase of commons area)
- Design of the 6 Vestibule projects (Alberta Rider, CF Tigard, Deer Creek, Metzger and Tualatin Elementary Schools; and Hazelbrook Middle School)
- Finalizing Soccer Covered Bleacher project

Summer 2020 Start Date

- Art Rutkin Elementary School

The majority of the construction in progress is related to Templeton New Construction, Tigard High School, Tualatin High School, Twality Middle School, Woodward, Byrom and Durham Elementary Schools and the architectural/engineering services for Art Rutkin.

D. DEFERRED INFLOWS

Governmental funds report deferred inflows or items not available to meet current requirements. This consists of property taxes not received within 60 days of year end. Deferred inflows and outflows related to pension plans can be found in Note F – Pension Plan.

<u>Description</u>	<u>Deferred Inflow Amount</u>
Delinquent property taxes receivable, general fund	\$ 927,240
Delinquent property taxes receivable, debt service fund	<u>273,830</u>
Total deferred inflows	<u>\$ 1,201,070</u>

E. ACCRUED LIABILITIES

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

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Accrued liabilities reported by governmental funds at June 30, 2019, were as follows:

	General Fund	Capital Projects Fund	Special Revenue Funds	Total Governmental Funds	Internal Service Fund	Total
Accounts payable	\$ 2,280,776	\$21,359,554	\$ 840,115	\$ 24,480,445	\$ 150	\$ 24,480,595
Accrued payroll and related charges	9,517,715	-	-	9,517,715	17,338	9,535,053
Net liabilities	<u>\$ 11,798,491</u>	<u>\$21,359,554</u>	<u>\$ 840,115</u>	<u>\$ 33,998,160</u>	<u>\$ 17,488</u>	<u>\$ 34,015,647</u>

F. PENSION PLAN

1. Oregon Public Employees Retirement System (PERS)

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

<https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf>

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

- a. **PERS Pension (Chapter 238).** The ORS Chapter 238 Defined Benefit Plan is closed to new members hired on or after August 29, 2003.
 - i. **Pension Benefits.** The PERS retirement allowance is payable monthly for life. It may be selected from 13 retirement benefit options. These options include survivorship benefits and lump-sum refunds. The basic benefit is based on years of service and final average salary. A percentage (2.0 percent for police and fire employees, and 1.67 percent for general service employees) is multiplied by the number of years of service and the final average salary. Benefits may also be calculated under either a formula plus annuity (for members who were contributing before August 21, 1981) or a money match computation if a greater benefits 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 (age 45 for police and fire members). General service employees may retire after reaching age 55. Police and fire members are eligible after reaching age 50. Tier 1 general service employee benefits are reduced if retirement occurs prior to age 58 with fewer than 30 years of service. Police and fire member benefits are reduced if retirement occurs prior to age 55 with fewer than 25 years of service. Tier 2 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.
 - ii. **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 on or more of the following contributions are met:
 - member was employed by PERS employer at the time of death,
 - member died within 120 days after termination of PERS covered employment,
 - member died as a result of injury sustained while employed in a PERS-covered job, or

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- member was on an official leave of absence from a PERS-covered job at the time of death.
 - iii. **Disability Benefits.** A member with 10 or more years of creditable service who becomes disabled from other than duty-connected causes may receive a non-duty disability benefit. A disability resulting from a job-incurred injury or illness qualifies a member (including PERS judge members) for disability benefits regardless of the length of PERS-covered service. Upon qualifying for either a non-duty or duty disability, service time is computed to age 58 (55 for police and fire members) when determining the monthly benefit.
 - iv. **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 equity investments. Under ORS 238.360 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.
- b. **OPSRP Pension Program (OPSRP DB).** The ORS Chapter 238A Defined Benefit Pension Program provides benefits to members hired on or after August 29, 2003.
- i. **Pension Benefits.** This portion of OPSRP provides a life pension funded by employer contributions. Benefits are calculated with the following formula for members who attain normal retirement age:

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

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

A member of the 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.
 - ii. **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.
 - iii. **Disability Benefits.** A member who has accrued 10 or more years of retirement credits before the member becomes disabled or a member who becomes disabled due to job-related injury shall receive a disability benefit of 45 percent of the member's salary determined as of the last full month of employment before the disability occurred.
 - iv. **Benefit Changes After Retirement.** Under ORS 238A.210 monthly benefits are adjusted annually through cost-of-living changes. The cap on the COLA will vary based on the amount of the annual benefit.

Contributions – PERS funding policy provides for monthly employer contributions at actuarially determined rates. These contributions, expressed as a percentage of covered payroll, are intended to accumulate sufficient assets to pay benefits when due. The funding policy applies to the PERS Defined Benefit Plan and the Other Postemployment Benefit Plans. Employer contribution rates during the period were based on the December 31, 2015 actuarial valuation, which became effective July 1, 2017. The state of Oregon and certain schools, community colleges, and political subdivision have made unfunded actuarial liability payments and their rates have been reduced. Employer contributions for the year ended June 30, 2019 were \$14,315,591, excluding amounts to fund employer specific liabilities. In addition approximately \$3,497,582 in employee contributions were paid or picked up by the District in fiscal 2019. At June 30, 2019, the District reported a net

Tigard-Tualatin School District 23J, Tigard, Oregon

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pension liability of \$123,734,963 for its proportionate share of the net pension liability. The pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation dated December 31, 2016. The District's proportion of the net pension liability was based on a projection of the District's long-term share of contributions to the pension plan relative to the projected contributions of all participating employers, actuarially determined. As of the measurement date of June 30, 2018 and 2017, the District's proportion was .82 percent and .79 percent, respectively. Pension expense for the year ended June 30, 2019 was \$9,814,607.

The rates in effect for the year ended June 30, 2019 were:

- (1) Tier 1/Tier 2 – 22.69%
- (2) OPSRP general services – 17.36%

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 4,209,093	\$ -
Changes of assumptions	28,768,144	
Net difference between projected and actual earnings on investments	-	5,494,532
Changes in proportionate share	1,865,432	5,463,265
Differences between employer contribution and employer's proportionate share of system contributions	<u>3,002,167</u>	<u>288,095</u>
Total prior to post-MD contributions	<u>37,844,836</u>	<u>11,245,892</u>
Subtotal - Amortized Deferrals (below)		<u>26,598,944</u>
District contributions subsequent to measurement date	<u>14,315,591</u>	<u>-</u>
Net deferred outflow (inflow) of resources	14,315,591	<u><u>\$ 26,598,944</u></u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net pension liability in the fiscal year ended June 30, 2020.

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

Year ending June 30,	Amount
2020	\$ 14,492,250
2021	10,277,713
2022	(1,173,079)
2023	2,129,469
2024	872,591
Thereafter	-
Total	<u><u>\$ 26,598,944</u></u>

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All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS system-wide GASB 68 reporting summary dated March 4, 2019. Oregon PERS produces an independently audited CAFR which can be found at: <https://www.oregon.gov/pers/Documents/Financials/CAFR/2018-CAFR.pdf>

Actuarial Valuations – The employer contribution rates effective July 1, 2017 through June 30, 2019, were set using the entry age normal actuarial cost method. For the Tier One/Tier Two component of the PERS Defined Benefit Plan, this method produced an employer contribution rate consisting of (1) an amount for normal cost (estimated amount necessary to finance benefits earned by employees during the current service year), (2) an amount for the amortization unfunded actuarial accrued liabilities, which are being amortized over a fixed period with new unfunded actuarial liabilities being amortized over 20 years.

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

Actuarial Methods and Assumptions:

Valuation Date	December 31, 2016 rolled forward to June 30, 2018
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Amortization method	Amortized as a level percentage of payroll as layered amortization bases over a closed period; Tier One/Tier Two UAL is amortized over 20 years and OPSRP pension UAL is amortized over 16 years
Asset valuation method	Market value of assets
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Cost of Living Adjustment	Blend of 2% COLA and graded COLA (1.25%/.15%) in accordance with Moro decision, blend based on service.
Mortality	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.

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

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Assumed Asset Allocation:

Asset Class/Strategy	Low Range	High Range	OIC Target
Cash	0.0%	3.0%	0.0%
Debt Securities	15.0%	25.0%	20.0%
Public Equity	32.5%	42.5%	37.5%
Real Estate	9.5%	15.5%	12.5%
Private Equity	13.5%	21.5%	17.5%
Alternative Investments	0.0%	12.5%	12.5%
Opportunity Portfolio	0.0%	3.0%	0.0%
Total			100.0%

(Source: June 30, 2018 PERS CAFR; p. 98)

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 2015, revised as of June 7, 2017, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
Assumed Inflation - Mean		2.50%

(Source: June 30, 2018 PERS CAFR; p. 72)

Discount Rate – The discount rate used to measure the total pension liability as of the measurement date of June 30, 2018 and 2017, was 7.20 percent and 7.50 percent, respectively, for the Defined Benefit Pension Plan. The projection of cash flows used to determine the discount rate assumed that contributions from the plan members and those of the contributing employers are made at the contractually required rates, as

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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.

Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate – The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	Decrease (6.20%)	Rate (7.20%)	Increase (8.20%)
District's proportionate share of the net pension liability	\$ 206,784,499	\$ 123,734,963	\$ 55,184,368

Changes Subsequent to the Measurement Date

As described above, GASB 67 and GASB 68 require the Total Pension Liability to be determined based on the benefit terms in effect at the Measurement Date. Any changes to benefit terms that occurs after that date are reflected in amounts reported for the subsequent Measurement Date. However, Paragraph 80f of GASB 68 requires employers to briefly describe any changes between the Measurement Date and the employer's reporting date that are expected to have a significant effect on the employer's share of the collective Net Pension Liability, along with an estimate of the resulting change, if available.

There are no changes subsequent to the June 30, 2018 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

Deferred Compensation Plan

A deferred compensation plan is available to 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 IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the administrator for the sole benefit of the plan participants and are not considered assets or liabilities of the District.

OPSRP Individual Account Program (OPSRP IAP)

Plan Description:

Employees of the District are provided with pensions through OPERS. All the benefits of OPERS are established by the Oregon legislature pursuant to Oregon Revised Statute (ORS) Chapters 238 and 238A. Chapter 238 Defined Benefit Pension Plan is closed to new members hired on or after August 29, 2003. Chapter 238A created the Oregon Public Service Retirement Plan (OPSRP), which consists of the Defined Benefit Pension Program and the Individual Account Program (IAP). Membership includes public employees hired on or after August 29, 2003. PERS members retain their existing defined benefit plan accounts, but member contributions are deposited into the member's IAP account. OPSRP is part of OPERS, and is administered by the OPERS Board.

Pension Benefits:

Participants in OPERS defined benefit pension plans also participate in their defined contribution plan. An IAP member becomes vested on the date the employee account is established or on the date the rollover account was established. If the employer makes optional employer contributions for a member, the member becomes vested on the earliest of the following dates: the date the member completes 600 hours of service in each of

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five calendar years, the date the member reaches normal retirement age, the date the IAP is terminated, the date the active member becomes disabled, or the date the active member dies. Upon retirement, a member of the OPSRP IAP may receive the amounts in his or her employee account, rollover account, and vested employer account as a lump-sum payment or in equal installments over a 5-, 10-, 15-, 20-year period or an anticipated life span option. Each distribution option has a \$200 minimum distribution limit.

Death Benefits:

Upon the death of a non-retired member, the beneficiary receives in a lump sum the member's account balance, rollover account balance, and vested employer optional contribution account balance. If a retired member dies before the installment payments are completed, the beneficiary may receive the remaining installment payments or choose a lump-sum payment.

Contributions:

Employees of the District pay six (6) percent of their covered payroll. The District did not make any optional contributions to member IAP accounts for the year ended June 30, 2019.

Additional disclosures related to Oregon PERS not applicable to specific employers are available online, or by contacting PERS at the following address: PO Box 23700 Tigard, OR 97281-3700.

<http://www.oregon.gov/pers/EMP/Pages/GASB.aspx>

2. Early Retirement Stipends

Summary of Significant Accounting Policies

Method used to value investments. Investments are valued at market value and are pooled with other District investments. The measurement date is June 30, 2019.

Plan Description

The District has established early retirement programs for licensed employees and administrators under a single-employer defined benefit pension plan resulting from collective bargaining agreements. The programs provide post-employment stipends for licensed employees and administrators who are at least 55 years of age. Administrators must have worked for the District at least 12 years and licensed employees must have worked for the District at least 15 years. The early retirement plans were discontinued as of July 1, 1993, for licensed employees and July 1, 1995, for administrators. Any new employees hired after these dates are not eligible to participate in the plans. Stipends will be paid to early retirees under the following schedule until the earlier of death, reemployment or age 62 when the early retiree qualifies for social security benefits:

	Licensed Employees		Administrators	
	Maximum	Maximum	Maximum	Maximum
	Monthly	Number of	Monthly	Number of
Retired During Periods	Payments	Payments	Payments	Payments
July 1, 1991 to June 30, 2016	\$ 525	60	\$ 450	48

During the period the administrator receives these payments, he or she will perform up to 15 days of service per year for the District. If the administrator refuses or declines to perform such service, the amount of compensation shall be reduced by an amount equal to the daily compensation rate at the time of retirement, multiplied by the number of requested days of service that the administrator refuses or declines to perform. Licensed employees do not have a service obligation. As of the valuation date of June 30, 2018, there are no active administrators eligible to receive a stipend upon retirement.

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Plan membership consisted of the following as of the most recent actuarial valuation at June 30, 2018:

Retirees and beneficiaries currently receiving benefits		<u>10</u>
Active employees		
Vested	17	
Nonvested	<u>23</u>	
		<u>40</u>

Funding Policy

Stipends are funded solely by the District. There is no obligation on the part of the District to fund these benefits in advance. The District's only obligation is to make current benefit payments due each year. Consequently, the District has established a pension trust fund, and makes benefit payments based on assessing salaries at 0.21 percent. The District's last actuarial valuation was completed as of June 30, 2018. The District's nonemployer pension expense for the 2018-19 fiscal year was \$61,771.

Actuarial Methods and Assumptions

Investments

Investment policy. The plan's investment policy as required by state statute is governed by the District's investment policy and related administrative rule. The District's Financial Oversight Committee reviews the policy, the administrative rule, and the portfolio annually in November. The District School Board re-adopts the investment policy and reviews and approves the administrative rule annually per Board policy.

Real Rate of Return by Assets by Asset Class

<u>Asset Class</u>	<u>Allocation</u>	<u>Assumed Real Rate of Return</u>
Government Agency Securities	100%	3.00%

Allocation of assets is based on June 30, 2018 account balance

The expected real rate of return is presented as an arithmetic mean.

The change in net pension liability for the year is as follows:

	Total Pension	Fiduciary Net Pension	Net pension
	<u>Liability</u>	<u>Position</u>	<u>asset or liability</u>
Beginning of year July 1, 2018	\$ 672,305	\$ (112,712)	\$ 559,593
Contributions		(181,156)	(181,156)
Expected investment income		(3,486)	(3,486)
Difference between actual and expected income	-	(6,080)	(6,080)
Service cost	13,128	-	13,128
Interest on total pension liability	17,557		17,557
Benefit payments	<u>(174,144)</u>	<u>174,144</u>	<u>-</u>
End of year June 30, 2019	<u>\$ 528,846</u>	<u>\$ (129,290)</u>	<u>\$ 399,556</u>

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	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 10,878	\$ 594
Changes in assumptions or other inputs	45,884	167
Net difference between projected and actual earnings	1,719	-
Total	58,481	761
Net deferred outflow (inflow) of resources		\$ 57,720

Assumes all actuarial assumptions were exactly as realized. Update procedures were used to roll forward the service cost and total pension liability to the June 30, 2019 measurement date.

The amounts reported as deferred outflows will be recognized as pension expense as follows:

Year ending June 30,	Amount
2020	\$ 26,879
2021	27,206
2022	3,635
2023	-
2024	-
Thereafter	-
Total	\$ 57,720

The ARC for the plan was determined as part of the June 30, 2018 actuarial valuation using the following methods and assumptions:

Actuarial cost method	Entry Age Normal Level Percent of Pay
Amortization method	Level dollar
Remaining amortization period	15 year closed period beginning July 1, 2004
Inflation rate	2.50%
Asset valuation method	Market value
Investment return	3%
Projected salary increases	3.50%
Cost of living adjustments	0%

Sensitivity of the net pension liability to changes in the discount rate. The following presents the net position liability of the District, calculated using a discount rate of 3%, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2%) and 1-percentage point higher (4%) than the current rate:

	Decrease 2.00%	Rate 3.00%	Increase 4.00%
District's proportionate share of the net pension liability	\$ 413,900	\$ 399,553	\$ 384,508

3. Aggregate amount for all pension plans

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	Net Pension Liability	Deferred outflows of resources	Deferred inflows of resources	Pension expense
Oregon Public Employees Retirement System (PERS)	\$ 123,734,963	\$ 52,160,427	\$ 11,245,892	\$ 9,814,607
Stipend Plan	399,556	58,481	761	61,771
Total for pension plans	<u>\$ 124,134,519</u>	<u>\$ 52,218,908</u>	<u>\$ 11,246,653</u>	<u>\$ 9,876,378</u>

G. OTHER POSTEMPLOYMENT BENEFITS

1. Postemployment Health Benefit Plan – (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. RHIA pays a monthly contribution toward the cost of Medicare companion health insurance premiums of eligible retirees. Oregon Revised Statute (ORS) 238.420 established this trust fund. Authority to establish and amend the benefit provisions of RHIA reside with the Oregon Legislature. The plan is closed to new entrants after January 1, 2004. 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, PO Box 23700, Tigard, OR 97281-3700.

Funding Policy

Because RHIA was created by enabling legislation (ORS 238.420), contribution requirements of the plan members and the participating employers were established and may be amended only by the Oregon Legislature. ORS require that an amount equal to \$60 dollars 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 dollars 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 OPERS at the time of retirement or receive a disability allowance as if the member had eight years or more of creditable service in OPERS, (2) receive both Medicare Parts A and B coverage, and (3) enroll in an OPERS-sponsored health plan. A surviving spouse or dependent of a deceased OPERS 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 OPERS or (2) was insured at the time the member died and the member retired before May 1, 1991.

Participating districts are contractually required to contribute to RHIA at a rate assessed each year by OPERS, and the District currently contributes 0.53% of annual covered OPERF payroll and 0.45% of OPSRP payroll under a contractual requirement in effect until June 30, 2019. The OPERS Board of Trustees sets the employer contribution rates based on the annual required contribution of the employers (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. 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, 2017, 2018 and 2019 were \$325,946, \$324,424 and \$362,092, respectively, which equaled the required contributions each year.

At June 30, 2019, the District reported a net OPEB liability/(asset) of (\$754,501) for its proportionate share of the net OPEB liability/(asset). The OPEB liability/(asset) was measured as of June 30, 2018, and the total OPEB liability/(asset) used to calculate the net OPEB liability/(asset) was determined by an actuarial valuation as of December 31, 2016. Consistent with GASB Statement No. 75, paragraph 59(a), The District's proportion of the net OPEB liability/(asset) is determined by comparing the employer's actual, legally required contributions made during the fiscal year to the Plan with the total actual contributions made in the fiscal year of all employers. As of the measurement date of June 30, 2018 and 2017, the District's proportion was .68

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percent and .65 percent, respectively. OPEB expense for the year ended June 30, 2019 was \$72,816.

Components of OPEB Expense/(Income):

Employer's proportionate share of collective system OPEB Expense/(Income)	\$ 70,816
Net amortization of employer-specific deferred amounts from:	
- Changes in proportionate share (per paragraph 64 of GASB 75)	1,970
- Differences between employer contributions and employer's proportionate share of system contributions (per paragraph 65 of GASB 75)	-
Employer's Total OPEB Expense/(Income)	<u>\$ 72,786</u>

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ -	\$ 42,760
Changes in assumptions	-	2,394
Net difference between projected and actual earnings on pension plan investments	-	162,669
Net changes in proportionate share	-	4,213
Differences between District contributions and proportionate share of contributions	-	-
Subtotal - Amortized Deferrals (below)	-	212,036
District contributions subsequent to measuring date	362,092	-
Deferred outflow (inflow) of resources	<u>\$ 362,092</u>	<u>\$ 212,036</u>

The amount of contributions subsequent to the measurement date will be included as a reduction of the net OPEB liability/(asset) in the fiscal year ended June 30, 2020.

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

<u>Year ending June 30,</u>	Amount
2020	\$ (70,435)
2021	(70,276)
2022	(55,154)
2023	(16,171)
2024	-
Thereafter	-
Total	<u>\$ (212,036)</u>

All assumptions, methods and plan provisions used in these calculations are described in the Oregon PERS Retirement Health Insurance Account Cost-Sharing Multiple-Employer Other Postemployment Benefit (OPEB) Plan Schedules of Employer Allocations and OPEB Amounts by Employer report, as of and for the Year Ended June 30, 2018. That independently audited report was dated March 1, 2019 and can be found at: <https://www.oregon.gov/pers/EMP/Documents/GASB/2019/GASB-75-RHIA-YE-06-30-2018.pdf>

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Actuarial Methods and Assumptions:

Valuation Date	December 31, 2016 rolled forward to June 30, 2018
Experience Study Report	2016, Published July 26, 2017
Actuarial cost method	Entry Age Normal
Inflation rate	2.50 percent
Investment rate of return	7.20 percent
Discount rate	7.20 percent
Projected salary increase	3.50 percent overall payroll growth
Retiree healthcare participation	Healthy retirees: 38%; Disabled retirees: 20%
Mortality	<p>Healthy retirees and beneficiaries:</p> <p>RP-2000 Sex-distinct, generational per Scale BB, with collar adjustments and set-backs as described in the valuation.</p> <p>Active members: Mortality rates are a percentage of healthy retiree rates that vary by group, as described in the valuation.</p> <p>Disabled retirees: Mortality rates are a percentage (70% for males and 95% for females) of the RP-2000 sex-distinct, generational per scale BB, disabled mortality table.</p>

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

Discount Rate

The discount rate used to measure the total OPEB liability as of the measurement date of June 30, 2018 and 2017, was 7.20 percent and 7.50 percent, respectively. 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 2015, revised as of June 7, 2017, the PERS Board reviewed long-term assumptions developed by both Milliman's capital market assumptions team and the Oregon Investment Council's (OIC) investment advisors. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the OIC long-term target asset allocation. The OIC's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

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Asset Class	Target Allocation	Compound Annual (Geometric) Return
Core Fixed Income	8.00%	3.49%
Short-Term Bonds	8.00%	3.38%
Bank/Leveraged Loans	3.00%	5.09%
High Yield Bonds	1.00%	6.45%
Large/Mid Cap US Equities	15.75%	6.30%
Small Cap US Equities	1.31%	6.69%
Micro Cap US Equities	1.31%	6.80%
Developed Foreign Equities	13.13%	6.71%
Emerging Market Equities	4.13%	7.45%
Non-US Small Cap Equities	1.88%	7.01%
Private Equity	17.50%	7.82%
Real Estate (Property)	10.00%	5.51%
Real Estate (REITS)	2.50%	6.37%
Hedge Fund of Funds - Diversified	2.50%	4.09%
Hedge Fund - Event-driven	0.63%	5.86%
Timber	1.88%	5.62%
Farmland	1.88%	6.15%
Infrastructure	3.75%	6.60%
Commodities	1.88%	3.84%
<i>Assumed Inflation - Mean</i>		<i>2.50%</i>

(Source: June 30, 2018 PERS CAFR; p. 72)

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 7.20 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.20 percent) or 1-percentage-point higher (8.20 percent) than the current rate.

	1% Decrease (6.20%)	Discount Rate (7.20%)	1% Increase (8.20%)
District's proportionate share of the net pension asset	\$ 439,308	\$ 754,501	\$ 1,022,794

Changes Subsequent to the Measurement Date

There are no changes subsequent to the June 30, 2018 Measurement Date that meet this requirement and thus would require a brief description under the GASB standard.

2. Postemployment Health Insurance Subsidy

Plan Description

The District participates in the Oregon Educators Benefit Board, a statewide agent multiple-employer health benefit plan that provides health, dental, and vision insurance benefits to eligible employees, retirees, and their beneficiaries. For those retirees that qualify for District paid insurance benefits post retirements (explicit benefits) under various collective bargaining agreements, the District acts as a trustee in capacity for those resources. As of June 30, 2018, there are 1,114 active and 137 retired members in the District's plan. Benefits and eligibility for members covered by the District-paid defined benefit OPEB plan are established through the

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collective bargaining agreements.

The District's post-retirement healthcare plan was established in accordance with Oregon Revised Statutes (ORS) 243.303. ORS stipulate that for the purpose of establishing healthcare premiums, the rate must be based on all plan members, including both active employees and retirees. The difference between retiree claims costs, which because of the effect of age is generally higher in comparison to all plan members, and the amount of retiree healthcare premiums represents the District's implicit employer contribution.

Funding Policy

The benefits from this program are paid either by the District or by the retired employees on a self-pay basis. The annual required contribution is based on projected pay-as-you go financing requirements. There is no obligation on the part of the District to fund these benefits in advance. Consequently, the District has established a pension trust fund, and makes benefit payments based on assessing salaries at 1.3 percent. The District has established a fiduciary trust to accumulate assets for the District-paid benefits. As of June 30, 2019 this fiduciary trust held \$2,503,231 for the OPEB Plan.

Components of OPEB Expense/(Income):

Service cost	\$ 248,231
Interest cost	257,746
Expected earnings	(77,212)
Changes in benefits	-
Recognition of deferred outflows	148,548
Recognition of deferred inflows	(47,212)
Total OPEB Expense	<u>\$ 530,101</u>

Components of Deferred Outflows/Inflows of Resources:

	Deferred Outflow of Resources	Deferred Inflow of Resources
Difference between expected and actual experience	\$ 1,050,701	\$ -
Changes in assumptions	-	354,555
Net difference between projected and actual earnings on pension plan investments	25,920	-
Deferred outflow (inflow) of resources	<u>\$ 1,076,621</u>	<u>\$ 354,555</u>

The amount of contributions subsequent to the measurement date is included as a reduction of the net OPEB liability/ (asset) in the fiscal year ended June 30, 2020.

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	Total OPEB Liability	Fiduciary Net Pension	Net OPEB Liability
Beginning of Year July 1, 2018	\$ 9,311,641	\$ (2,417,083)	\$ 6,894,558
Contributions		(942,361)	(942,361)
Expected investment income		(73,058)	(73,058)
Difference between actual and expected income		23,281	23,281
Benefit payments - Explicit Medical	(905,990)	905,990	-
Benefit payments - Implicit Medical	(659,825)		(659,825)
Service cost	248,231		248,231
Interest on total OPEB liability	255,862		255,862
Change in benefit terms	-	-	-
Change in assumptions	-	-	-
Experience (gain) loss	-	-	-
End of year June 30, 2019	<u>\$ 8,249,919</u>	<u>\$ (2,503,231)</u>	<u>\$ 5,746,688</u>

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

<u>Year ending June 30,</u>	<u>Amount</u>
2020	\$ 101,336
2021	101,336
2022	101,336
2023	92,696
2024	92,696
All subsequent years	232,666
Total	<u>\$ 722,066</u>

Actuarial Methods and Assumptions

The Oregon Legislative Assembly passed a law (Senate Bill 1067) that limits the annual increase in premiums paid by PEBB to 3.4%. The Legislature controls the budget for OEBB. The annual OPEB cost for the plan was determined as part of the June 30, 2018 actuarial evaluation using the following methods and assumptions:

Actuarial cost method	Entry Age Normal Level Percent of Pay
Amortization method	Level dollar
Remaining amortization period	30-year open amortization period
Inflation rate	2.50%
Asset valuation method	Market value
Investment return	3%
Increase in district cap	3.40%
Healthcare cost trend	
Medical	3.40%
Dental	3.4% initially downgrading to 3% in subsequent years
Vision	3%

Tigard-Tualatin School District 23J, Tigard, Oregon

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Discount Rate

A 3 percent discount rate is used. The discount rate represents the estimated long-term investment yield on the plan assets expected to be used to finance the payment of the OPEB plan.

Long-Term Expected Rate of Return

The estimated long-term investment yield assumption is 3%.

Sensitivity of the District's proportionate share of the net OPEB liability/(asset) to changes in the discount rate – The following presents the District's proportionate share of the net OPEB liability/(asset) calculated using the discount rate of 3.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00percent) or 1-percentage-point higher (4.00 percent) than the current rate.

	(2.00%)	(3.00%)	(4.0%)
Total OPEB liability	\$ 8,771,661	\$ 8,377,396	\$ 7,999,364
Ficuciary Net position	(2,503,231)	(2,503,231)	(2,503,231)
NET OPEB Liability	<u>\$ 6,268,430</u>	<u>\$ 5,874,165</u>	<u>\$ 5,496,133</u>

The following presents the District's proportionate share of the net health care trends calculated using the discount rate of 3.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.00percent) or 1-percentage-point higher (4.00 percent) than the current rate.

	Current Health		
	1%	Care	1%
	Decrease	Trend Rates	Increase
	(2.00%)	(3.00%)	(4.0%)
Total OPEB liability	\$ 7,796,103	\$ 8,377,396	\$ 9,039,140
Ficuciary Net position	(2,503,231)	(2,503,231)	(2,503,231)
NET OPEB Liability	<u>\$ 5,292,872</u>	<u>\$ 5,874,165</u>	<u>\$ 6,535,909</u>

H. DEFERRED COMPENSATION

The District has a deferred compensation plan available for its employees. The deferred compensation plan is one that is authorized under IRC Section 457 and has been approved in its specifics by a private ruling from the Internal Revenue Service. The assets of the plan are held by the plan administrator for the sole benefit of the plan participants and are not considered assets and liabilities of the District. As of June 30, 2019, 26 employees were participating in the plan.

I. TAX SHELTERED ANNUITY

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 employees up to the amounts specified in the Code. No contributions are required by law from the District. As of June 30, 2019, 510 employees were participating in the plan.

J. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

In December 1998 the District entered into an agreement with Lowe's Hardware Corporation to lease the Phil Lewis elementary school site for a period of 30 years. The District accounts for this transaction as a direct sales financing lease. During the fiscal year ending June 30, 2019, the District received proceeds of \$868,806 that were recorded as revenue in the debt service fund. The District committed to reduce its debt service by the first

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

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\$5.5 million dollars of lease proceeds. The final debt reduction at \$33,301 was made in 2007-08. The leased property consists of two separate parcels. The lessee has a separate option to purchase each piece of property at the end of the lease. The option on the 1.52 acre parcel is no less than \$1.0 million and no greater than \$1.6 million. The option on the 10.5 acre parcel is no less than \$5.5 million and no greater than \$8.95 million.

Future payments from the Lowes lease are committed to the Full Faith and Credit debt on the New Hibbard Center through June 30, 2024.

In December 2006 the District entered into a long term commercial lease agreement with Broadway Rose Theater Company (BRTC) for the 20 year lease of the Charles F. Tigard Multipurpose Building to BRTC. Lease payments are \$1 per year and all capital improvements to the premises. The lease may be renewed in 10 year increments.

The encumbrances for the capital projects fund total \$109,930,523 and are in the following categories:

Category	Encumbrance
ARCHITECT/ENGINEER SERVICES	\$5,335,302
COMPUTER HARDWARE	\$30,940
EQUIPMENT	\$4,746,993
MAJOR IMPROVEMENT	\$9,477,003
MANAGEMENT SERVICES	\$1,305,119
OTHER PROFESSIONAL CONTRACTED SERVICES	\$87,781,058
ONSITE IMPROVEMENTS	\$524,892
CURRICULUM	\$729,216
Encumbrance Total as of 6.30.19	\$109,930,523

K. 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; and natural disasters. The district uses the Insurance Internal Service Fund to account for and finance risks for worker's compensation, unemployment, general liability and property damage. For workers' compensation the district does not retain risk for the coverage but may pay certain medical costs to reduce the premium. The district is self-insured for unemployment cost. Comprehensive General and Automotive Liability insurance provides \$10 million basic coverage. Errors and Omissions coverage (sometimes called Difference in Conditions coverage) is in force for \$10 million. Excess coverage over the Basic and Errors and Omissions coverage is in force at \$20 million. The District does not engage in risk financing activities where the risk is retained (self-insurance) except for the deductible of \$25,000 on property insurance. The District purchases insurance for workers' compensation, employee medical benefits, liability claims and all property losses in excess of deductible limits. There were no settlements in excess of the insurance coverage in any of the prior three fiscal years.

The risk management internal service fund is funded by charges to the district's other funds and is based on payroll assessments for worker's compensation and unemployment insurance. It is based on refunds of certain prior year expenditures for the contributing funds for the property loss exposure. Rates are evaluated periodically due to economic conditions and the worker's compensation plan is audited annually by the carrier.

L. DEBT

The District has outstanding general obligation bonds and notes from direct borrowings and direct placements totaling \$339,911,414. No district assets are pledged as collateral. None of the District's debt has an acceleration clause. The debt terms are as follows.

1. Bonds

Tigard-Tualatin School District 23J, Tigard, Oregon

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March, 2000 Issue - New Hibbard Center

Whenever any Event of Default exists, the Escrow Agent shall have the right to take one or any combination of the following remedial actions:

- (1) Declare all Lease Payments and other amounts immediately due and payable; and
- (2) Take any other action at law or in equity necessary or desirable to enforce the Lessor's rights under the Agreements.

The Bonds are not subject to optional redemption prior to maturity.

August, 2005 Refunding Issue

Insured by MBIA Insurance Corporation Policy language lists:

The MBIA Policy unconditionally and irrevocably guarantees the full and complete payment required to be made by or on behalf of the District to the Paying Agent or its successor of an amount equal to (i) the principal of (either at the stated maturity or by an advancement of maturity pursuant to a mandatory sinking fund payment) and interest on, the Bonds as such payments shall become due but shall not be so paid (except that in the event of any acceleration of the due date of such principal by reason of mandatory or optional redemption or acceleration resulting from default or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments guaranteed by the MBIA Policy shall be made in such amounts and at such times as such payments of principal would have been due had there not been any such acceleration, unless MBIA elects in its sole discretion, to pay in whole or in part any principal due by reason of such acceleration); and (ii) the reimbursement of any such payment which is subsequently recovered from any Owner of the Bonds pursuant to a final judgment by a court of competent jurisdiction that such payment constitutes an avoidable preference to such Owner within the meaning of any applicable bankruptcy law (a "Preference").

The Bonds are not subject to optional redemption prior to maturity.

July, 2009 Issue - Thorpe Property

Remedies on Financing Default:

(A) Whenever a Financing Default shall have happened and be continuing, the Escrow Agent shall have the right, at its sole option without any further demand or notice, to exercise any remedy available at law or in equity; however, the Financing Amount and the Financing Payments shall not be subject to acceleration.

(B) The Escrow Agent shall exercise its rights hereunder only in accordance with the Escrow Agreement. No remedy referred to in this Section 5.3 is exclusive, but each shall be cumulative and in addition to any other remedy referred to herein or otherwise available to the Escrow Agent at law or in equity. In the event that the Escrow Agent exercises or begins to exercise any one or more of such remedies, such action shall not preclude the simultaneous or later exercise by the Escrow Agent of any other remedies. No express or implied waiver by the Escrow Agent of a Financing Default shall constitute a waiver of any other or subsequent Financing Default.

The Obligations coming due on and after June 1, 2020 are subject to prepayment prior to their respective payment dates in whole or in part in authorized denominations on any date on or after June 1, 2019

April, 2017 Issue

Upon the occurrence and continuance of any Event of Default, the Owners of fifty-one percent (51%) or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Bond Resolution or the Bonds or in aid of the exercise of any power granted in the Bond Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of the Bonds by the Bond Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

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Notes to Basic Financial Statements

June 30, 2019

Bonds are insured by the Oregon School Bond Guaranty Act.

The District may redeem all or a portion of the Bonds maturing after June 15, 2028 on June 15, 2027 or any date thereafter.

June, 2019 Issues

Upon the occurrence and continuance of any Event of Default, the Owners of fifty-one percent (51%) or more of the principal amount of Bonds then Outstanding may take whatever action may appear necessary or desirable to enforce or to protect any of the rights of the Owners of Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Bond Resolution or the Bonds or in aid of the exercise of any power granted in the Bond Resolution or in the Bonds or for the enforcement of any other legal or equitable right vested in the Owners of the Bonds by the Bond Resolution or the Bonds or by law. However, the Bonds shall not be subject to acceleration.

Bonds are insured by the Oregon School Bond Guaranty Act.

The District may redeem all or a portion of the 2019A bonds maturing after June 15, 2030 on June 15, 2029 or any date thereafter.

The Series 2019B Bonds are not subject to optional redemption.

PERS Unfunded Actuarial Liability Bonds

Upon the occurrence and continuance of any Event of Default under the Trust Agreement, the Series 2007 Trustee may, and if the Owners of not less than 51 percent in aggregate principal amount of Series 2007 Obligations then Outstanding so request, is required to take whatever action at law or in equity may appear necessary or desirable to enforce or to protect any of the rights vested in the Series 2007 Trustee or the Owners of Series 2007 Obligations by the Trust Agreement, the Intercept Agreement or the Series 2007 Pension Bonds, either at law or in equity or in bankruptcy or otherwise, whether for the specific enforcement of any covenant or agreement contained in the Trust Agreement or the Intercept Agreement or in aid of the exercise of any power granted in the Trust Agreement or the Intercept Agreement or for the enforcement of any other legal or equitable right vested in the Series 2007 Trustee by the Trust Agreement or by law; provided that in no event will the Series 2007 Trustee have the right to accelerate the Pension Bond Payments or the Series 2007 Obligations. The Series 2007 Trustee is not permitted to exercise remedies against a Series 2007 Issuer that has not caused a Pension Bond Default.

The Trust Agreement provides that if at any time after a Pension Bond Default has occurred, any moneys available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for under the Trust Agreement or otherwise, are required to be applied by the Series 2007 Trustee as follows:

- (1) To the payment of the interest on such Series 2007 Issuer's Pension Bonds when due.
- (2) To the payment of the principal on such Series 2007 Issuer's Pension Bonds when due.

State Intercept Agreement: Payment of the Series 2007 Pension Bonds is also secured by an intercept agreement, pursuant to which an amount of State Education Revenues equal to each Series 2007 Issuer's Pension Bond Payments, which would otherwise be paid by the Oregon Department of Education (the "Agency") to the Series 2007 Issuer, is diverted to the Series 2007 Trustee for the purpose of paying the Pension Bond Payments.

The Obligations coming due on and after June 1, 2020 are subject to prepayment prior to their respective payment dates in whole or in part in authorized denominations on any date on or after June 1, 2019.

2. Notes from direct borrowings and direct placements.

January 2010 Issue - Transportation Facility

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If an Event of Default occurs, the Bank may exercise any remedy available at law or in equity. However, this Financing Agreement and the Financing Payments shall not be subject to acceleration. No remedy shall be exclusive.

No prepayment.

August 2010 Issue - Tigard High School Soccer Field

If an Event of Default occurs, the Bank may exercise any remedy available at law or in equity. However, this Financing Agreement and the Financing Payments shall not be subject to acceleration. No remedy shall be exclusive.

No prepayment.

The following is a summary of long-term debt transactions of governmental activities during the year ended June 30, 2019.

	Balance June 30, 2018	Additions	Reductions	Balance June 30, 2019	Due Within One Year
Bonds					
March, 2000 Issue - New Hibbard Center	\$ 1,407,126	\$ -	\$ 273,712	\$ 1,133,414	\$ 281,476
August, 2005 Refunding Issue	25,740,000	-	6,000,000	19,740,000	6,260,000
July, 2009 Issue - Thorpe Property	2,645,000	-	400,000	2,245,000	415,000
April, 2017 Issue	200,620,000	(3,670,000)	2,880,000	194,070,000	-
June, 2019 Taxable Issue	-	3,735,000	-	3,735,000	-
June, 2019 Issue	-	90,360,000	-	90,360,000	-
PERS Unfunded Actuarial Liability Bonds	30,480,000	-	1,940,000	28,540,000	2,185,000
Total Bonds	<u>260,892,126</u>	<u>90,425,000</u>	<u>11,493,712</u>	<u>339,823,414</u>	<u>9,141,476</u>
Notes from Direct Borrowings and Direct Placements					
January 2010 Issue - Transportation Facility	99,000	-	99,000	-	-
August 2010 Issue - Tigard High School Soccer Field	132,000	-	44,000	88,000	44,000
Total Notes from Direct Borrowings and Direct Placements	<u>231,000</u>	<u>-</u>	<u>143,000</u>	<u>88,000</u>	<u>44,000</u>
 Subtotal Debt	 261,123,126	 90,425,000	 11,636,712	 339,911,414	
 Issuance Premiums and Discounts	 <u>28,972,591</u>	 <u>21,891,930</u>	 <u>2,326,441</u>	 <u>48,538,080</u>	
 Total Debt	 <u>\$ 290,095,717</u>	 <u>\$ 112,316,930</u>	 <u>\$ 13,963,153</u>	 <u>\$ 388,449,495</u>	 <u>\$ 9,185,476</u>

Tigard-Tualatin School District 23J, Tigard, Oregon

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June 30, 2019

The following is a list of each outstanding long-term obligation of the District with related information on the terms of the instrument:

General Obligation Bonds, 2005 Refunding Series, future payments due in annual installments with interest paid semi-annually at 4.125% to 5.375% through June, 2022	\$ 19,740,000
General Obligation Bonds, 2017 Series, future payments due in annual installments with interest paid semi-annually at 2% to 5% through June, 2037	194,070,000
General Obligation Bonds, 2019 Series, Taxable, future payments due in annual installments with interest paid semi-annually at 2.05% to 2.17% through June, 2023	3,735,000
General Obligation Bonds, 2019 Series, future payments due in annual installments with interest paid semi-annually at 4% to 5% through June, 2040	90,360,000
Full faith and credit obligation - New Hibbard Center March, 2000 Issue, first payment due in 2008, then annual installments begin in 2013 with interest paid semi-annually at 5.5% to 6.19% through June, 2024	1,133,414
Full faith and credit obligation - Thorpe Property July, 2009 Issue, future payments due annually beginning June 2012 with interest paid semi-annually at 3.0% to 4.125% through June, 2024.	2,245,000
Full faith and credit obligation - Tigard High Soccer Field August, 2010, future payments due annual installments with interest paid semi-annually at 3.25% through August, 2020	88,000
PERS Unfunded Actuarial Liability Bonds October 2007, future payments due in annual installments with interest paid semi-annually at 4.9% to 5.6% through June 2028	<u>28,540,000</u>
Total	<u>\$ 339,911,414</u>

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Notes to Basic Financial Statements

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Total debt service expenditures, excluding retirement benefits, for the year ended June 30, 2019, were as follows:

	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
General Obligation Bonds series 2005 Refunding	\$ 6,000,000	\$ 1,286,930	\$ 7,286,930
April 2017 Issue	2,880,000	9,792,546	12,672,546
Full Faith and Credit Obligation - Thorpe Property	400,000	105,382	505,382
Full Faith and Credit Obligation - Bus Garage	99,000	5,030	104,030
Full Faith and Credit Obligation - Soccer Field	44,000	3,563	47,563
Full Faith and Credit Obligation - Hibbard Building	273,712	591,288	865,000
PERS Unfunded Actuarial Liability Bonds	<u>1,940,000</u>	<u>1,712,062</u>	<u>3,652,062</u>
Total payments	<u>\$ 11,636,712</u>	<u>\$ 13,496,801</u>	<u>\$ 25,133,513</u>

No interest costs were capitalized during the year.

For the 2000 Series for the purchase of the Hibbard administration building, a payment was due in 2008 of \$429,128, future payments were deferred until 2013 and payable from 2013 through 2024 with interest rates from 5.5 to 6.19 percent. The Thorpe Property bonds for the Art Rutkin School site were issued for the payment of the promissory note due in August, 2009, future principal payments were deferred until June, 2012 and are payable until June, 2024 with interest rates from 3.0 to 4.125 percent payable from December, 2009 to June 2024. The Tigard High Soccer Field debt was issued in August, 2010 with principal payments of \$44,000 due annually with an interest rate of 3.25 percent.

On October 31, 2007, the District participated with six other school districts in a pooled issuance of taxable pension obligation bonds to finance the District's estimated PERS unfunded actuarial liability. The District issued \$41,385,000 in debt as part of a pooled issuance of \$110,160,000. Except for the payment of its pension bond payment and additional charges when due, each school district has no obligation or liability to any other participating school district's pension bonds or liabilities to PERS.

PERS bond proceeds were paid to the Oregon Public Employees Retirement System. An intercept agreement with the State of Oregon was required as a condition of issuance; therefore a portion of State School Fund support is withheld on a monthly basis to repay debt. Funds are accumulated and invested by a trust officer and annual principal and interest payments are made each June 30, and December 30, beginning June 30, 2008 and ending June, 2028. The bond interest rates range from 4.9 percent to 5.6 percent. The District records the amounts deposited with PERS as a prepayment of its actuarial obligation and accounts for the payment of principal and interest as a pension expense annually. The prepayment is being amortized over the life of the bonds based on the straight-line method, as a percentage of pension bond debt service costs, over the life of the bonds. This method most closely recognized the remaining prepaid asset.

Below is a summary of the District's debt obligation debt to the year 2040.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

Year Ending June 30	2020	2021	2022	2023	2024	2025-2029	2030-2034	2035-2037	2040	Total
FF&C 2000 series										
Principal	\$ 281,476	\$ 263,397	\$ 244,559	\$ 229,703	\$ 114,280	\$ -	\$ -	\$ -	\$ -	\$ 1,133,415
Interest	668,525	686,603	702,616	715,851	385,720	-	-	-	-	3,159,314
FF&C Thorpe Property										
Principal	415,000	430,000	450,000	465,000	485,000	-	-	-	-	2,245,000
Interest	90,406	73,806	56,606	38,606	20,006	-	-	-	-	279,431
FF&C Tigard High Soccer Field										
Principal	44,000	44,000				-	-	-	-	88,000
Interest	2,145	715				-	-	-	-	2,860
Bonds 2005 Refunding series										
Principal	6,260,000	6,575,000	6,905,000				-	-	-	19,740,000
Interest	987,000	674,000	345,250				-	-	-	2,006,250
Bonds 2007 Pension Obligation										
Principal	2,185,000	2,455,000	2,740,000	3,045,000	3,375,000	14,740,000	-	-	-	28,540,000
Interest	1,603,092	1,480,360	1,342,463	1,188,557	1,017,520	1,967,916	-	-	-	8,599,908
Bonds 2017 Series										
Principal	-	220,000	455,000	5,845,000	6,535,000	45,765,000	73,605,000	61,645,000	-	194,070,000
Interest	9,597,800	9,597,800	9,591,200	9,577,550	9,352,350	41,113,400	27,101,000	6,330,000	-	122,261,100
Bonds 2019 Series										
Principal	-	-	-	700,000	3,720,000	5,010,000	11,020,000	48,480,000	21,430,000	90,360,000
Interest	4,460,878	4,511,000	4,511,000	4,511,000	4,483,000	21,085,000	19,271,000	15,037,000	1,071,500	78,941,378
Bonds 2019 Series, Taxable										
Principal	-	310,000	770,000	2,655,000	-	-	-	-	-	3,735,000
Interest	78,867	79,754	73,399	57,614	-	-	-	-	-	289,633
Total Principal	9,185,475.50	10,297,397.00	11,564,559.20	12,939,702.80	14,229,280.00	65,515,000.00	84,625,000.00	110,125,000.00	21,430,000.00	339,911,414
Total Interest	17,488,713	17,104,038	16,622,533	16,089,178	15,258,596	64,166,316	46,372,000	21,367,000	1,071,500	215,539,874
Total Requirements	\$ 26,674,188	\$ 27,401,435	\$ 28,187,092	\$ 29,028,881	\$ 29,487,876	\$ 129,681,316	\$ 130,997,000	\$ 131,492,000	\$ 22,501,500	\$ 555,451,289

Advance Refunding of Debt

The District has defeased certain general obligation bonds by placing the proceeds of refunding issues in an irrevocable trust to provide for all future debt service payments on the retired bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. On June 30, 2019, \$20,340,000 of bonds outstanding is considered defeased.

M. FUND BALANCE CONSTRAINTS

The specific purposes for each of the categories of fund balance as of June 30, 2019 are as follows:

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				Special Revenue	
Fund Balances:	General Fund	Debt Service	Capital Projects	Funds	Total
<u>Nonspendable:</u>					
Prepaid & Inventory	\$ 1,889	\$ -	\$ -	\$ 176,474	\$ 178,362
<u>Restricted:</u>					
Long Term Debt					
General obligation debt	-	727,450	-	-	727,450
Full faith and credit debt	-	305,225	-	-	305,225
Pension bond debt	-	52,586	-	-	52,586
Construction excise tax					
agreements	-	-	7,197,517	-	7,197,517
Construction projects per ballot title	-	-	219,530,049	-	219,530,049
School donation accounts	-	-	-	564,397	564,397
Transportation equipment	-	-	-	287,964	287,964
Food service programs	-	-	-	755,381	755,381
Scrip purchases	-	-	-	601,632	601,632
Grants	-	-	-	1,023,064	1,023,064
Student body funds	-	-	-	1,610,747	1,610,747
	-	1,085,261	226,727,566	4,843,185	232,656,012
<u>Committed to:</u>					
Facility acquisition, land purchases, and leases	-	-	5,838,346	-	5,838,346
Consumables related to prior textbook adoptions	-	-	-	670,999	670,999
ESD programs and related services	-	-	-	1,360,834	1,360,834
School savings accounts	-	-	-	536,685	536,685
Facility use and parking lots	-	-	-	833,380	833,380
Educational programs	-	-	-	667,192	667,192
	-	-	5,838,346	4,069,090	9,907,436
<u>Assigned to:</u>					
Appropriation of fund balance	8,195,866	-	-	-	8,195,866
Unassigned:	19,767,187	-	-	-	19,767,187
Total Fund Balances	\$ 27,964,941	\$ 1,085,261	\$ 232,565,913	\$ 9,088,749	\$ 270,704,864

N. INTERFUND RECEIVABLES AND PAYABLES

The composition of due to/due from balances as of June 30, 2019 is as follows:

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	Interfund Payable	Interfund Receivable
	Due To	Due From
General Fund	\$ -	\$ 321,682
Special Revenue Funds	<u>321,682</u>	<u>-</u>
Total	<u>\$ 321,682</u>	<u>\$ 321,682</u>

Balances due to or due from funds occur between funds with separate checking or state investment pool accounts. All invoices are paid through the District's general checking account and funds are then transferred to/from the fund's pool account. Receipts are deposited into the District's general checking account and transfers are made to the various separate pool accounts. The due to/due from accounts exist because of timing delays in the transfers and grant expenditures claimed in the following year.

O. INTERFUND TRANSFERS

	Transfer In	Transfer Out
Governmental Funds		
General Fund	\$ -	\$ 309,516
Full Faith and Credit Debt Service Fund	505,382	
Capital Projects Fund	-	505,382
Special Revenue Funds	<u>1,228,426</u>	<u>918,909</u>
Total Governmental Funds	<u>\$1,733,808</u>	<u>\$ 1,733,808</u>

General fund transfers of \$141,530 was transferred from the General Fund to the State County Private Grants Fund for obligations to schools. \$167,986 was transferred to the Food Service Fund for as federal law does not allow the Food Service Fund to absorb the loss from the state Meal Provision Program that required the district to provide meals to students regardless of their ability to pay. \$505,382 was transferred from the Capital Projects Fund for payment of full faith and credit debt. School Associated Student Body (ASB) funds are required to transfer all funds for purchases of goods or services or payment of club funded activities and sports over \$50 to the District general fund. \$918,909 was transferred in the fiscal year for various purchases made by the general fund for the ASB fund.

P. SUPPLY INVENTORIES

The supply inventory balances at June 30, 2019, are as follows:

Food Service Fund	
Food and supply items	\$ 32,214
Value of commodities on hand	<u>54,832</u>
Total Food Service Fund	<u>87,045</u>
Scrip Service Center Fund	
Scrip on hand	<u>87,428</u>
Total inventory	<u>\$ 174,474</u>

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

Q. COMPENSATED ABSENCES

The District does not liquidate liability for compensated absences until leave is actually taken by the employee in the governmental funds. Accrued vacation leave is considered compensated absence. The fund used to liquidate the liability is the fund where the employee's salary was charged as it is used at termination. Of the balance, 91.7 percent reflects vacation salary charged to the General Fund. The liability is considered a current liability as vacation is given at the beginning of the fiscal year and must either be taken within the fiscal year or certain qualifying employees must request a payoff of the balance within one year following the fiscal year in which it was earned. Changes in compensated absences in the basic financial statement are as follows:

Balance at June 30, 2018	\$ 546,952
Increase in accumulated accrued compensated absences	91,807
Decrease in accumulated accrued compensated absences	<u>(72,505)</u>
Balance at June 30, 2019	<u><u>\$ 566,254</u></u>

R. TAX ABATEMENTS

As of June 30, 2019, Tigard-Tualatin School District provides tax abatements through three programs:

Vertical Housing (ORS 307.864):

- The partial property tax exemption for vertical housing development projects exempts the property from a portion of ad valorem property taxes imposed by local districts, other than districts electing not to participate in the vertical housing development zone.

The exemption percentage is equal to 20% of the taxes for one equalized floor allocated to residential housing, 40% for two equalized floors, 60% for three equalized floors, and 80% for four or more equalized floors. The exemption begins in the first tax year the project is occupied or ready for occupancy following certification under the program and for the next nine consecutive tax years.

Enterprise Zone (ORS 285C.175):

- The Oregon Enterprise Zone program is a State of Oregon economic development program established, that allows for property tax exemptions for up to five years. In exchange for receiving property tax exemption, participating firms are required to meet the program requirements set by state statute and the local sponsor.

The Enterprise Zone program allows industrial firms that will be making a substantial new capital investment a waiver of 100% of the amount of real property taxes attributable to the new investment for a 5-year period after completion. Land or existing machinery or equipment is not tax exempt; therefore, there is no loss of current property tax levies to local taxing jurisdiction.

Not-for-Profit Low Income Rental Housing (ORS 307.540 to 307.548):

- In 1985, Oregon legislature authorized a property tax exemption for low-income housing held by charitable, nonprofit organizations. The tax exemption is intended to benefit low-income renters by alleviating property tax burden on those agencies that provide this housing opportunity. The qualifying property must be located within the District.

Charitable, nonprofit organizations that provide housing to low-income persons are eligible. Organizations must be certified by the Internal Revenue Service as 501(c)(3) or (4). Organizations must own or have a leasehold interest in the property or participate in a partnership as long as the non-profit organization is responsible for the day-to-day management of the property. Applicants who are leaseholders must have a signed leasehold agreement by the application deadline.

Tigard-Tualatin School District 23J, Tigard, Oregon

Notes to Basic Financial Statements

June 30, 2019

Vacant land intended to be developed as low-income housing is also eligible for the exemption.

The property tax exemption applies only to the tax levy of a governing body that adopts the provisions of ORS 307.540 to 307.548.

For the fiscal year ended June 30, 2019, the District abated property taxes as follows under these programs:

Enterprise Zone	\$ 32,000
Nonprofit Corporation Low Income Housing	101,000
Vertical Housing	<u>58,000</u>
Total	<u>\$ 191,000</u>

S. PROPERTY TAX LIMITATIONS

The State of Oregon imposes a constitutional limit on property taxes for schools and non-school government operations. School operations include community colleges, local school districts and education service districts. The limitation provides that property taxes for school operations are limited to \$5 for each \$1,000 of property market value. This limitation does not apply to taxes levied for principal and interest on general obligation bonded debt. The District also may levy a local option tax within the constitutional limits of the state. The result of this requirement has been that school districts have become more dependent upon state funding and less dependent upon property tax revenues as their major source of operating revenue.

The state further reduced property taxes by replacing the previous constitutional limits on tax bases with a rate and value limit in 1997. This reduction is accomplished by rolling property values back to their 1995-96 values less 10 percent and limiting future tax value growth of each property to no more than 3 percent per year, subject to certain exceptions. Taxes levied to support bonded debt are exempted from the reductions. The state constitution sets restrictive voter approval requirements for most tax and many fee increases and new bond issues, and requires the state to minimize the impact to school districts from the impact of the tax cuts.

T. CONTINGENCIES

Federal and State grants are subject to audit by the grantor agencies and any adjustments may become a liability of the appropriate fund. Management believes that adjustments, if any, will not materially affect the District's results of operations or financial position.

The District receives a substantial portion of its operating funds from the State of Oregon. State funding is determined by state wide revenue projections that are paid to individual school districts based on pupil counts and other factors in the state school fund revenue formula. Since these projections and pupil counts fluctuate, they can cause the District to have either increases or decreases in revenue. Due to these future economic uncertainties at the state level, the effect on the District's operations cannot be determined.

U. SUBSEQUENT EVENTS

The Scrip Service Fund closed with a sale of inventory in July 2019. Any residual inventory was transferred to the General Fund and the fund balance remaining will be used for district programs and will not be restricted.

In August 2019, the District entered into a re-negotiated commercial lease agreement with Broadway Rose Theater Company (BRTC) for the lease of the Charles F. Tigard Multipurpose Building to BRTC. Lease payments remain \$1 per year and all District-approved capital improvements to the premises. The lease term is five years with the option for five five-year renewals.

In November 2019, the District and classified employee union ratified a three-year collective bargaining agreement effective July 1, 2019.

Required Supplementary Information

Notes to Required Supplementary Information

1. No budgetary expenditures were in excess of appropriations during the year.
2. The budgetary basis of accounting for all funds is modified accrual, which is the same as that required by generally accepted accounting principles. Accordingly, no reconciliation of budgetary to generally accepted accounting principles activity is required.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Required Supplementary Information

Oregon Public Employees Retirement System (PERS)
For the fiscal year ended June 30, 2019

Schedule of the proportionate share of the net pension liability

Year Ended June 30,	(a) Employer's proportion of the net pension liability (NPL)	(b) Employer's proportion 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
2019	0.82 %	\$ 123,734,963	\$ 74,681,204	165.7 %	82.1 %
2018	0.79 %	\$ 107,062,705	\$ 68,066,024	157.3 %	83.1 %
2017	0.84 %	\$ 126,576,120	\$ 63,017,760	200.9 %	80.5 %
2016	0.93 %	\$ 53,557,423	\$ 58,462,876	91.6 %	91.9 %
2015	0.99 %	\$ (22,549,161)	\$ 55,583,469	(40.6) %	103.6 %
2014	0.99 %	\$ 50,765,839	\$ 56,236,916	90.3 %	92.0 %

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are 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 the years for which the required supplementary information is available.

Schedule of contributions

	Statutorily required contribution	Contributions in relation to the statutorily required contribution	Contribution deficiency (excess)	Employer's covered payroll	Contributions as a percent of covered payroll
2019	\$ 14,315,591	\$ 14,315,591	\$ -	\$ 77,817,833	18.4 %
2018	\$ 14,077,225	\$ 14,077,225	\$ -	\$ 74,681,204	18.8 %
2017	\$ 9,730,018	\$ 9,730,018	\$ -	\$ 68,066,024	14.3 %
2016	\$ 9,879,137	\$ 9,879,137	\$ -	\$ 63,017,760	15.7 %
2015	\$ 10,481,174	\$ 10,481,174	\$ -	\$ 58,462,876	17.9 %
2014	\$ 9,995,572	\$ 9,995,572	\$ -	\$ 55,583,469	18.0 %

The amounts presented for each fiscal year were actuarial determined at 12/31 and rolled forward to the measurement date.

These schedules are 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 the years for which the required supplementary information is available.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Required Supplementary Information

**SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY - RHIA
AND RELATED RATIOS STIPEND BENEFITS**

For the Year Ended June 30

Schedule of changes in the total OPEB liability

Year ended	Service Cost	Difference Between Expected and Actual		Difference Between Projected and Actual		Employer Actual Contributions	Change in Employer Proportion	Employer Total Expense
		Experience	Assumptions	Investment Earnings				
June 30								
2019	\$ -	\$ (42,760)	\$ (2,394)	\$ (162,669)	\$ (342,018)	\$ (4,213)	\$ 72,786	
2018	\$ -	\$ -	\$ -	\$ (126,546)	\$ (325,946)	\$ (1,431)	\$ 937	

Schedule of total OPEB liability and related ratios

Year ended	Total OPEB liability beginning (asset)	Net change in total OPEB liability (asset)		Total OPEB liability (asset) ending	Covered payroll	Total OPEB liability as a percentage of covered payroll	Discount Rate
		OPEB liability (asset)	Total OPEB liability (asset) ending				
June 30							
2019	\$ (273,233)	\$ (481,268)	\$ (754,501)	\$ 74,681,204	-1.01%	7.20%	
2018	\$ 179,753	\$ (452,986)	\$ (273,233)	\$ 68,066,024	-0.40%	7.50%	

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Required Supplementary Information

**Schedule of Net OPEB Liability
Early Retirement Health Insurance
For the Year Ended June 30**

Fiscal Year	Fiduciary Net	Total OPEB	Net OPEB		Covered	NOL as Percentage of Covered
End Date	Postion	Libialbity	Liability	Funded Ratio	Payroll	Payroll
6/30/2017	\$ 1,987,563	\$ 9,489,757	\$ 7,502,194	21%	\$ 65,009,763	12%
6/30/2018	\$ 2,417,083	\$ 9,311,641	\$ 6,894,558	26%	\$ 67,285,105	10%
6/30/2019	\$ 2,503,231	\$ 8,249,919	\$ 5,746,688	30%	\$ 69,640,084	8%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON
Required Supplementary Information

**SCHEDULE OF CHANGES IN OTHER POST-EMPLOYMENT BENEFITS (OPEB) LIABILITY
AND RELATED RATIOS STIPEND BENEFITS
For the Year Ended June 30**

	2018	2019
Total OPEB Liability at June 30	\$ 654,237	\$ 559,593
Changes for the year:		
Service Cost	12,684	13,128
Contributions		(181,156)
Interest on Total Pension Liability	18,523	17,557
Change in Assumptions	89,174	
Interest	21,142	(3,486)
Differences Between Expected and Actual Income		(6,080)
Differences Between Expected and Actual Experience	(235,876)	
Changes of Assumptions or Other Input	(2,434)	
Experience Gain or Loss	2,143	
Benefit Payments		
Net Changes for the Year	(94,644)	(160,037)
Total OPEB Liability at June 30	<u>\$ 559,593</u>	<u>\$ 399,556</u>
Covered Payroll	\$ 3,050,913	\$ 3,157,695
Net Single Employer Pension Plan as a Percentage of Covered Payroll	18.34%	12.65%

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73 and GASB 75 in the fiscal year ending June 30, 2018.

Note: This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full year trend has been compiled, information is presented for the years for which the required supplementary schedule information is available. The District implemented GASB 73/75 in the fiscal year ending June 30, 2018.

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Required Supplementary Information**General Fund - Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2019*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Taxes - regular	\$ 54,641,000	\$ 54,641,000	\$ 56,938,509	\$ 2,297,509
Taxes - local option	8,900,600	8,900,600	9,463,320	562,720
Local sources	1,113,065	1,113,065	1,797,844	684,779
Intermediate sources	1,980,000	1,980,000	1,509,693	(470,307)
State sources	68,598,331	68,598,331	69,866,394	1,268,063
Federal sources	-	-	19,811	19,811
Investment earnings	1,000,000	1,000,000	1,489,495	489,495
Total revenues	136,232,996	136,232,996	141,085,066	4,852,070
Expenditures				
Current				
Instruction	91,865,597	91,696,489	88,795,644	2,900,845
Support services	50,451,686	50,550,794	49,018,725	1,532,069
Community services	214,753	284,753	260,245	24,508
Operating contingency	3,923,660	3,803,660	-	3,803,660
Total expenditures	146,455,696	146,335,696	138,074,615	8,261,081
Excess (deficiency) of revenues over (under) expenditures	(10,222,700)	(10,102,700)	3,010,451	13,113,151
Other financing sources (uses)				
Transfers out	(219,000)	(339,000)	(309,516)	29,484
Total other financing sources (uses)	(219,000)	(339,000)	(309,516)	29,484
Net change in fund balances	(10,441,700)	(10,441,700)	2,700,935	13,142,635
Fund balance, beginning of year	24,940,000	24,940,000	25,264,006	324,006
Fund balance, end of year	\$ 14,498,300	\$ 14,498,300	\$ 27,964,941	\$ 13,466,641

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Required Supplementary Information**Special Revenue Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance-Budget and Actual
Year Ended June 30, 2019*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Local sources	\$ 9,105,155	\$ 9,145,424	\$ 6,310,681	\$ (2,834,743)
Intermediate sources	3,124,636	3,124,636	3,233,312	108,676
State sources	5,838,000	5,838,000	3,793,686	(2,044,314)
Federal sources	8,928,500	8,888,231	7,378,089	(1,510,142)
Investment earnings	17,703	17,703	27,742	10,039
Total revenues	27,013,994	27,013,994	20,743,511	(6,270,483)
Expenditures				
Current				
Instruction	14,770,792	14,770,792	9,412,940	5,357,852
Support services	11,858,001	11,708,001	6,449,849	5,258,152
Community services	6,531,223	6,531,223	4,962,198	1,569,025
Transits to other School Districts	300,000	450,000	444,820	5,180
Total expenditures	33,460,016	33,460,016	21,269,807	12,190,209
Excess (deficiency) of revenues over (under) expenditures	(6,446,022)	(6,446,022)	(526,296)	5,919,726
Other financing sources (uses)				
Transfers in	1,994,000	1,994,000	1,233,426	(760,574)
Transfers out	(1,750,000)	(1,750,000)	(918,909)	831,091
Sale of Asset	-	-	3,679	3,679
Total other financing sources (uses)	244,000	244,000	318,195	74,195
Net change in fund balance	(6,202,022)	(6,202,022)	(208,101)	5,993,921
Fund balance, beginning of year	8,457,022	8,457,022	9,296,849	839,827
Fund balance, end of year	\$ 2,255,000	\$ 2,255,000	\$ 9,088,749	\$ 6,833,749

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Supplementary Information

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*General Obligation Bond Debt Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual Year Ended June 30, 2019*

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Taxes - regular	\$ 19,671,300	\$ 19,671,300	\$ 20,273,380	\$ 602,080
Investment earnings	<u>100,000</u>	<u>100,000</u>	<u>225,910</u>	<u>125,910</u>
Total revenues	<u>19,771,300</u>	<u>19,771,300</u>	<u>20,499,290</u>	<u>727,990</u>
Expenditures				
Current				
Debt service	<u>19,961,300</u>	<u>19,961,300</u>	<u>19,959,476</u>	<u>1,824</u>
Net change in fund balance	(190,000)	(190,000)	539,814	729,814
Fund balance, beginning of year	<u>190,000</u>	<u>190,000</u>	<u>187,636</u>	<u>(2,364)</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 727,450</u>	<u>\$ 727,450</u>

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Full Faith and Credit and Lease Obligation Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2019*

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Local sources	<u>\$ 1,020,511</u>	<u>\$ 1,020,511</u>	<u>\$ 1,067,965</u>	<u>\$ 47,454</u>
Expenditures				
Current				
Debt service	<u>1,522,900</u>	<u>1,522,900</u>	<u>1,521,975</u>	<u>925</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(502,389)</u>	<u>(502,389)</u>	<u>(454,010)</u>	<u>48,379</u>
Other financing sources (uses)				
Transfers in	<u>505,410</u>	<u>505,410</u>	<u>505,382</u>	<u>(28)</u>
Net change in fund balance	<u>3,021</u>	<u>3,021</u>	<u>51,372</u>	<u>48,351</u>
Fund balance, beginning of year	<u>253,260</u>	<u>253,260</u>	<u>253,853</u>	<u>593</u>
Fund balance, end of year	<u><u>\$ 256,281</u></u>	<u><u>\$ 256,281</u></u>	<u><u>\$ 305,225</u></u>	<u><u>\$ 48,944</u></u>

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Pension Bond Series 2007 Debt Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual**Year Ended June 30, 2019*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Local sources	\$ 3,652,100	\$ 3,652,100	\$ 3,623,366	\$ (28,734)
Investment earnings	<u>-</u>	<u>-</u>	<u>47,875</u>	<u>47,875</u>
Total revenues	<u>3,652,100</u>	<u>3,652,100</u>	<u>3,671,241</u>	<u>19,141</u>
Expenditures				
Current				
Debt service	<u>3,652,100</u>	<u>3,652,100</u>	<u>3,652,062</u>	<u>38</u>
Total expenditures	<u>3,652,100</u>	<u>3,652,100</u>	<u>3,652,062</u>	<u>38</u>
Net change in fund balance	-	-	19,179	19,179
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>33,407</u>	<u>33,407</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 52,586</u>	<u>\$ 52,586</u>

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Capital Projects Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2019*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Construction Excise Tax	\$ 1,000,000	\$ 1,000,000	\$ 887,556	\$ (112,444)
Investment earnings	<u>193,000</u>	<u>193,000</u>	<u>3,057,501</u>	<u>2,864,501</u>
Total revenues	<u>1,193,000</u>	<u>1,193,000</u>	<u>3,945,057</u>	<u>2,752,057</u>
Expenditures				
Current				
Facilities acquisition and construction	<u>167,751,931</u>	<u>167,751,931</u>	<u>101,084,277</u>	<u>66,667,654</u>
Excess (deficiency) of revenues over (under) expenditures	(166,558,931)	(166,558,931)	(97,139,220)	69,419,711
Other financing sources (uses)				
Transfers out	(505,410)	(505,410)	(505,382)	28
Bond proceeds	<u>-</u>	<u>-</u>	<u>112,314,949</u>	<u>112,314,949</u>
Total other financing sources (uses)	<u>(505,410)</u>	<u>(505,410)</u>	<u>111,809,567</u>	<u>112,314,977</u>
Net change in fund balance	(167,064,341)	(167,064,341)	14,670,347	181,734,688
Fund balance, beginning of year	<u>223,126,926</u>	<u>223,126,926</u>	<u>217,895,566</u>	<u>(5,231,360)</u>
Fund balance, end of year	<u>\$ 56,062,585</u>	<u>\$ 56,062,585</u>	<u>\$ 232,565,913</u>	<u>\$ 176,503,328</u>

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Internal Service Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2019*

	<u>Adopted Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance with Final Budget Positive (Negative)</u>
Revenues				
Local sources	<u>\$ 153,700</u>	<u>\$ 153,700</u>	<u>\$ 329,117</u>	<u>\$ 175,417</u>
Expenditures				
Current				
Instruction	708,700	708,700	(0)	708,700
Support services	1,068,600	1,068,600	-	1,068,600
Community services	<u>218,000</u>	<u>218,000</u>	<u>-</u>	<u>218,000</u>
Total expenditures	<u>1,995,300</u>	<u>1,995,300</u>	<u>(0)</u>	<u>1,995,300</u>
Net change in fund balance	(1,841,600)	(1,841,600)	329,117	2,170,717
Fund balance, beginning of year	<u>1,841,600</u>	<u>1,841,600</u>	<u>1,979,480</u>	<u>137,880</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,308,597</u>	<u>\$ 2,308,597</u>

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON*Early Retirement and Scholarship Fund**Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
Year Ended June 30, 2019*

	Adopted Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Local sources	\$ 1,095,000	\$ 1,095,000	\$ 1,123,517	\$ 28,517
Investment Earnings	<u>30,000</u>	<u>30,000</u>	<u>64,760</u>	<u>34,760</u>
Total revenues	<u>1,125,000</u>	<u>1,125,000</u>	<u>1,188,277</u>	<u>63,277</u>
Expenditures				
Current				
Support services	<u>1,826,575</u>	<u>1,826,575</u>	<u>1,080,155</u>	<u>746,420</u>
Excess (deficiency) of revenues over (under) expenditures	(701,575)	(701,575)	108,122	809,697
Other financing sources (uses)				
Transfers out	<u>(25,000)</u>	<u>(25,000)</u>	<u>(5,000)</u>	<u>20,000</u>
Net change in fund balance	(726,575)	(726,575)	103,122	829,697
Fund balance, beginning of year	<u>2,017,000</u>	<u>2,017,000</u>	<u>2,738,187</u>	<u>721,187</u>
Fund balance, end of year	<u>\$ 1,290,425</u>	<u>\$ 1,290,425</u>	<u>\$ 2,841,309</u>	<u>\$ 1,550,884</u>

TIGARD-TUALATIN SCHOOL DISTRICT 23J, TIGARD, OREGON

Supplementary Information - Other Financial Schedules

Schedule of Property Tax Transactions

Year Ended June 30, 2019

	Tax Year	Current Levy and Uncollected July 1, 2018	Discounts Allowed	Interest	Adjustments	Collections	Uncollected June 30, 2019
<u>General Fund:</u>							
Current	2018-2019	\$ 67,003,341	\$ (1,833,969)	\$ 14,446	\$ (188,319)	\$ (64,311,263)	\$ 684,235
Prior	2017-2018	683,997	6,703	28,072	102,717	(626,512)	194,977
	2016-2017	580,251	(3,879)	20,327	(236,262)	(251,943)	108,495
	2015-2016	369,982	(2,548)	19,146	(174,636)	(162,809)	49,135
	2014-2015	298,363	(5,982)	9,918	(56,041)	(228,713)	17,545
	2013-2014	223,891	(5,546)	1,416	(26,986)	(182,685)	10,090
	2013 and prior	697,662	(18,820)	5,896	(23,282)	(614,380)	47,076
Total Prior		2,854,147	(30,072)	84,776	(414,491)	(2,067,042)	427,318
Total General Fund		<u>\$ 69,857,488</u>	<u>\$ (1,864,041)</u>	<u>\$ 99,222</u>	<u>\$ (602,810)</u>	<u>\$ (66,378,306)</u>	<u>\$ 1,111,553</u>

Reconciliation to revenue:

Cash collections by county treasurers above	\$ 66,378,306
Payments in lieu of taxes	13,192
Penalty and interest on property taxes	68,600
Accrual of current receivables:	
6/30/18	(242,582)
6/30/19	184,313
Total revenues	<u>\$ 66,401,829</u>

Debt Service Fund:

Current	2018-2019	\$ 20,518,330	\$ (561,620)	\$ 4,172	\$ (57,668)	\$ (19,693,960)	\$ 209,254
Prior	2017-2018	211,720	2,070	8,161	(86,873)	(193,792)	(58,715)
	2016-2017	149,037	(996)	4,855	58,089	(64,705)	146,280
	2015-2016	97,046	(669)	4,622	(45,727)	(42,710)	12,562
	2014-2015	79,187	(1,588)	2,398	(14,827)	(60,697)	4,473
	2013-2014	59,397	(1,472)	348	(7,137)	(48,456)	2,680
	2013 and prior	186,915	(5,043)	1,493	(6,245)	(164,558)	12,562
Total Prior		783,302	(7,696)	21,877	(102,721)	(574,919)	119,843
Total Debt Service Fund		<u>\$ 21,301,632</u>	<u>\$ (569,316)</u>	<u>\$ 26,049</u>	<u>\$ (160,389)</u>	<u>\$ (20,268,878)</u>	<u>\$ 329,098</u>

Reconciliation to revenue:

Cash collections by county treasurers above	\$ 20,268,878
Payments in lieu of taxes	3,798
Penalty and interest on property taxes	18,411
Accrual of current receivables:	
6/30/18	(72,975)
6/30/19	55,267
Total revenues	<u>\$ 20,273,380</u>

Tigard Tualatin School District 23J
Schedule of Expenditures of Federal Awards
Year ended June 30, 2019

Federal Grantor/Pass Through Grantor						
Program Title	Federal CFDA Number	Pass Through Entity Number	Grant Period	Expenditures	Pass Through to Sub-Recipients	
U.S. DEPARTMENT OF EDUCATION						
Federal Direct						
TRIO - Upward Bound	84.047A	N/A	9/01/18-8/31/19	139,481		
TRIO - Upward Bound	84.047A	N/A	9/01/17-8/31/18	117,710	1,500	
				257,191	1,500.00	
Passed through State Department of Education						
Title I Grants to Local Education Agencies	84.010A	45712	7/01/18-9/30/19	1,627,474	37,772	
Title I Grants to Local Education Agencies	84.010A	41176	7/01/17-9/30/18	342,597	2,481	
				1,970,071	(1) 40,253	
Special Education Grants to States (IDEA, Part B)	84.027A	45274	7/14/18-9/30/20	1,811,081	80,292	
Special Education Grants to States (IDEA, Part B)	84.027A	41637	7/14/17-9/30/19	125,053	3,898	
Special Education Grants to States (IDEA, Part B)	84.027A	46560	10/1/18-9/30/19	8,277	6,960	
Special Education Grants to States (IDEA, Part B)	84.027A	44514	8/01/17-9/30/18	3,373	109	
Special Education Grants to States (IDEA, Part B)	84.027A	49632	1/01/18-6/30/19	8,594	6,448	
Special Education Grants to States (IDEA, Part B)	84.027A	49195	7/01/18-6/30/19	1,648	1,648	
Special Education Preschool Grants (IDEA Preschool)	84.173	50206	7/01/18-9/30/20	10,237	10,237	
				1,968,264	109,593	
English Language Acquisition State Grants	84.365A	50289	7/01/18- 9/30/19	131,483	-	
				131,483	-	
Title IIA Improving Teacher Quality State Grants	84.367A	45927	7/01/17- 9/30/18	79,349	62,955	
Title IIA Improving Teacher Quality State Grants	84.367A	49425	7/01/18- 9/30/19	236,518	11,573	
				315,867	74,528	
Title IVA Student Support and Academic Enrichment	84.424	47841	7/01/18- 9/30/18	40,976		
Title IVA Student Support and Academic Enrichment	84.424	50841	7/01/18- 9/30/19	11,830	9,000	
				52,806	9,000	
Foster Care Title IV-E	93.658	47553	7/01/17- 6/30/19	18,739	-	
Passed through Oregon Department of Human Services						
Child Care and Development Block Grant	93.575	156244	1/01/18-6/30/19	51,472		
Vocational Rehabilitational State Grants	84.126A	154944	7/01/17-6/30/19	124,620	-	
				176,092		
Total U.S. Department of Education				4,890,512	234,874	
Passed through Portland State University						
Computer and Information Science and Engineering	47.070	207HOO591	7/01/16-9/30/18	3,625	-	
				3,625	-	
Passed through County of Washington Human Services						
Prevention and Treatment of Substance Abuse	93.959	17-0797	7/1/17-6/30/19	1,112	-	
Total Washington County Federal HHS				1,112		

Tigard Tualatin School District 23J
Schedule of Expenditures of Federal Awards
Year ended June 30, 2019

Federal Grantor/Pass Through Grantor					
Program Title	Federal CFDA Number	Pass Through Entity Number	Grant Period	Expenditures	Pass Through to Sub-Recipients
U.S. DEPARTMENT OF HEALTH & HUMAN SERVICES					
Substance Abuse and Mental Health Services_Projects	93.243	N/A	09/30/17-9/29/18	7,892	2,034
Substance Abuse and Mental Health Services_Projects	93.243	N/A	09/30/18-9/29/19	<u>34,943</u>	<u>2,407</u>
Total U.S. Department of Health & Human Services				<u>42,835</u>	<u>4,441</u>
U.S. DEPARTMENT OF AGRICULTURE					
Passed through State Department of Education					
National School Lunch Breakfast	10.553	N/A		494,593	
National School Lunch	10.555	N/A		1,906,696	
Summer Food	10.559	N/A		55,589	
SAE-National School Lunch Admin	10.560	N/A		<u>1,867</u>	
Total Child Nutrition				2,458,744	
Schools and Roads - Grants to States	10.665	N/A		<u>1,072</u>	
Total U.S. Department of Agriculture				<u>2,459,816</u>	
Total Expenditure of Federal Awards				<u>\$7,397,900</u>	<u>\$239,315</u>

(1) Major Programs

The accompanying schedule of expenditures of federal awards includes the federal grant activity and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Federal Uniform Guidance. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

STATISTICAL SECTION

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.

Contents

Page

Financial Trends

100-103

These schedules contain trend information to help the reader understand how the District's financial performance and wellbeing have changed over time.

Revenue Capacity

104-107

These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.

Debt Capacity

108-111

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.

Demographic and Economic Information

112-113

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

114-117

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.

Schedule 1
Tigard-Tualatin School District No. 23J
Condensed Statement of Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Governmental activities										
Net Position										
Net investment in capital assets	\$ 54,284,256	\$ 57,204,175	\$ 50,751,857	\$ 70,455,492	\$ 78,293,177	\$ 85,813,660	\$ 91,663,673	\$ 106,426,011	\$ 109,142,927	\$ 114,439,030
Restricted	8,376,146	6,259,546	19,524,760	7,760,005	7,133,936	7,998,990	11,453,706	10,547,188	15,036,209	19,204,488
Unrestricted	<u>18,152,495</u>	<u>27,227,464</u>	<u>25,893,237</u>	<u>16,938,388</u>	<u>(51,760,448)</u>	<u>(14,268,560)</u>	<u>(49,027,810)</u>	<u>(62,040,983)</u>	<u>(70,504,580)</u>	<u>(74,606,055)</u>
Total Net Position	<u>\$ 80,812,895</u>	<u>\$ 90,691,186</u>	<u>\$ 96,169,855</u>	<u>\$ 95,153,885</u>	<u>\$ 33,666,665</u>	<u>\$ 79,544,090</u>	<u>\$ 54,089,570</u>	<u>\$ 54,932,216</u>	<u>\$ 53,674,556</u>	<u>\$ 59,037,463</u>

Note: The District began to report accrual information when it implemented GASB Statement 34 in 2003.
In FY12-13 GASB 63 created category of Net Position. All years prior to that were reported as Net Assets.
In FY14-15 the District implemented GASB 68 resulting in a restatement of the net position at June 30, 2014.

Schedule 2
Tigard-Tualatin School District No. 23J
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Expenses										
Governmental activities										
Instruction	\$ 74,634,671	\$ 76,562,686	\$ 78,589,575	\$ 78,124,127	\$ 78,159,522	\$ 62,345,966	\$ 118,757,908	\$ 101,212,195	\$ 103,409,091	\$ 107,550,544
Support Services	38,782,513	39,418,986	37,832,977	38,343,055	38,434,091	32,974,800	53,188,022	48,384,764	53,306,939	56,598,097
Enterprise and Community Services	4,780,025	4,414,330	4,819,796	4,765,111	4,550,104	4,085,471	5,646,959	5,240,949	5,024,696	5,427,111
Interest on long-term liabilities	6,929,301	6,648,362	6,710,338	6,295,299	5,991,255	5,599,435	5,118,801	6,527,310	11,791,388	11,587,174
Total expenditures	125,126,510	127,044,364	127,952,686	127,527,591	127,134,971	105,005,671	182,711,691	161,365,219	173,532,113	181,162,926
Program Revenues										
Governmental activities										
Charges for services										
Instruction	4,580,171	4,081,117	4,594,110	3,641,032	3,516,294	4,539,162	2,897,610	2,813,482	2,901,154	2,982,358
Support Services	657	54	35	54	-	-	-	-	-	-
Enterprise and Community Services	2,336,098	2,096,852	2,007,583	1,878,182	1,802,215	1,757,178	1,767,776	1,762,535	1,793,636	1,717,207
Operating grants and contributions	16,995,093	16,874,605	16,398,446	15,893,694	15,222,886	17,138,272	16,113,049	17,611,086	20,875,604	21,503,738
Capital grants and contributions	103,814	111,952	361,011	375,317	470,260	385,838	387,233	385,760	120,530	120,530
Total program revenues	24,015,833	23,164,580	23,361,185	21,788,279	21,011,655	23,820,450	21,165,668	22,572,863	25,690,924	26,323,833
Net (Expenditures)/Revenue	(101,110,677)	(103,879,784)	(104,591,501)	(105,739,312)	(106,123,316)	(81,185,221)	(161,546,023)	(138,792,356)	(147,841,189)	(154,839,093)
General Revenues										
Governmental activities										
Property taxes, levied for general purposes	46,146,630	48,059,574	47,258,052	46,410,671	48,573,446	53,023,648	55,671,956	58,504,873	61,684,267	66,401,829
Property taxes, levied for debt service	13,718,566	11,604,661	12,528,378	12,231,708	13,025,060	13,969,228	14,949,875	15,298,201	19,090,424	18,161,545
Federal aid not restricted to specific purposes	3,327,216	3,797,150	37,517	1,369	1,377	1,304	1,514	506	3,030	19,811
State aid not restricted to specific purposes	44,394,638	39,695,115	45,290,466	43,171,729	50,105,499	54,640,982	59,503,437	59,842,026	69,842,432	64,998,957
Intermediate aid not restricted to specific purposes	224,894	264,690	2,697,273	195,450	1,057,282	3,298,968	1,957,778	1,875,770	1,142,292	1,509,693
Earnings on investments	260,262	240,409	304,017	304,919	240,215	272,842	307,852	1,019,619	2,436,908	6,495,809
Recovery of prior year expenditures	152,911	285,314	151,501	189,487	219,514	286,180	706,103	777,271	396,340	513,168
Construction excise tax	321,081	394,274	742,975	1,261,618	613,791	545,339	1,823,933	1,125,335	1,254,662	887,556
Gain on sale of capital assets	-	8,239,782	-	-	1,853,804	-	145,200	156,531	1,146,702	-
Other local revenue	1,345,823	1,177,105	1,059,990	956,390	1,096,235	1,024,154	1,023,857	1,034,869	1,003,670	1,213,632
Loss on disposition capital assets	-	-	-	-	-	-	-	-	-	-
Total general revenues	109,892,022	113,758,075	110,070,170	104,723,342	116,786,222	127,062,645	136,091,505	139,635,001	158,000,727	160,201,999
Restatement of net position					(72,150,126)					
Change in Net Position-Governmental activities	<u>\$ 8,781,345</u>	<u>\$ 9,878,291</u>	<u>\$ 5,478,669</u>	<u>\$ (1,015,970)</u>	<u>\$ (61,487,220)</u>	<u>\$ 45,877,423</u>	<u>\$ (25,454,519)</u>	<u>\$ 842,646</u>	<u>\$ 10,159,537</u>	<u>\$ 5,362,906</u>

Note: The District began to report accrual information when it implemented GASB Statement 34 in 2003.
In FY12-13 GASB 63 created category of Net Position. All years prior to that were reported as Net Assets.
In FY14-15 the District implemented GASB 68 resulting in a restatement of the net position at June 30, 2014.

Schedule 3
Tigard-Tualatin School District No. 23J
Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
General fund										
Unreserved	\$ 13,091,027	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Nonspendable						3,456	3,725	3,000	40,594	1,889
Assigned			6,760,000	668,115	-	1,080,117	2,403,855	4,318,535	6,518,040	8,195,866
Unassigned	-	10,718,297	3,434,457	3,777,726	6,815,886	14,058,759	18,333,897	20,193,027	18,705,372	19,767,187
Total general fund	<u>\$ 13,091,027</u>	<u>\$ 10,718,297</u>	<u>\$ 10,194,457</u>	<u>\$ 4,445,841</u>	<u>\$ 6,815,886</u>	<u>\$ 15,142,332</u>	<u>\$ 20,741,477</u>	<u>\$ 24,514,562</u>	<u>\$ 25,264,006</u>	<u>\$ 27,964,941</u>
All other governmental funds										
Reserved, reported in:										
Special Revenue funds	\$ 10,153,275	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Capital Projects funds	2,480,968	-	-	-	-	-	-	-	-	-
Restricted, reported in:										
Debt Service funds (1)	624,184	-	-	-	-	-	-	-	-	-
Nonspendable	-	299,158	301,414	254,468	335,094	319,960	347,763	358,287	470,557	176,474
Restricted	-	5,825,299	19,139,501	13,626,923	8,758,904	8,758,053	11,173,838	238,358,048	216,806,345	232,656,012
Committed	-	14,075,776	13,576,514	10,409,607	11,145,748	10,432,420	10,157,119	9,608,234	10,390,409	9,907,436
Assigned	-	1,942,956	1,172,069	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 13,258,427</u>	<u>\$ 22,143,189</u>	<u>\$ 34,189,498</u>	<u>\$ 24,290,998</u>	<u>\$ 20,239,746</u>	<u>\$ 19,510,433</u>	<u>\$ 21,678,720</u>	<u>\$ 248,324,569</u>	<u>\$ 227,667,311</u>	<u>\$ 242,739,923</u>

(1) Starting in 2009-10-comprised of General Obligation Debt Service Funds and Other Debt Service Funds

(2) In 2010-11 the District implemented GASB 54 and fund balances were then reported in various categories based on the nature of the limitations requiring use of resources for specific purposes.

Schedule 4
Tigard-Tualatin School District No. 23J
Change in Fund Balances, Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Revenues										
Property and other taxes (1)	\$ 59,865,196	\$ 59,664,235	\$ 59,786,430	\$ 58,642,379	\$ 61,598,506	\$ 66,992,876	\$ 70,621,831	\$ 73,803,074	\$ 80,774,691	\$ 84,563,374
Local sources	12,705,739	13,076,347	13,298,682	13,857,708	14,554,703	15,131,020	14,086,791	13,572,826	16,229,620	14,156,961
Intermediate sources	2,410,883	2,457,514	5,009,835	2,289,347	3,400,832	5,508,732	4,364,029	4,629,286	3,971,511	4,743,005
State sources	48,169,891	43,579,834	49,128,595	47,666,900	54,248,446	59,259,105	63,833,598	65,485,824	77,935,591	73,660,080
Federal sources	12,896,195	13,094,060	8,780,889	7,628,627	7,111,120	7,561,425	7,560,443	7,696,999	7,891,972	7,397,900
Investment earnings	260,262	240,409	327,493	304,919	240,215	272,842	307,852	1,019,619	2,436,908	6,495,809
Total revenues	<u>136,308,166</u>	<u>132,112,399</u>	<u>136,331,923</u>	<u>130,389,880</u>	<u>141,153,822</u>	<u>154,726,000</u>	<u>160,774,544</u>	<u>166,207,628</u>	<u>189,240,292</u>	<u>191,017,129</u>
Expenditures										
Current										
Instruction	71,941,653	72,980,847	75,792,356	74,287,500	74,987,422	80,241,837	85,620,825	89,549,729	96,497,270	98,051,004
Support services	39,006,664	39,350,822	38,252,302	38,482,850	39,253,892	41,172,985	42,497,523	45,528,683	54,346,195	54,492,794
Community services	4,770,862	4,332,516	4,769,802	4,667,781	4,525,733	4,581,977	4,811,424	4,953,297	4,897,353	4,931,869
Facilities acquisition and construction										76,586,658
Transit payments to other school districts	289,525	244,600	271,245	262,237	340,208	517,468	353,567	435,091	249,454	444,820
Debt service										
Principal	11,709,288	9,398,359	10,206,975	11,337,662	11,886,827	13,502,290	12,212,209	17,694,834	13,096,692	11,636,712
Interest	6,306,397	6,640,948	7,540,003	6,802,764	6,337,224	5,874,903	5,285,364	4,750,282	11,267,891	13,496,801
Fees	60,585	-	-	-	1,450	-	-	-	-	-
Capital Outlay	95,132	399,589	8,633,768	10,196,204	5,502,272	1,237,407	2,226,201	4,874,144	28,793,252	25,921,554
Total expenditures	<u>134,180,105</u>	<u>133,347,681</u>	<u>145,466,451</u>	<u>146,036,997</u>	<u>142,835,028</u>	<u>147,128,866</u>	<u>153,007,113</u>	<u>167,786,059</u>	<u>209,148,106</u>	<u>285,562,211</u>
Excess (deficiency) of revenues over (under) expenditures	2,128,061	(1,235,282)	(9,134,528)	(15,647,117)	(1,681,206)	7,597,133	7,767,431	(1,578,431)	(19,907,814)	(94,545,082)
Other financing sources (uses)										
Payment to escrow agent - refunding	(7,727,665)	-	-	-	-	-	-	-	-	-
Refunding bonds issued	8,418,452	-	-	-	-	-	-	-	-	-
Premium on refunded bonds	160,699	-	-	-	-	-	-	-	-	-
PERS UAL lump sum payment	-	-	-	-	-	-	-	-	-	-
Debt issuance	-	431,200	20,656,997	-	-	-	-	231,997,365	-	112,314,949
Proceeds from sale of capital assets	-	8,418,724	-	-	-	-	-	-	-	3,679
Transfers	5,000	4,000	-	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>856,486</u>	<u>8,853,924</u>	<u>20,656,997</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,997,365</u>	<u>-</u>	<u>112,318,628</u>
Net change in fund balances	<u>\$ 2,984,547</u>	<u>\$ 7,618,642</u>	<u>\$ 11,522,469</u>	<u>\$ (15,647,117)</u>	<u>\$ (1,681,206)</u>	<u>\$ 7,597,133</u>	<u>\$ 7,767,431</u>	<u>\$ 230,418,934</u>	<u>\$ (19,907,814)</u>	<u>\$ 17,773,546</u>
Debt service as a percentage of noncapital expenditures										
	13.5%	12.1%	13.0%	13.5%	13.4%	13.4%	11.6%	13.8%	13.7%	13.7%

(1) All tax revenue based on property taxes only

Schedule 5
Tigard-Tualatin School District No. 23J
Assessed Values of Taxable Property Last
Ten Fiscal Years

Fiscal Year Ending June 30	Assessed Value				Total Assessed Value (2)	Total Direct Rate*	Real Market Value (3)	Percentage Assessed Value to RMV
	Real Property	Personal Property	Manufactured Homes	Public Utility				
2009-10	\$ 7,778,117,030	\$ 363,094,511	\$ 13,379,749	\$ 264,972,950	\$ 8,419,564,240	7.678	\$ 12,854,966,295	65.50%
2010-11	\$ 7,998,204,627	\$ 346,461,144	\$ 10,772,240	\$ 262,597,900	\$ 8,618,035,911	7.372	\$ 12,003,059,695	71.80%
2011-12	\$ 7,973,684,470	\$ 330,698,285	\$ 8,449,180	\$ 259,196,860	\$ 8,572,028,795	7.440	\$ 11,125,702,072	77.05%
2012-13	\$ 8,430,145,355	\$ 337,916,591	\$ 7,292,790	\$ 250,744,886	\$ 9,026,099,622	7.409	\$ 11,084,320,310	81.43%
2013-14	\$ 8,751,907,112	\$ 344,717,809	\$ 7,692,290	\$ 250,131,520	\$ 9,354,448,731	7.406	\$ 11,626,065,057	80.46%
2014-15	\$ 9,106,549,619	\$ 371,515,944	\$ 8,764,280	\$ 292,212,000	\$ 9,779,041,843	7.464	\$ 12,856,078,221	76.07%
2015-16	\$ 9,525,208,748	\$ 394,480,147	\$ 11,560,020	\$ 284,585,900	\$ 10,215,834,815	7.463	\$ 13,656,863,025	74.80%
2016-17	\$ 9,900,650,943	\$ 406,718,744	\$ 17,184,150	\$ 279,106,388	\$ 10,603,660,225	7.451	\$ 15,107,588,519	70.19%
2017-18	\$ 10,383,525,489	\$ 422,249,122	\$ 12,905,580	\$ 297,012,964	\$ 11,115,693,155	7.765	\$ 16,724,672,328	66.46%
2018-19	\$ 10,897,583,960	\$ 446,712,747	\$ 15,055,960	\$ 268,651,400	\$ 11,628,004,067	7.754	\$ 18,226,550,313	63.80%

- (1) In May of 1997, Oregon voters approved Measure 50 which reduced property tax levies by local government for operations by about 17% statewide. It also reduced assessed value on individual properties to 1995-96 levels less 10%. Measure 50 also restricts future growth of assessed value of individual properties to 3% per year plus the value of any improvements. Bonded debt is exempt from Measure 50.
- (2) Assessed Valuation is the total dollar value placed on real and personal property as a basis for imposing taxes.
- (3) Real Market Value represents the amount of cash that could reasonably be expected by an informed seller from an informed buyer.

* Per \$1,000 of assessed value

Sources: Municipal Debt Advisory Commission, State of Oregon, Clackamas and Washington County Departments of Assessment and Taxation.

Schedule 6

Tigard-Tualatin School District No. 23J

Direct and Overlapping Property Tax Rates

Last Ten Fiscal Years

(rate per \$1,000 of assessed value)

District Direct Rates				
Fiscal Year	General Tax Permanent Rate	Local Option (1)	General Obligation Debt Service Bonds (2)	Total Direct Tax Rate
2010	\$ 4.989	\$ 1.000	\$ 1.689	\$ 7.678
2011	\$ 4.989	\$ 1.000	\$ 1.383	\$ 7.372
2012	\$ 4.989	\$ 1.000	\$ 1.451	\$ 7.440
2013	\$ 4.989	\$ 1.000	\$ 1.420	\$ 7.409
2014	\$ 4.989	\$ 1.000	\$ 1.417	\$ 7.406
2015	\$ 4.989	\$ 1.000	\$ 1.475	\$ 7.464
2016	\$ 4.989	\$ 1.000	\$ 1.473	\$ 7.463
2017	\$ 4.989	\$ 1.000	\$ 1.462	\$ 7.451
2018	\$ 4.989	\$ 1.000	\$ 1.776	\$ 7.765
2019	\$ 4.989	\$ 1.000	\$ 1.765	\$ 7.754

Overlapping Total Property Tax Rates															
Fiscal Year	Tigard		City of Tualatin	City of Tigard	Tualatin Valley RFPD	Washington County	Sherwood School District	Portland Community College	Tri-Met Service District	Metropolitan Service District	Lake				
	City of Durham	Tualatin School District									Oswego School District	Clackamas Community College	Clackamas County	City of Lake Oswego	City of Portland
2010	\$ 1.835	\$ 7.678	\$ 2.489	\$ 2.727	\$ 1.895	\$ 2.984	\$ 8.922	\$ 0.633	\$ 0.086	\$ 0.437	\$ 7.164	\$ 0.735	\$ 2.404	\$ 5.618	\$ 7.824
2011	\$ 1.807	\$ 7.372	\$ 2.532	\$ 2.722	\$ 1.883	\$ 2.980	\$ 8.883	\$ 0.636	\$ 0.088	\$ 0.409	\$ 6.900	\$ 0.718	\$ 2.404	\$ 5.580	\$ 7.808
2012	\$ 1.817	\$ 7.440	\$ 2.564	\$ 2.966	\$ 1.930	\$ 2.974	\$ 8.892	\$ 0.598	\$ 0.058	\$ 0.315	\$ 6.854	\$ 0.673	\$ 2.404	\$ 5.583	\$ 7.688
2013	\$ 1.845	\$ 7.409	\$ 2.559	\$ 2.954	\$ 1.915	\$ 2.970	\$ 8.819	\$ 0.665	\$ -	\$ 0.404	\$ 6.847	\$ 0.717	\$ 2.404	\$ 5.571	\$ 7.812
2014	\$ 1.845	\$ 7.406	\$ 2.548	\$ 2.945	\$ 1.906	\$ 2.968	\$ 8.821	\$ 0.734	\$ -	\$ 0.467	\$ 6.841	\$ 0.708	\$ 2.404	\$ 5.538	\$ 7.980
2015	\$ 1.831	\$ 7.464	\$ 2.535	\$ 2.931	\$ 1.891	\$ 2.838	\$ 8.819	\$ 0.722	\$ -	\$ 0.459	\$ 6.813	\$ 0.708	\$ 2.404	\$ 5.394	\$ 7.892
2016	\$ 1.689	\$ 7.463	\$ 2.516	\$ 2.932	\$ 2.108	\$ 2.838	\$ 8.529	\$ 0.586	\$ -	\$ 0.388	\$ 6.787	\$ 0.708	\$ 2.404	\$ 5.348	\$ 7.763
2017	\$ 1.639	\$ 7.451	\$ 2.506	\$ 2.898	\$ 2.098	\$ 2.959	\$ 8.678	\$ 0.679	\$ -	\$ 0.397	\$ 6.810	\$ 0.706	\$ 2.404	\$ 5.306	\$ 7.730
2018	\$ 1.662	\$ 7.765	\$ 2.496	\$ 2.871	\$ 2.078	\$ 2.958	\$ 9.143	\$ 0.605	\$ -	\$ 0.409	\$ 7.950	\$ 0.700	\$ 2.404	\$ 5.247	\$ 7.884
2019	\$ 1.118	\$ 7.754	\$ 2.886	\$ 2.863	\$ 2.084	\$ 2.958	\$ 8.952	\$ 0.687	\$ -	\$ 0.473	\$ 7.925	\$ 0.699	\$ 2.404	\$ 5.238	\$ 7.980

(1) Local option levy was renewed by the voters in November 2014 for the 2015-16 fiscal year through the 2019-20 fiscal year.

(2) General Obligation Debt Services Bonds have prior voter approval. All current General Obligation Debt has voter approval. Any new General Obligation Debt requires new voter approval.

Overlapping Debt is calculated by the State Treasurer by shared market value.

Source: Washington & Clackamas County Department of Assessment and Taxation.

Schedule 7
Tigard-Tualatin School District No. 23J
Principal Property Taxpayers Current Year
and Nine Years Ago

Taxpayers	2018-19			2009-10		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Pacific Realty Associates	\$ 282,446,431	1	2.43%	\$ 37,949,480	8	0.45%
Lam Research Corporation (Novellus)	169,707,186	2	1.46%	89,846,090	2	1.07%
BV Centercal LLC	146,849,444	3	1.26%	112,669,074	1	1.34%
Lincoln Center LLC	100,269,186	4	0.86%	81,321,200	3	0.97%
Portland General Electric Co	82,134,174	5	0.71%	51,202,000	5	0.61%
Pacific Foods of Oregon Inc	63,215,220	6	0.54%			0.00%
Northwest Natural Gas Co	49,384,000	7	0.42%	37,028,110	10	0.44%
Tuala Northeast LLC	48,711,020	8	0.42%			0.00%
Comcast Corporation	46,788,200	9	0.40%	48,116,300	6	0.57%
Icon Owner Pool 1 West LLC	45,882,210	10	0.39%	40,430,500	7	0.48%
Verizon Northwest Inc	-		-	77,105,200	4	0.92%
Walton Cwor Pakr BC 8 LLC	-		-	37,090,500	9	0.44%
Subtotal of ten largest Taxpayers	1,035,387,071		8.90%	612,758,454		7.28%
All Other Taxpayers	10,592,616,996		91.10%	7,806,805,786		92.72%
Total	\$ 11,628,004,067		100.00%	\$ 8,419,564,240		100.00%

Source: Washington & Clackamas County Department of Assessment and Taxation.

Schedule 8
Tigard-Tualatin School District No. 23J
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Net Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2009-10	\$ 61,467,672	\$ 58,118,360	94.6%	\$ 1,682,971	\$ 59,801,331	97.3%
2010-11	\$ 60,787,318	\$ 57,529,464	94.6%	\$ 1,119,571	\$ 58,649,035	96.5%
2011-12	\$ 61,102,542	\$ 58,111,872	95.1%	\$ 957,724	\$ 59,069,596	96.7%
2012-13	\$ 60,602,464	\$ 57,845,437	95.5%	\$ 1,859,462	\$ 59,704,899	98.5%
2013-14	\$ 63,263,087	\$ 60,179,613	95.1%	\$ 1,290,790	\$ 61,470,403	97.2%
2014-15	\$ 68,880,155	\$ 65,834,718	95.6%	\$ 1,142,791	\$ 66,977,509	97.2%
2015-16	\$ 72,490,241	\$ 69,268,420	95.6%	\$ 916,087	\$ 70,184,507	96.8%
2016-17	\$ 75,985,691	\$ 72,535,193	95.5%	\$ 798,510	\$ 73,333,703	96.5%
2017-18	\$ 83,575,152	\$ 79,792,154	95.5%	\$ 820,304	\$ 80,612,458	96.5%
2018-19	\$ 87,521,671	\$ 84,005,223	96.0%	\$ -	\$ 84,005,223	96.0%

Source: Washington and Clackamas County Departments of Assessment and Taxation and Tigard-Tualatin School District financial records.

Schedule 9
Tigard-Tualatin School District No. 23J
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years

Fiscal Year	General Obligation Bonds (3) (thousands of dollars)	Less Amount Available in Debt Service Fund (thousands of dollars)	Net Bonded Debt (thousands of dollars)	Percentage of Personal Income (2)	Percentage of Actual Value of Taxable Property (1)	Per Capita (2)
2009-10	\$ 82,645	\$ 624	\$ 82,021	2.76%	0.10%	\$ 1,098
2010-11	\$ 75,300	\$ 776	\$ 74,524	2.41%	0.09%	\$ 995
2011-12	\$ 86,895	\$ 729	\$ 86,166	2.53%	0.10%	\$ 1,091
2012-13	\$ 77,855	\$ 428	\$ 77,427	2.23%	0.09%	\$ 974
2013-14	\$ 70,059	\$ 149	\$ 69,910	1.89%	0.07%	\$ 865
2014-15	\$ 58,270	\$ 97	\$ 58,173	1.48%	0.06%	\$ 715
2015-16	\$ 47,910	\$ 2,454	\$ 45,456	1.11%	0.04%	\$ 560
2016-17	\$ 263,713	\$ 328	\$ 263,385	5.98%	0.25%	\$ 3,212
2017-18	\$ 255,333	\$ 188	\$ 255,145	5.79%	0.23%	\$ 3,057
2018-19	\$ 307,905	\$ 727	\$ 307,178	6.97%	0.26%	\$ 3,596

Notes: 2016-17 and 2017-18 percentages calculated using 2016 personal income data, which is the most recent available

(1) See Schedule 5 for property value data

(2) Population and personal income data can be found in Schedule 13

(3) General Obligation Bonds net of original issuance discounts and premiums

Schedule 10
Tigard-Tualatin School District No. 23J
Outstanding Debt by Type
Last Ten Fiscal Years
(dollars in thousands, except per capita and per student)

Fiscal Year	General Obligation Bonds	PERS UAL Bonds	Full Faith & Credit Obligations	Capital Lease Agreements	Issuance Premiums and Discounts	Total Primary Government	Percentage of Personal Income	Per Capita	Per Student
2009-10	\$ 82,645	\$ 39,135	\$ 11,125	\$ 1,663	\$ 858	\$ 135,427	0.15%	\$ 1,813	\$ 11,255
2010-11	\$ 75,300	\$ 38,590	\$ 10,732	\$ 1,327	\$ 503	\$ 126,452	0.14%	\$ 1,688	\$ 10,507
2011-12	\$ 86,895	\$ 37,915	\$ 9,547	\$ 976	\$ 730	\$ 136,063	0.15%	\$ 1,723	\$ 11,270
2012-13	\$ 77,855	\$ 37,100	\$ 8,371	\$ 669	\$ 2,643	\$ 126,638	0.14%	\$ 1,594	\$ 10,792
2013-14	\$ 68,000	\$ 36,135	\$ 7,565	\$ 409	\$ 2,059	\$ 114,167	0.12%	\$ 1,412	\$ 9,646
2014-15	\$ 56,730	\$ 35,005	\$ 6,733	\$ 139	\$ 1,540	\$ 100,146	0.10%	\$ 1,232	\$ 8,458
2015-16	\$ 46,785	\$ 33,695	\$ 5,914	\$ -	\$ 1,125	\$ 87,519	0.08%	\$ 1,078	\$ 7,056
2016-17	\$ 232,360	\$ 32,195	\$ 5,099	\$ -	\$ 31,353	\$ 301,007	0.26%	\$ 3,671	\$ 23,784
2017-18	\$ 226,360	\$ 30,480	\$ 4,283	\$ -	\$ 28,973	\$ 290,096	0.24%	\$ 3,476	\$ 23,189
2018-19	\$ 307,905	\$ 28,540	\$ 3,466	\$ -	\$ 48,538	\$ 388,449	0.29%	\$ 4,548	\$ 31,484

Sources: Center of Population Research & Census-Portland State University; Washington County; and Oregon Department of Education

Schedule 11
Tigard-Tualatin School District No. 23J
Direct and Overlapping Governmental Activities Debt
As of June 30, 2019

Governmental Unit	Outstanding Gross Property-tax Backed Debt Outstanding (1)	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City Of Portland	\$ 730,277,274	0.01%	\$ 86,173
City of Tigard	18,521,611	83.00%	15,372,604
City Of Tualatin	26,074,766	84.62%	22,064,545
Clackamas Community College	117,873,913	1.36%	1,597,781
Clackamas County	129,945,000	1.00%	1,295,292
Clackamas Soil & Water Conservation	6,815,000	1.00%	67,932
Metropolitan Service District	836,005,000	5.70%	47,644,761
Northwest Regional ESD	3,299,644	14.70%	485,170
Port of Portland	58,452,781	5.29%	3,090,106
Portland Community College	678,492,900	6.90%	46,804,476
Tualatin Hills Park & Rec District	76,498,613	0.01%	10,557
Tualatin Valley Fire & Rescue District	38,125,000	19.10%	7,281,074
Washington County	228,769,717	17.32%	<u>39,614,679</u>
Subtotal, overlapping debt			185,415,150
District direct debt			<u>388,449,492</u>
Total direct and overlapping debt			<u>\$ 573,864,642</u>

(1) Gross property-tax backed debt is all debt backed by a general fund pledge of the issuer. This includes bonds that may be paid by a source of revenue other than general tax monies.

Overlapping debt percentage is calculated by determining the percentage of real market value that the issuer shares between itself and another issuer. This data is provided to the Oregon Treasury annually to the Oregon Department of Revenue. Not all taxpayers of the District will reside in every overlapping governmental unit.

Source: Municipal Debt Advisory Commission, State of Oregon.

Schedule 12
Tigard-Tualatin School District No. 23J
Legal Debt Margin Information
Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2018-19

Real Market value	\$ 18,226,550,313
Debt limit (7.95% of real market value)	1,449,010,750
Debt applicable to limit	<u>307,905,000</u>
Legal Debt Margin	<u><u>\$ 1,141,105,750</u></u>

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19
Debt Limit	\$ 1,021,969,820	\$ 954,243,246	\$ 884,493,315	\$ 881,203,465	\$ 924,272,172	\$ 1,022,058,219	\$ 1,085,720,610	\$ 1,201,053,287	\$ 1,329,611,450	\$ 1,449,010,750
Total net debt applicable to limit	<u>82,645,000</u>	<u>75,300,000</u>	<u>86,895,000</u>	<u>77,855,000</u>	<u>68,000,000</u>	<u>56,730,000</u>	<u>46,785,000</u>	<u>232,360,000</u>	<u>226,360,000</u>	<u>307,905,000</u>
Legal debt margin	<u>\$ 939,324,820</u>	<u>\$ 878,943,246</u>	<u>\$ 797,598,315</u>	<u>\$ 803,348,465</u>	<u>\$ 856,272,172</u>	<u>\$ 965,328,219</u>	<u>\$ 1,038,935,610</u>	<u>\$ 968,693,287</u>	<u>\$ 1,103,251,450</u>	<u>\$ 1,141,105,750</u>
Total net debt applicable to the limit as a percentage of debt limit	8.09%	7.89%	9.82%	8.84%	7.36%	5.55%	4.31%	19.35%	17.02%	21.25%

Schedule 13
Tigard-Tualatin School District No. 23J
Demographics and Economic Statistics
Last Ten Calendar Years

Fiscal Year	Population (Estimated) (1)	Personal Income (thousands of dollars)	Per Capita Personal Income (2)	Unemployment Rate (3)
2009-10	74,710	\$ 2,976,671	\$ 39,843	10.2%
2010-11	74,899	\$ 3,093,478	\$ 41,302	9.5%
2011-12	78,970	\$ 3,403,844	\$ 43,103	8.2%
2012-13	79,455	\$ 3,474,408	\$ 43,728	7.6%
2013-14	80,845	\$ 3,702,216	\$ 45,794	6.1%
2014-15	81,310	\$ 3,937,193	\$ 48,422	5.4%
2015-16	81,175	\$ 4,098,445	\$ 50,489	5.2%
2016-17	81,995	\$ 4,407,313	\$ 53,751	3.9%
2017-18	83,455	a	a	3.8%
2018-19	85,420	a	a	3.9%

(1) Estimated population includes population estimates for the cities of Tigard, Tualatin, King City and Durham

(2) U.S. Dept of Commerce, Bureau of Economic Analysis

(3) Employment rate is based on US Dept of Labor figures for the Portland Metropolitan area at June 30, 2018

(a) Data for 2016-17 and 2017-18 was not available at time of printing

Sources: U.S. Department of Labor; Oregon Department of Human Resources, Employment Division for Washington County; Center of Population Research & Census-Portland State University; Oregon Department of Education; and U.S. Department of Commerce, Bureau of Economic Analysis

Schedule 14
Tigard-Tualatin School District No. 23J
Principal Employers
Current Year and Nine Years Ago

Employer	2018-19			2009-10		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
LAM Research Corporation (Novellus)	2,124	1	26.61%	400	8	6.08%
Tigard-Tualatin School District	1,382	2	17.31%	1,337	1	20.33%
Legacy Meridian Park Hospital	990	3	12.40%	823	3	12.52%
Nortek Air Solutions (CES Group LLC)	689	4	8.63%	-		0.00%
Pacific Foods of Oregon	681	5	8.53%	-		0.00%
Portland General Electric	478	6	5.99%	-		0.00%
United Parcel Services	448	7	5.61%	512	6	7.79%
Milgard Windows	439	8	5.50%	-		0.00%
Creganna Medical	376	9	4.71%	-		0.00%
Pacific Furniture Industries	375	10	4.70%	-		0.00%
HSBC Card Svc	-		0.00%	948	2	14.42%
Macy's/Meier & Frank	-		0.00%	704	4	10.71%
Nordstrom	-		0.00%	579	5	8.80%
GE Securities	-		0.00%	500	7	7.60%
Oregon PERS	-		0.00%	396	9	6.02%
Providence Health System	-		0.00%	377	10	5.73%
Total	7,982		100.00%	6,576		100.00%

Source: City of Tigard Adopted Budget, City of Tualatin Business Office and nonfinancial information from district records.

Schedule 15
Tigard-Tualatin School District No. 23J
Full-Time Equivalent District Employees by Type
Last Ten Fiscal Years

	2018-19	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10
Instruction										
Regular instruction	551	553	546	529	495	476	478	485	504	502
Special programs	245	250	253	239	229	222	235	229	225	236
Early childhood	-	2	-	-	-	-	-	-	-	-
Total direct classroom services	796	805	799	768	724	698	713	714	729	738
Support Services										
Students	90	87	75	75	78	74	74	72	72	71
Instructional staff	47	44	37	31	36	31	35	40	45	50
General administration	3	3	3	3	2	2	3	2	2	2
School administration	85	85	78	76	71	68	68	65	67	70
Business	2	17	16	16	16	16	16	15	16	16
Operations and maintenance of buildings	73	73	68	68	65	63	67	60	69	69
Student transportation	23	22	22	21	21	21	21	20	20	20
Central activities	21	19	18	17	10	11	14	12	13	14
Total classroom support services	344	350	317	307	299	286	298	286	304	312
Enterprise and Community Services										
Food services	33	32	30	29	29	30	28	33	30	29
Scrip services	-	2	2	2	2	2	2	2	2	2
Building use services	-	1	2	2	2	2	2	2	2	2
Other enterprise and community services	1	4	4	4	3	3	3	1	3	8
Total enterprise and community services	34	39	38	37	36	37	35	38	36	40
Facilities Acquisition and Construction	-	2	1	-	-	-	-	-	-	-
Total Full-Time Equivalent District Employees	1,174	1,196	1,155	1,112	1,059	1,021	1,046	1,038	1,069	1,091

Source: Nonfinancial information from district records

Schedule 16
Tigard-Tualatin School District No. 23J
Operating Statistics
Last Ten Fiscal Years

Fiscal Year	Enrollment (1)	Operating Expenditures	Cost per Pupil	Percentage Change	Expenses	Cost per Pupil	Percentage Change	Teaching Staff	Pupil-Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2009-10	12,686	\$ 115,719,179	\$ 9,122	0%	\$ 125,126,510	\$ 9,863	1%	672	18.9:1	34.0%
2010-11	12,688	\$ 116,664,185	\$ 9,195	1%	\$ 127,044,364	\$ 10,013	2%	673	18.9:1	36.0%
2011-12	12,691	\$ 118,812,460	\$ 9,362	2%	\$ 127,952,686	\$ 10,082	1%	644	19.7:1	37.9%
2012-13	12,641	\$ 117,438,131	\$ 9,290	-1%	\$ 127,527,591	\$ 10,088	0%	633	20.0:1	38.7%
2013-14	12,718	\$ 118,767,047	\$ 9,339	1%	\$ 127,134,971	\$ 9,996	-1%	629	20.2:1	37.7%
2014-15	12,676	\$ 125,996,799	\$ 9,940	6%	\$ 105,005,671	\$ 8,284	-17%	649	19.5:1	34.8%
2015-16	12,799	\$ 132,929,772	\$ 10,386	4%	\$ 182,711,691	\$ 14,275	72%	686	18.7:1	33.4%
2016-17	12,808	\$ 140,031,709	\$ 10,933	5%	\$ 161,365,219	\$ 12,599	-12%	708	18.1:1	32.6%
2017-18	12,890	\$ 155,740,818	\$ 12,082	11%	\$ 173,532,113	\$ 13,463	7%	727	17.7:1	29.6%
2018-19	12,701	\$ 158,899,602	\$ 12,511	4%	\$ 181,162,926	\$ 14,264	6%	725	17.5:1	29.4%

(1) Enrollment as of October 1st of the fiscal year.

Operating expenditures are total expenditures less debt service and capital outlays.

In 14-15 the District implemented GASB 68.

Source: Nonfinancial information from district records

Schedule 17
Tigard-Tualatin School District No. 23J
Teacher Base Salaries
Last Ten Fiscal Years

Fiscal Year	Minimum Salary	Maximum Salary	Statewide Average Salary
2009-10	\$ 35,227	\$ 70,953	\$ 55,343
2010-11	\$ 35,227	\$ 70,953	\$ 56,503
2011-12	\$ 35,438	\$ 71,379	\$ 57,080
2012-13	\$ 35,438	\$ 71,379	\$ 57,590
2013-14	\$ 35,704	\$ 71,914	\$ 58,165
2014-15	\$ 36,061	\$ 72,633	\$ 59,477
2015-16	\$ 37,143	\$ 74,812	\$ 60,407
2016-17	\$ 38,164	\$ 76,870	\$ 61,860
2017-18	\$ 39,500	\$ 79,560	\$ 63,086
2018-19	\$ 40,685	\$ 81,947	\$ 64,583

Note: 2010-11 Min/Max salary schedule is the same dollar amount as 2009-10 due to extended contract negotiations but includes two (2) fewer work days.
Source: State Dept. of Education

Schedule 18
Tigard-Tualatin School District No. 23J
School Building Information
Last Ten Fiscal Years

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>Building only</u> <u>Ins. Value</u> <u>2018-19</u>
<u>Elementary Schools</u>											
Alberta Rider (2006)								(1)	(1)		
Value	13,038,905	13,038,905	13,038,905	13,038,905	14,370,372	14,440,689	14,787,494	14,787,494	14,787,494	14,787,494	12,927,630
Square Feet	72,995	72,995	72,995	72,995	72,995	72,995	72,995	72,995	72,995	72,995	
Capacity	*624	*624	*624	*624	*624	*624	*624	*624	*624	*624	
Enrollment	582	579	579	601	624	591	587	595	559	558	
Bridgeport (1982)											
Value	4,445,741	4,445,741	4,445,741	4,542,707	4,542,707	4,542,707	4,542,707	4,549,322	4,549,322	4,549,322	8,914,114
Square Feet	66,193	66,193	66,193	66,193	66,193	66,193	66,193	66,193	66,193	66,193	
Capacity	*572	*572	*572	*572	*572	*572	*598	*598	*598	*598	
Enrollment	529	549	549	508	486	498	491	505	521	549	
Edward Byrom (1979)											
Value	3,460,823	3,460,823	3,460,823	3,742,032	3,757,775	3,757,775	3,763,316	3,763,316	3,763,316	3,763,316	9,100,784
Square Feet	61,275	61,275	61,275	61,275	61,275	61,275	61,275	61,275	61,275	61,275	
Capacity	*650	*650	*650	*650	*650	*650	*598	*598	*598	*598	
Enrollment	633	624	624	568	529	528	560	553	562	557	
Charles F. Tigard (2004)								(2)	(2)		
Value	10,662,995	10,662,995	10,662,995	10,662,995	10,668,932	10,668,932	10,668,932	10,668,932	10,668,932	10,668,932	15,184,115
Square Feet	76,444	76,444	76,444	76,444	76,444	76,444	76,444	76,444	76,444	76,444	
Capacity	*624	*624	*624	*624	*624	*624	*624	*624	*624	*624	
Enrollment	577	547	547	583	553	531	527	508	485	478	
Deer Creek (1997)											
Value	7,274,140	7,274,140	7,274,140	7,274,140	7,297,102	7,297,102	7,302,644	7,313,194	7,313,194	7,313,194	10,855,970
Square Feet	61,387	61,387	61,387	61,387	61,387	61,387	61,387	61,387	61,387	61,387	
Capacity	*624	*624	*624	*624	*624	*624	*598	*598	*598	*598	
Enrollment	574	556	556	516	559	580	600	621	611	605	
Durham (1989)											
Value	6,271,036	6,271,036	6,271,036	6,271,036	6,365,422	6,365,422	6,365,422	6,373,372	6,373,372	6,373,372	13,687,601
Square Feet	65,322	65,322	65,322	65,322	65,322	65,322	65,322	65,322	65,322	65,322	
Capacity	*598	*598	*598	*598	*598	*598	*598	*598	*598	*598	
Enrollment	556	548	548	550	563	574	584	530	552	560	
Mary Woodward (1979)											
Value	4,022,170	4,022,170	4,022,170	4,309,940	4,327,667	4,327,667	4,327,667	4,377,558	4,377,558	4,377,558	7,929,853
Square Feet	68,330	68,330	68,330	68,330	68,330	68,330	68,330	68,330	68,330	68,330	
Capacity	*624	*624	*624	*624	*624	*624	*598	*598	*598	*598	
Enrollment	500	467	467	424	476	469	505	515	534	569	

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>Building only</u> <u>Ins. Value</u> <u>2018-19</u>
<u>Elementary Schools</u>											
Metzger (2004)											
Value	11,005,106	11,005,106	11,005,106	11,005,106	11,024,992	11,024,992	11,024,992	11,024,992	11,024,992	11,024,992	10,992,607
Square Feet	69,981	69,981	69,981	69,981	69,981	69,981	69,981	69,981	69,981	69,981	
Capacity	*546	*546	*546	*546	*546	*546	*624	*624	*624	*624	
Enrollment	582	574	574	570	620	648	645	652	665	618	
James Templeton (1965)											
Value	5,227,913	5,227,913	5,227,913	5,227,913	5,227,913	5,227,913	5,227,913	5,227,913	5,227,913	5,227,913	6,964,808
Square Feet	50,478	50,478	50,478	50,478	50,478	50,478	50,478	50,478	50,478	50,478	
Capacity	*598	*598	*598	*598	*598	*598	*598	*598	*598	*598	
Enrollment	588	614	614	596	574	581	577	593	611	556	
New Tualatin (2004)											
Value	11,075,135	11,075,135	11,075,135	11,075,135	11,079,086	11,079,086	11,079,086	11,079,086	11,079,086	11,079,086	10,992,607
Square Feet	76,024	76,024	76,024	76,024	76,024	76,024	76,024	76,024	76,024	76,024	
Capacity	*598	*598	*598	*598	*598	*598	*624	*624	*624	*624	
Enrollment	562	584	584	617	577	572	554	556	535	488	
Old Tualatin (1930)											
Value	2,333,606	Sold		-	-	-	-	-	-	-	-
Square Feet	67,000	67,000	-	-	-	-	-	-	-	-	-
Capacity	-	-	-	-	-	-	-	-	-	-	-
Enrollment	-	-	-	-	-	-	-	-	-	-	-
<u>Middle Schools</u>											
Thomas Fowler (1971)											
Value	11,466,927	11,466,927	11,466,927	11,551,070	12,269,116	12,269,116	12,269,116	12,269,116	12,269,116	21,687,681	22,458,345
Square Feet	124,488	124,488	124,488	124,488	124,488	124,488	124,488	124,488	124,488	124,488	
Capacity	*983	*983	*983	*983	*983	*983	*1000	*1000	*1000	*1000	
Enrollment	885	823	823	802	804	815	804	803	801	835	
Hazelbrook (1992)											
Value	7,934,067	7,934,067	7,934,067	8,012,431	8,157,260	8,157,260	8,157,260	8,157,260	8,157,260	8,157,260	21,054,957
Square Feet	135,523	135,523	135,523	135,523	135,523	135,523	135,523	135,523	135,523	135,523	
Capacity	*1040	*1040	*1040	*1040	*1040	*1040	*1000	*1000	*1000	*1000	
Enrollment	1,013	959	959	988	1,027	984	959	966	970	995	
Twality (1963)											
Value	8,449,705	8,449,705	8,449,705	9,503,204	10,023,813	10,060,096	10,060,096	10,124,239	10,124,239	10,124,239	17,416,099
Square Feet	123,314	123,314	123,314	123,314	123,314	123,314	123,314	123,314	123,314	123,314	
Capacity	*942	*942	*942	*942	*942	*942	*942	*942	*942	*942	
Enrollment	1,020	1,012	1,012	1,049	1,051	1,024	1,062	1,026	1,066	1,034	
<u>High Schools</u>											
Tigard (1953)											
Value	27,001,397	27,001,397	27,001,397	27,109,997	27,239,959	27,371,134	27,371,134	27,371,134	27,371,134	27,371,134	50,824,176
Square Feet	269,639	269,639	269,639	269,639	269,639	269,639	269,639	269,639	269,639	269,639	
Capacity	*1776	*1776	*1776	*1776	*1776	*1776	*1776	*1776	*1776	*1776	
Enrollment	1,977	2,046	2,046	1,975	1,990	1,959	1,956	1,992	1,960	1,832	
Tualatin (1992)											
Value	19,836,558	19,836,558	19,836,558	19,843,020	23,061,107	23,061,989	23,061,989	23,077,489	23,077,489	23,077,489	45,484,794
Square Feet	321,064	321,064	321,064	321,064	321,064	321,064	321,064	321,064	321,064	321,064	
Capacity	*1888	*1888	*1888	*1888	*1888	*1888	*1888	*1888	*1888	*1888	
Enrollment	1,825	1,854	1,854	1,842	1,839	1,896	1,928	1,940	1,998	1,947	

	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>	<u>2018-19</u>	<u>Building only</u> <u>Ins. Value</u> <u>2018-19</u>
Other											
New Administration (2000)											
Value	4,211,600	4,211,600	4,211,600	4,211,600	4,501,326	4,501,326	4,501,326	4,501,326	4,501,326	4,501,326	11,162,642
Square Feet	74,936	74,936	74,936	74,936	74,936	74,936	74,936	74,936	74,936	74,936	
Durham Center (1919)											
Value	42,753	42,753	42,753	42,753	176,005	204,260	204,260	204,260	204,260	204,260	2,185,498
Square Feet	13,464	13,464	13,464	13,464	13,464	13,464	13,464	13,464	13,464	13,464	
Capacity	*105	*105	*105	*105	*105	*105	*105	*105	*105	*105	
Enrollment				67	66	55	46	52	50	52	
Tigard Swim Center (1974)											
Value	1,621,889	1,621,889	1,621,889	1,621,889	1,621,889	1,621,889	1,621,889	1,621,889	1,621,889	1,621,889	2,941,876
Square Feet	14,484	14,484	14,484	14,484	14,484	14,484	14,484	14,484	14,484	14,484	
Tualatin Swim Center (1998)											
Value	2,635,231	2,635,231	2,635,231	2,635,231	2,635,231	2,635,231	2,635,231	2,635,231	2,635,231	2,635,231	4,088,566
Square Feet	17,338	17,338	17,338	17,338	17,338	17,338	17,338	17,338	17,338	17,338	
Bus Garage - Tigard (1967)								(3)	(3)		
Value	186,443	186,443	186,443	186,443	186,443	186,443	186,443	186,443	186,443	186,443	1,598,516
Square Feet	5,521	5,521	5,521	5,521	5,521	5,521	5,521	5,521	5,521	5,521	
Bus Garage - Tualatin (2013)											
Value					158,753	158,753	158,753	158,753	158,753	158,753	154,788
Square Feet					1,792	1,792	1,792	1,792	1,792	1,792	
School Based Health Center(2007)											
Value	296,853	296,853	296,853	296,853	296,853	296,853	296,853	296,853	296,853	296,853	104,171
Square Feet	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	3,584	
School Based Health Center(2014)											
Value	-	-	-	-	-	388,642	388,642	388,642	388,642	388,642	
Square Feet	-	-	-	-	-	-	-	-	-	-	
Tigard-Tualatin On Line Academy											
Value	-	-	208,583	209,724	209,724	209,724	209,724	209,724	209,724	209,724	
Square Feet	-	-	5,596	5,596	5,596	5,596	5,596	5,596	5,596	5,596	
Enrollment											93

*Starting 2008-09 capacity is without portable classrooms. Prior years' capacity may or may not include portable classrooms.

Capacity Source: Tigard-Tualatin School District Capacity Report/Dull Olson Weekes Architects, Inc. (December 2009)

Source: Trended Property Schedule based on Pace appraisals

(1)Not included is the Alberta Rider Cabin for 123,331

(2)Value for CFT includes 2,166,825 for the BRTC bldg

(3)Portable at temp bus lot on 99 - 24,067

Portables are included in total values

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REQUIRED SCHEDULES, AUDIT COMMENTS & DISCLOSURES

Schedules Required by Oregon Department of Education

SUPPLEMENTAL INFORMATION, 2018-2019

School District Business Managers and Auditors:

This page is a required part of your annual audited financial statements. Please make sure it is included.

Part A is needed for computing Oregon's full allocation for ESEA, Title I & other Federal Funds for Education.

A. Energy Bill for Heating - All Funds:

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

	Objects 325 & 326
Function 2540	\$ 1,528,779
Function 2550	\$ 4,118

B. Replacement of Equipment – General Fund:

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

Exclude these functions:

1113, 1122 & 1132

1140

1300

1400

Co-curricular Activities

Pre-Kindergarten

Continuing Education

Summer School

Exclude these functions:

4150

2550

3100

3300

Construction

Pupil Transportation

Food Service

Community Services

\$ 550,699

2018-19 AUDIT REVENUE SUMMARY
Tigard-Tualatin School District 23J

Revenue from Local Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
1110 Ad Valorem Taxes Levied by District	\$56,869,909	\$0	\$20,254,969	\$0	\$0	\$0
1120 Local Option Ad Valorem Taxes Levied by District	\$9,463,320	\$0	\$0	\$0	\$0	\$0
1130 Construction Excise Tax	\$0	\$0	\$0	\$887,556	\$0	\$0
1190 Penalties and Interest on Taxes	\$68,600	\$0	\$18,411	\$0	\$0	\$0
1200 Revenue from Local Governmental Units Other Than Districts	\$0	\$0	\$0	\$0	\$0	\$0
1311 Regular Day School Tuition - From Individuals	\$19,935	\$0	\$0	\$0	\$0	\$0
1312 Regular Day School Tuition - Other Dist Within State	\$204,000	\$0	\$0	\$0	\$0	\$0
1313 Regular Day School Tuition - Other Districts Outside	\$0	\$0	\$0	\$0	\$0	\$0
1320 Adult/Continuing Education Tuition	\$0	\$0	\$0	\$0	\$0	\$0
1330 Summer School Tuition	\$0	\$0	\$0	\$0	\$0	\$0
1411 Transportation Fees - From Individuals	\$0	\$0	\$0	\$0	\$0	\$0
1412 Transportation Fees - Other Dist Within State	\$0	\$0	\$0	\$0	\$0	\$0
1413 Transportation Fees - Other Districts Outside	\$0	\$0	\$0	\$0	\$0	\$0
1420 Summer School Transportation Fees	\$0	\$0	\$0	\$0	\$0	\$0
1500 Earnings on Investments	\$1,489,495	\$27,742	\$273,785	\$3,057,501	\$0	\$64,760
1600 Food Service	\$0	\$1,152,832	\$0	\$0	\$0	\$0
1700 Extracurricular Activities	\$383,522	\$15,940	\$0	\$0	\$0	\$0
1800 Community Services Activities	\$132,553	\$179,725	\$0	\$0	\$0	\$0
1910 Rentals	\$0	\$402,650	\$151,761	\$0	\$0	\$0
1920 Contributions and Donations From Private Sources	\$0	\$1,870,916	\$0	\$0	\$0	\$0
1930 Rental or Lease Payments From Private Contractors	\$0	\$0	\$0	\$0	\$0	\$0
1940 Services Provided Other Local Education Agencies	\$0	\$0	\$0	\$0	\$0	\$0
1950 Textbook Sales and Rentals	\$0	\$0	\$0	\$0	\$0	\$0
1960 Recovery of Prior Years' Expenditure	\$393,083	\$0	\$0	\$0	\$50,729	\$0
1970 Services Provided Other Funds	\$0	\$0	\$3,623,366	\$0	\$98,209	\$0
1980 Fees Charged to Grants	\$199,765	\$0	\$0	\$0	\$0	\$0
1990 Miscellaneous	\$464,018	\$2,688,618	\$0	\$0	\$180,179	\$1,123,517
Total Revenue from Local Sources	\$69,688,201	\$6,338,423	\$24,322,291	\$3,945,057	\$329,117	\$1,188,277
Revenue from Intermediate Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
2101 County School Funds	\$309,693	\$0	\$0	\$0	\$0	\$0
2102 General ESD Revenue	\$1,200,000	\$2,882,272	\$0	\$0	\$0	\$0
2103 Excess ESD Local Revenue	\$0	\$0	\$0	\$0	\$0	\$0
2105 Natural Gas, Oil, and Mineral Receipts	\$0	\$0	\$0	\$0	\$0	\$0
2110 Intermediate "I" Tax	\$0	\$0	\$0	\$0	\$0	\$0
2199 Other Intermediate Sources	\$0	\$22,060	\$0	\$0	\$0	\$0
2200 Restricted Revenue	\$0	\$328,980	\$0	\$0	\$0	\$0
2800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0
2900 Revenue for/on Behalf of the District	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue from Intermediate Sources	\$1,509,693	\$3,233,312	\$0	\$0	\$0	\$0
Revenue from State Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
3101 State School Fund - General Support	\$64,670,468	\$0	\$0	\$0	\$0	\$0
3102 State School Fund - School Lunch Match	\$0	\$35,723	\$0	\$0	\$0	\$0
3103 Common School Fund	\$1,406,242	\$0	\$0	\$0	\$0	\$0
3104 State Managed County Timber	\$0	\$0	\$0	\$0	\$0	\$0
3106 State School Fund - Accrual	\$0	\$0	\$0	\$0	\$0	\$0
3199 Other Unrestricted Grants-in-Aid	\$3,718,832	\$0	\$0	\$0	\$0	\$0
3204 Driver Education	\$70,852	\$0	\$0	\$0	\$0	\$0
3222 State School Fund (SSF) Transportation Equipment	\$0	\$120,530	\$0	\$0	\$0	\$0
3299 Other Restricted Grants-in-Aid	\$0	\$3,637,433	\$0	\$0	\$0	\$0
3800 Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0
3900 Revenue for/on Behalf of the District	\$0	\$0	\$0	\$0	\$0	\$0
Total Revenue from State Sources	\$69,866,394	\$3,793,686	\$0	\$0	\$0	\$0
Revenue from Federal Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
4100 Unrestricted Revenue Direct From the Federal Government	\$0	\$0	\$0	\$0	\$0	\$0
4200 Unrestricted Revenue From the Federal Government Through the State	\$0	\$0	\$0	\$0	\$0	\$0
4300 Restricted Revenue From the Federal Government	\$0	\$300,026	\$0	\$0	\$0	\$0
4500 Restricted Revenue From the Federal Government Through the State	\$18,739	\$6,808,142	\$0	\$0	\$0	\$0
4700 Grants-In-Aid From the Federal Government Through Other Intermediate Agencies	\$0	\$4,737	\$0	\$0	\$0	\$0
4801 Federal Forest Fees	\$1,072	\$0	\$0	\$0	\$0	\$0
4802 Impact Aid to School Districts for Operation (PL 874)	\$0	\$0	\$0	\$0	\$0	\$0
4803 Coos Bay Wagon Road Funds	\$0	\$0	\$0	\$0	\$0	\$0
4899 Other Revenue in Lieu of Taxes	\$0	\$0	\$0	\$0	\$0	\$0
4900 Revenue for/on Behalf of the District	\$0	\$265,184	\$0	\$0	\$0	\$0
Total Revenue from Federal Sources	\$19,811	\$7,378,089	\$0	\$0	\$0	\$0
Revenue from Other Sources	Fund 100	Fund 200	Fund 300	Fund 400	Fund 600	Fund 700
5100 Long Term Debt Financing Sources	\$0	\$0	\$916,205	\$112,314,949	\$0	\$0
5200 Interfund Transfers	\$0	\$1,233,426	\$505,382	\$0	\$0	\$0
5300 Sale of or Compensation for Loss of Fixed Assets	\$968	\$3,679	\$0	\$0	\$0	\$0
5400 Resources - Beginning Fund Balance	\$25,264,006	\$9,296,849	\$474,896	\$217,895,566	\$1,979,480	\$2,738,187
Total Revenue from Other Sources	\$25,264,974	\$10,533,954	\$1,896,483	\$330,210,515	\$1,979,480	\$2,738,187
Grand Total	\$166,349,072	\$31,277,465	\$26,218,774	\$334,155,571	\$2,308,597	\$3,926,464

2018-19 DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

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	\$29,150,294	\$16,800,535	\$11,218,525	\$680,203	\$450,624	\$0	\$408	\$0
1113	Elementary Extracurricular	\$73,505	\$51,534	\$17,346	\$358	\$4,266	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$14,961,871	\$8,572,390	\$5,610,139	\$427,853	\$329,077	\$0	\$22,412	\$0
1122	Middle/Junior High School Extracurricular	\$113,318	\$72,451	\$26,931	\$3,892	\$9,803	\$0	\$240	\$0
1131	High School Programs	\$20,594,652	\$11,658,135	\$7,607,955	\$859,835	\$434,587	\$2,758	\$31,382	\$0
1132	High School Extracurricular	\$1,976,740	\$1,255,352	\$490,609	\$50,563	\$69,682	\$5,678	\$104,856	\$0
1140	Pre-Kindergarten Programs	\$648,344	\$234,089	\$163,394	\$229,132	\$21,729	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$360,821	\$211,230	\$135,858	\$1,212	\$12,457	\$0	\$65	\$0
1220	Restrictive Programs for Students with Disabilities	\$2,134,347	\$1,160,921	\$826,086	\$128,130	\$19,189	\$0	\$20	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$9,759,925	\$5,143,652	\$4,225,338	\$364,725	\$26,210	\$0	\$0	\$0
1260	Treatment and Habilitation	\$31,747	\$0	\$0	\$31,747	\$0	\$0	\$0	\$0
1271	Remediation	\$1,126,478	\$663,449	\$332,519	\$3,382	\$127,128	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$4,173,012	\$1,244,076	\$887,240	\$2,013,984	\$26,696	\$0	\$1,016	\$0
1291	English Second Language Programs	\$3,596,930	\$2,008,744	\$1,495,088	\$80,992	\$12,106	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$93,659	\$14,019	\$5,331	\$20,479	\$0	\$0	\$53,830	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$88,795,644	\$49,090,578	\$33,042,359	\$4,896,488	\$1,543,555	\$8,435	\$214,229	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$1,370,725	\$809,463	\$523,785	\$34,165	\$3,222	\$0	\$90	\$0
2120	Guidance Services	\$5,693,103	\$3,134,365	\$2,163,273	\$373,446	\$20,566	\$0	\$1,454	\$0
2130	Health Services	\$615,785	\$241,117	\$171,750	\$198,454	\$4,428	\$0	\$36	\$0
2140	Psychological Services	\$534,793	\$314,875	\$207,924	\$1,056	\$10,937	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$233,634	\$137,708	\$95,267	\$79	\$328	\$0	\$253	\$0
2160	Other Student Treatment Services	\$73,534	\$0	\$0	\$73,534	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$496,553	\$292,368	\$185,736	\$6,921	\$10,337	\$0	\$1,190	\$0
2210	Improvement of Instruction Services	\$1,806,531	\$1,050,187	\$682,331	\$54,713	\$17,615	\$0	\$1,685	\$0
2220	Educational Media Services	\$1,191,130	\$622,095	\$494,163	\$8,436	\$66,197	\$0	\$240	\$0
2230	Assessment & Testing	\$565,729	\$269,631	\$151,441	\$138,233	\$5,575	\$0	\$850	\$0
2240	Instructional Staff Development	\$1,214,488	\$346,393	\$220,136	\$643,526	\$3,551	\$0	\$881	\$0
2310	Board of Education Services	\$419,477	\$0	\$0	\$158,052	\$10,531	\$0	\$250,895	\$0
2320	Executive Administration Services	\$826,027	\$457,982	\$267,956	\$44,330	\$50,051	\$0	\$5,708	\$0
2410	Office of the Principal Services	\$9,625,127	\$5,639,110	\$3,739,337	\$138,586	\$104,230	\$0	\$3,864	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$395,212	\$205,981	\$125,244	\$41,177	\$13,563	\$0	\$9,248	\$0
2520	Fiscal Services	\$1,578,117	\$720,336	\$513,886	\$17,012	\$20,176	\$0	\$306,708	\$0
2540	Operation and Maintenance of Plant Services	\$10,785,356	\$2,985,395	\$2,285,151	\$3,597,947	\$797,371	\$913,701	\$205,791	\$0
2550	Student Transportation Services	\$7,022,697	\$876,333	\$776,036	\$5,191,591	\$136,734	\$41,517	\$486	\$0
2570	Internal Services	\$767,519	\$203,139	\$138,780	\$251,843	\$149,140	\$20,562	\$4,054	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$558,595	\$285,990	\$125,119	\$60,824	\$85,197	\$0	\$1,465	\$0
2640	Staff Services	\$1,103,386	\$399,440	\$453,584	\$152,887	\$44,694	\$0	\$52,781	\$0
2660	Technology Services	\$2,105,333	\$935,139	\$576,109	\$312,902	\$279,247	\$0	\$1,936	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$35,874	\$16,884	\$5,186	\$13,804	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$49,018,725	\$19,943,929	\$13,902,195	\$11,513,517	\$1,833,689	\$975,780	\$849,615	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$5,470	\$3,105	\$2,365	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$178,590	\$91,231	\$79,521	\$7,584	\$255	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$76,185	\$44,290	\$31,895	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$260,245	\$138,625	\$113,782	\$7,584	\$255	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$309,516	\$0	\$0	\$0	\$0	\$0	\$0	\$309,516
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$309,516	\$0	\$0	\$0	\$0	\$0	\$0	\$309,516
Grand Total		\$138,384,131	\$69,173,132	\$47,058,336	\$16,417,589	\$3,377,499	\$984,215	\$1,063,843	\$309,516

DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

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	\$356,281	\$105,537	\$24,006	\$52,614	\$173,190	\$0	\$934	\$0
1113	Elementary Extracurricular	\$101,901	\$45,194	\$15,604	\$7,399	\$32,603	\$0	\$1,101	\$0
1121	Middle/Junior High Programs	\$389,780	\$36,374	\$17,434	\$155,175	\$115,407	\$62,825	\$2,564	\$0
1122	Middle/Junior High School Extracurricular	\$207,994	\$3,100	\$1,170	\$-2,138	\$205,862	\$0	\$0	\$0
1131	High School Programs	\$903,306	\$177,253	\$108,574	\$125,251	\$330,369	\$43,248	\$118,611	\$0
1132	High School Extracurricular	\$1,769,800	\$172,354	\$26,937	\$170,721	\$1,385,197	\$0	\$14,591	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$2,446	\$0	\$0	\$2,315	\$131	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$1,766,527	\$273,212	\$228,452	\$1,219,553	\$40,053	\$0	\$5,256	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$1,394,365	\$643,256	\$441,951	\$301,995	\$7,162	\$0	\$0	\$0
1260	Treatment and Habilitation	\$248,604	\$1,697	\$1,111	\$245,796	\$0	\$0	\$0	\$0
1271	Remediation	\$43	\$0	\$0	\$0	\$43	\$0	\$0	\$0
1272	Title I	\$1,806,415	\$1,076,382	\$571,522	\$25,229	\$54,395	\$0	\$78,887	\$0
1280	Alternative Education	\$134,365	\$546	\$192	\$26,194	\$69,418	\$38,015	\$0	\$0
1291	English Second Language Programs	\$33,870	\$11,031	\$8,755	\$0	\$14,084	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$297,245	\$148,901	\$110,113	\$8,546	\$13,515	\$5,057	\$11,113	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$9,412,940	\$2,694,837	\$1,555,822	\$2,338,652	\$2,441,428	\$149,145	\$233,056	\$0

Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$9,090	\$186	\$56	\$8,848	\$0	\$0	\$0	\$0
2120	Guidance Services	\$1,844,368	\$844,339	\$463,489	\$307,009	\$191,838	\$13,020	\$24,673	\$0
2130	Health Services	\$14,753	\$0	\$0	\$14,753	\$0	\$0	\$0	\$0
2140	Psychological Services	\$189,275	\$40,974	\$25,597	\$122,490	\$215	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$712,356	\$105,177	\$47,815	\$558,974	\$320	\$0	\$70	\$0
2160	Other Student Treatment Services	\$302	\$0	\$0	\$302	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$156,633	\$94,272	\$62,361	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$424,297	\$224,606	\$128,407	\$43,133	\$27,046	\$0	\$1,104	\$0
2220	Educational Media Services	\$5,169	\$0	\$0	\$0	\$5,169	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$1,789,351	\$753,710	\$469,492	\$424,453	\$126,965	\$0	\$14,731	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$131	\$0	\$0	\$0	\$131	\$0	\$0	\$0
2410	Office of the Principal Services	\$139,016	\$70,085	\$33,567	\$1,986	\$33,042	\$0	\$336	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$4,464	\$1,337	\$106	\$1,650	\$1,371	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$295,768	\$0	\$0	\$45,599	\$1,369	\$248,800	\$0	\$0
2550	Student Transportation Services	\$278,957	\$0	\$0	\$278,957	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Serv	\$115,877	\$69,396	\$46,481	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$19,193	\$0	\$0	\$731	\$18,462	\$0	\$0	\$0
2640	Staff Services	\$49,348	\$7,850	\$3,018	\$37,562	\$917	\$0	\$0	\$0
2660	Technology Services	\$393,916	\$0	\$0	\$115,351	\$278,565	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2680	Interpretation and Translation Services	\$7,584	\$91	\$29	\$7,464	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$6,449,849	\$2,212,022	\$1,280,419	\$1,969,261	\$685,412	\$261,820	\$40,914	\$0

Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$4,142,725	\$1,141,107	\$1,021,201	\$86,337	\$1,851,292	\$28,754	\$14,034	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$769,428	\$277,545	\$176,335	\$268,409	\$42,106	\$0	\$5,033	\$0
3500	Custody and Care of Children Services	\$50,045	\$23,389	\$14,321	\$4,324	\$5,512	\$0	\$2,499	\$0
Total Enterprise and Community Services Expenditures		\$4,962,198	\$1,442,042	\$1,211,857	\$359,071	\$1,898,909	\$28,754	\$21,566	\$0

Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$918,909	\$0	\$0	\$0	\$0	\$0	\$0	\$918,909
5300	Apportionment of Funds by ESD	\$444,820	\$0	\$0	\$0	\$0	\$0	\$0	\$444,820
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$1,363,729	\$0	\$0	\$0	\$0	\$0	\$0	\$1,363,729

Grand Total **\$22,188,716** **\$6,348,901** **\$4,048,098** **\$4,666,983** **\$5,025,750** **\$439,719** **\$295,536** **\$1,363,729**

2018-19 DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$25,133,513	\$0	\$0	\$0	\$0	\$0	\$25,133,513	\$0
5200	Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$25,133,513	\$0	\$0	\$0	\$0	\$0	\$25,133,513	\$0

Grand Total	\$25,133,513	\$0	\$0	\$0	\$0	\$0	\$0	\$25,133,513	\$0
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2018-19 DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$3,694,306	\$497,948	\$297,712	\$2,236,736	\$55,159	\$0	\$606,751	\$0
4120	Site Acquisition and Development Services	\$5,485,606	\$0	\$0	\$405,494	\$84	\$4,979,090	\$100,939	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$87,896,355	\$0	\$0	\$69,575,427	\$135,945	\$16,848,448	\$1,336,535	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$4,008,009	\$6,210	\$2,420	\$1,002	\$1,328,297	\$2,670,081	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$101,084,277	\$504,158	\$300,132	\$72,218,660	\$1,519,484	\$24,497,619	\$2,044,225	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$505,382	\$0	\$0	\$0	\$0	\$0	\$0	\$505,382
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$505,382	\$0	\$0	\$0	\$0	\$0	\$0	\$505,382
Grand Total		\$101,589,659	\$504,158	\$300,132	\$72,218,660	\$1,519,484	\$24,497,619	\$2,044,225	\$505,382

2018-19 DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Se	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grand Total		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2018-19 DISTRICT AUDIT EXPENDITURE SUMMARY
Tigard-Tualatin School District 23J

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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1113	Elementary Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1121	Middle/Junior High Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1122	Middle/Junior High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1131	High School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1132	High School Extracurricular	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1140	Pre-Kindergarten Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1210	Programs for the Talented and Gifted	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1220	Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1250	Less Restrictive Programs for Students with Disabilities	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1260	Treatment and Habilitation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1271	Remediation	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1272	Title I	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1280	Alternative Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1291	English Second Language Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1292	Teen Parent Program	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1293	Migrant Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1294	Youth Corrections Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1299	Other Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1300	Adult/Continuing Education Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1400	Summer School Programs	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Instruction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Support Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
2110	Attendance and Social Work Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2120	Guidance Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2130	Health Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2140	Psychological Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2150	Speech Pathology and Audiology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2160	Other Student Treatment Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2190	Service Direction, Student Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2210	Improvement of Instruction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2220	Educational Media Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2230	Assessment & Testing	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2240	Instructional Staff Development	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2310	Board of Education Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2320	Executive Administration Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2410	Office of the Principal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2490	Other Support Services - School Administration	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2510	Direction of Business Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2520	Fiscal Services	\$16,500	\$0	\$0	\$16,500	\$0	\$0	\$0	\$0
2540	Operation and Maintenance of Plant Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2550	Student Transportation Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2570	Internal Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2610	Direction of Central Support Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2620	Planning, Research, Development, Evaluation Services, Grant Writing and Statistical Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2630	Information Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2640	Staff Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2660	Technology Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2670	Records Management Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2690	Other Support Services - Central	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2700	Supplemental Retirement Program	\$1,063,655	\$159,075	\$904,580	\$0	\$0	\$0	\$0	\$0
Total Support Services Expenditures		\$1,080,155	\$159,075	\$904,580	\$16,500	\$0	\$0	\$0	\$0
Enterprise and Community Services Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
3100	Food Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3200	Other Enterprise Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3300	Community Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3500	Custody and Care of Children Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Enterprise and Community Services Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Facilities Acquisition and Construction Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
4110	Service Area Direction	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4120	Site Acquisition and Development Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4150	Building Acquisition, Construction, and Improvement Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4180	Other Capital Items	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
4190	Other Facilities Construction Services	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Facilities Acquisition and Construction Expenditures		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other Uses Expenditures		Totals	Object 100	Object 200	Object 300	Object 400	Object 500	Object 600	Object 700
5100	Debt Service	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5200	Transfers of Funds	\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
5300	Apportionment of Funds by ESD	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5400	PERS UAL Bond Lump Sum	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Other Uses Expenditures		\$5,000	\$0	\$0	\$0	\$0	\$0	\$0	\$5,000
Grand Total		\$1,085,155	\$159,075	\$904,580	\$16,500	\$0	\$0	\$0	\$5,000

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Audit Comments and Disclosures Required by State Regulations

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December 4, 2019

Independent Auditors' Report Required by Oregon State Regulations

We have audited the basic financial statements of the Tigard-Tualatin School District No. 23J as of and for the year ended June 30, 2019, and have issued our report thereon dated December 4, 2019. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and Government Auditing Standards.

Compliance

As part of obtaining reasonable assurance about whether the basic financial statements are free of material misstatement, we performed tests of 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 Tigard-Tualatin School District No. 23J 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 internal controls over financial reporting as a basis for designing our auditing procedures 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 internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the internal controls over financial reporting.

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

A handwritten signature in black ink that reads "Tara M Kamp, CPA". The signature is written in a cursive, flowing style.

Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.

GRANT COMPLIANCE



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December 4, 2019

To the Board of Directors
Tigard-Tualatin School District No. 23J
Washington County, Oregon

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Tigard-Tualatin School District No. 23J as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the basic financial statements, and have issued our report thereon dated December 4, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we do not express an opinion on the effectiveness of 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 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 financial statements are free from material misstatement, we performed tests of 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 internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Tara M Kamp, CPA". The signature is written in a cursive, flowing style.

Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.



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December 4, 2019

To the Board of Directors
Tigard-Tualatin School District No. 23J
Washington County, Oregon

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

Report on Compliance for Each Major Federal Program

We have audited Tigard-Tualatin School District No. 23J'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 major federal programs for the year ended June 30, 2019. The major federal programs are identified in the summary of auditors' 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.

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the 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 the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about 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 compliance.

Opinion on Each Major Federal Program

In our opinion, Tigard-Tualatin School District No. 23J 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, 2019.

Report on Internal Control Over Compliance

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

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

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

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



Tara M Kamp, CPA
PAULY, ROGERS AND CO., P.C.

TIGARD-TUALATIN SCHOOL DISTRICT NO. 23J
WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Year Ended June 30, 2019

SECTION I – SUMMARY OF AUDITORS’ RESULTS

FINANCIAL STATEMENTS

Type of auditors’ report issued Unmodified

Internal control over financial reporting:

Material weakness(es) identified? ☐ yes ☒ no

Significant deficiency(s) identified that are not considered
to be material weaknesses? ☐ yes ☒ none reported

Noncompliance material to financial statements noted? ☐ yes ☒ no

Any GAGAS audit findings disclosed that are required to be reported in
accordance with section 515(d)(2) of the Uniform Guidance? ☐ yes ☒ no

FEDERAL AWARDS

Internal control over major programs:

Material weakness(es) identified? ☐ yes ☒ no

Significant deficiency(s) identified that are not considered
to be material weaknesses? ☐ yes ☒ none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance
with section 200.516(a) of the Uniform Guidance? ☐ yes ☒ no

IDENTIFICATION OF MAJOR PROGRAMS

CFDA NUMBER

NAME OF FEDERAL PROGRAM CLUSTER

84.010

Title I A

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Auditee qualified as low-risk auditee? ☒ yes ☐ no

TIGARD-TUALATIN SCHOOL DISTRICT NO. 23J
WASHINGTON COUNTY, OREGON

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For the Year Ended June 30, 2019

SECTION II – FINANCIAL STATEMENT FINDINGS

None reported

SECTION III – FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

None reported

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL EXPENDITURES

1. **BASIS OF PRESENTATION**

The accompanying schedule of expenditures of federal awards includes federal grant activity under programs of the federal government. The information in this schedule is presented in accordance with 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). Because the schedule presents only a selected portion of the operations, it is not intended to and does not present the net position, changes in net position, or cash flows of the entity.

2. **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, wherein certain types of expenditures are not allowed or are limited as to reimbursement. Negative amounts shown on the schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The entity has not elected to use the ten percent de minimus indirect cost rate as allowed under Uniform Guidance, due to the fact that they already have a negotiated indirect cost rate with Oregon Department of Education, and thus is not allowed to use the de minimus rate.

The End